

AN ACT concerning telecommunications.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

ARTICLE 5.

Section 5-1. Short title. This Article may be cited as the
Broadband Access on Passenger Rail Law.

Section 5-5. Definitions. As used in this Article:

"Department" means the Department of Transportation.

"Passenger rail systems" includes all passenger rail
systems maintained by the National Passenger Railroad
Corporation in Illinois and those passenger rail systems under
the jurisdiction of the Commuter Rail Board as established in
Section 3B.08 of the Regional Transportation Authority Act.

Section 5-10. Broadband Access on Passenger Rail Plan. The
Department shall deliver to the Governor and General Assembly a
plan for ensuring high speed data transmission services on all
passenger rail systems in Illinois at fair and reasonable
prices no later than December 31, 2007. The plan shall include
recommendations for acquiring necessary rights of way,
installation of necessary infrastructure, operation of high
speed data transmission services, and funding sources.

ARTICLE 10.

Section 10-90. The Public Utilities Act is amended by changing Sections 13-505.4, 13-701, and 13-1200 as follows:

(220 ILCS 5/13-505.4) (from Ch. 111 2/3, par. 13-505.4)

(Section scheduled to be repealed on July 1, 2007)

Sec. 13-505.4. Provision of noncompetitive services.

(a) A telecommunications carrier that offers or provides a noncompetitive service, service element, feature, or functionality on a separate, stand-alone basis to any customer shall provide that service, service element, feature, or functionality pursuant to tariff to all persons, including all telecommunications carriers and competitors, in accordance with the provisions of this Article.

(b) A telecommunications carrier that offers or provides a noncompetitive service, service element, feature, or functionality to any customer as part of an offering of competitive services pursuant to tariff or contract shall publicly disclose the offering or provisioning of the noncompetitive service, service element, feature, or functionality by filing with the Commission information that generally describes the offering or provisioning and that shows the rates, terms, and conditions of the noncompetitive service, service element, feature, or functionality. The information

shall be filed with the Commission concurrently with the filing of the tariff or not more than 10 days following the customer's acceptance of the offering in a contract.

(c) A telecommunications carrier that is not subject to regulation under an alternative regulation plan pursuant to Section 13-506.1 of this Act may reduce the rate or charge for a noncompetitive service, service element, feature, or functionality offered to customers on a separate, stand-alone basis or as part of a bundled service offering by filing with the Commission a tariff that shows the reduced rate or charge and all applicable terms and conditions of the noncompetitive service, service element, feature, or functionality or bundled offering. The reduction of rates or charges shall be permitted upon the filing of the proposed rate, charge, classification, tariff, or bundled offering. The total price of a bundled offering shall not attribute any portion of the charge to services subject to the jurisdiction of the Commission and shall not be binding on the Commission in any proceeding under Article IX of this Act to set the revenue requirement or to set just and reasonable rates for services subject to the jurisdiction of the Commission. Prices for bundles shall not be subject to Section 13-505.1 of this Act. For purposes of this subsection (c), a bundle is a group of services offered together for a fixed price where at least one of the services is an interLATA service as that term is defined in 47 U.S.C. 153(21), a cable service or a video service, a community

antenna television service, a satellite broadcast service, a public mobile service as defined in Section 13-214 of this Act, or an advanced telecommunications service as "advanced telecommunications services" is defined in Section 13-517 of this Act.

(Source: P.A. 87-856.)

(220 ILCS 5/13-701) (from Ch. 111 2/3, par. 13-701)

(Section scheduled to be repealed on July 1, 2007)

Sec. 13-701. (a) Notwithstanding any other provision of this Act to the contrary, the Commission has no power to supervise or control any telephone cooperative as respects assessment schedules or local service rates made or charged by such a cooperative on a nondiscriminatory basis. In addition, the Commission has no power to inquire into, or require the submission of, the terms, conditions or agreements by or under which telephone cooperatives are financed. A telephone cooperative shall file with the Commission either a copy of the annual financial report required by the Rural Electrification Administration, or the annual financial report required of other public utilities.

Sections 13-712 and 13-713 of this Act do not apply to telephone cooperatives.

(Source: P.A. 84-1063.)

(220 ILCS 5/13-1200)

(Section scheduled to be repealed on July 1, 2007)

Sec. 13-1200. Repealer. This Article is repealed July 1, 2009 ~~2007~~.

(Source: P.A. 94-76, eff. 6-24-05.)

ARTICLE 15.

Section 15-5. The Public Utilities Act is amended by adding the heading of Article XXI and Sections 21-100, 21-101, 21-101.1, 21-201, 21-301, 21-401, 21-601, 21-701, 21-801, 21-901, 21-1001, 21-1101, 21-1201, 21-1301, 21-1401, 21-1501, and 21-1601 as follows:

(220 ILCS 5/Art. XXI heading new)

ARTICLE XXI. CABLE AND VIDEO COMPETITION

(220 ILCS 5/21-100 new)

Sec. 21-100. Short title. This Article may be cited as the Cable and Video Competition Law of 2007.

(220 ILCS 5/21-101 new)

Sec. 21-101. Findings. With respect to cable and video competition, the General Assembly finds that:

(a) The economy in the State of Illinois will be enhanced by investment in new communications, cable services and video services infrastructure, including broadband facilities, fiber

optic, and Internet protocol technologies.

(b) Cable services and video services bring important daily benefits to Illinois consumers by providing news, education, and entertainment.

(c) Competitive cable service and video service providers are capable of providing new video programming services and competition to Illinois consumers and of decreasing the prices for video programming services paid by Illinois consumers.

(d) Although there has been some competitive entry into the facilities-based video programming market since current franchising requirements in this State were enacted, further entry by facilities-based providers could benefit consumers, provided cable and video services are equitably available to all Illinois consumers at reasonable prices.

(e) The provision of competitive cable services and video services is a matter of statewide concern that extends beyond the boundaries of individual local units of government. Notwithstanding the foregoing, public rights-of-way are limited resources over which the municipality has a custodial duty to ensure that they are used, repaired and maintained in a manner that best serves the public interest.

(f) The State authorization process and uniform standards and procedures in this Article are intended to enable rapid and widespread entry by competitive providers which will bring to Illinois consumers the benefits of video competition including providing consumers with more choice, lower prices, higher

speed and more advanced Internet access, more diverse and varied news, public information, education, and entertainment programming, and will bring to this State and its local units of government the benefits of new infrastructure investment, job growth, and innovation in broadband and Internet protocol technologies and deployment.

(g) Providing an incumbent cable or video service provider with the option to secure a State-issued authorization through the termination of existing cable franchises between incumbent cable and video service providers and any local franchising authority, is part of the new regulatory framework established by this Article. This Article is intended to best ensure equal treatment and parity among providers and technologies.

(220 ILCS 5/21-101.1 new)

Sec. 21-101.1. Applicability. The provisions of this amendatory Act of the 95th Illinois General Assembly shall apply only to a holder of a cable service or video service authorization issued by the Commission pursuant to this Article XXI of the Public Utilities Act, and shall not apply to any person or entity that provides cable television services under a cable television franchise issued by any municipality or county pursuant to Section 11-42-11 of the Illinois Municipal Code (65 ILCS 5/11-42-11) or Section 5-1095 of the Counties Code (55 ILCS 5/5-1095), unless specifically provided for herein. A local unit of government that has an existing

agreement for the provision of video services with a company or entity that uses its telecommunications facilities to provide video service as of May 30, 2007 may continue to operate under that agreement or may, at its discretion, terminate the existing agreement and require the video provider to obtain a State-issued authorization under this Article.

(220 ILCS 5/21-201 new)

Sec. 21-201. Definitions. As used in this Article:

(a) "Access" means that the cable or video provider is capable of providing cable services or video services at the household address using any technology, other than direct-to-home satellite service, which provides two-way broadband Internet capability and video programming, content, and functionality, regardless of whether any customer has ordered service or whether the owner or landlord or other responsible person has granted access to the household. If more than one technology is used, the technologies shall provide similar two-way broadband Internet accessibility and similar video programming.

(b) "Basic cable or video service" means any cable or video service offering or tier which includes the retransmission of local television broadcast signals.

(c) "Broadband service" means a high speed service connection to the public Internet capable of supporting, in at least one direction, a speed in excess of 200 kilobits per

second (kbps) to the network demarcation point at the subscriber's premises.

(d) "Cable operator" means that term as defined in 47 U.S.C. 522(5).

(e) "Cable service" means that term as defined in 47 U.S.C. 522(6).

(f) "Cable system" means that term as defined in 47 U.S.C. 522(7).

(g) "Commission" means the Illinois Commerce Commission.

(h) "Competitive cable service or video service provider" means a person or entity that is providing or seeks to provide cable service or video service in an area where there is at least one incumbent cable operator.

(i) "Designated Market Area" means a designated market area, as determined by Nielsen Media Research and published in the 1999-2000 Nielsen Station Index Directory and Nielsen Station Index United States Television Household Estimates or any successor publication. For any designated market area that crosses State lines, only households in the portion of the designated market area that is located within the holder's telecommunications service area in the State where access to video service will be offered shall be considered.

(j) "Footprint" means the geographic area designated by the cable service or video service provider as the geographic area in which it will offer cable services or video services during the period of its State-issued authorization. Each footprint

shall be identified in terms of either (i) exchanges, as that term is defined in Section 13-206 of the Public Utilities Act; (ii) a collection of United States Census Bureau Block numbers (13 digit); (iii) if the area is smaller than the areas identified in either (i) or (ii), by geographic information system digital boundaries meeting or exceeding national map accuracy standards; or (iv) local units of government.

(k) "Holder" means a person or entity that has received authorization to offer or provide cable or video service from the Commission pursuant to Section 21-401 of this Article.

(l) "Household" means a house, an apartment, a mobile home, a group of rooms, or a single room that is intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall. This definition is consistent with the United States Census Bureau, as that definition may be amended thereafter.

(m) "Incumbent cable operator" means a person or entity that provided cable services or video services in a particular area under a franchise agreement with a local unit of government pursuant to Section 11-42-11 of the Illinois Municipal Code (65 ILCS 5/11-42-11) or Section 5-1095 of the Counties Code (55 ILCS 5/5-1095) on January 1, 2007.

(n) "Local franchising authority" means the local unit of

government that has or requires a franchise with a cable operator, a provider of cable services or a provider of video services to construct or operate a cable or video system or to offer cable services or video services under Section 11-42-11 of the Illinois Municipal Code (65 ILCS 5/11-42-11) or Section 5-1095 of the Counties Code (55 ILCS 5/5-1095).

(o) "Local unit of government" means a city, village, incorporated town, or a county.

(p) "Low-income household" means those residential households located within the holder's existing telephone service area where the average annual household income is less than \$35,000 based on the United States Census Bureau estimates adjusted annually to reflect rates of change and distribution.

(q) "Public rights-of-way" means the areas on, below, or above a public roadway, highway, street, public sidewalk, alley, waterway, or utility easements dedicated for compatible uses.

(r) "Service" means the provision of "cable service" or "video service" to subscribers and the interaction of subscribers with the person or entity that has received authorization to offer or provide cable or video service from the Commission pursuant to Section 21-401 of this Article.

(s) "Service provider fee" means the amount paid under Section 21-801 of this Article by the holder to a municipality, or in the case of an unincorporated service area to a county, for service areas within its territorial jurisdiction, but

under no circumstances shall the service provider fee be paid to more than one local unit of government for the same portion of the holder's service area.

(t) "Telecommunications service area" means the area designated by the Commission as the area in which a telecommunications company was obligated to provide non-competitive local telephone service as of February 8, 1996 as incorporated into Section 13-202.5 of Article XIII of the Public Utilities Act.

(u) "Video programming" means that term as defined in 47 U.S.C. 522(20).

(v) "Video service" means video programming and subscriber interaction, if any, that is required for the selection or use of such video programming services, and which is provided through wireline facilities located at least in part in the public rights-of-way without regard to delivery technology, including Internet protocol technology. This definition does not include any video programming provided by a commercial mobile service provider defined in 47 U.S.C. 332(d) or any video programming provided solely as part of, and via, service that enables users to access content, information, electronic mail, or other services offered over the public Internet.

(220 ILCS 5/21-301 new)

Sec. 21-301. Eligibility.

(a) A person or entity seeking to provide cable service or

video service in this State after the effective date of this amendatory Act of the 95th General Assembly shall either (1) obtain a State-issued authorization pursuant to Section 401 of the Cable and Video Competition Act (220 ILCS 5/21-401); (2) obtain authorization pursuant to Section 11-42-11 of the Illinois Municipal Code (65 ILCS 5/11-42-11); or (3) obtain authorization pursuant to Section 5-1095 of the Counties Code (55 ILCS 5/5-1095).

(b) An incumbent cable operator shall be eligible to apply for a State-issued authorization as provided in subsection (c). Upon expiration of its current franchise agreement, an incumbent cable operator may obtain State authorization from the Commission pursuant to this Article or may pursue a franchise renewal with the appropriate local franchise authority under State and federal law. An incumbent cable operator and any successor-in-interest that receives a State-issued authorization shall be obligated to provide access to cable services or video services within any local unit of government at the same levels required by the local franchising authorities for the local unit of government on the effective date of this amendatory Act of the 95th General Assembly.

(c) (1) An incumbent cable operator may elect to terminate its agreement with the local franchising authority and obtain a State-issued authorization by providing written notice to the Commission and the affected local franchising authority and any

entity authorized by that franchising authority to manage public, education, and government access at least 180 days prior to its filing an application for a State-issued authorization. The existing agreement shall be terminated on the date that the Commission issues the State-issued authorization.

(2) An incumbent cable operator that elects to terminate an existing agreement with a local franchising authority under this Section is responsible for remitting to the affected local franchising authority and any entity designated by that local franchising authority to manage public, education, and government access before the 46th day after the date the agreement is terminated any accrued but unpaid fees due under the terminated agreement. If that incumbent cable operator has credit remaining from prepaid franchise fees, such amount of the remaining credit may be deducted from any future fees the incumbent cable operator must pay to the local franchising authority pursuant to Section 21-801(b) of this Article.

(3) An incumbent cable operator that elects to terminate an existing agreement with a local franchising authority under this Section shall pay the affected local franchising authority and any entity designated by that franchising authority to manage public, education, and government access, at the time that they would have been due, all monetary payments for public, education, or government access that would have been due during the remaining term of the agreement had it not been

terminated as provided in this paragraph. All payments made by an incumbent cable operator pursuant to the previous sentence of this paragraph may be credited against the fees that that operator owes under Section 21-801(d) (1) of this Article.

(d) For purposes of this Article, the Commission shall be the franchising authority for cable service or video service providers that apply for and obtain a State-issued authorization under this Article with regard to the footprint covered by such authorization. Notwithstanding any other provision of this Article, holders using telecommunications facilities to provide cable service or video service are not obligated to provide that service outside the holder's telecommunications service area.

(e) Any person or entity that applies for and obtains a State-issued authorization under this Article shall not be subject to Section 11-42-11 of the Illinois Municipal Code (65 ILCS 5/11-42-11) or Section 5-1095 of the Counties Code (55 ILCS 5/5-1095), except as provided in this Article. Except as provided under this Article, neither the Commission nor any local unit of government may require a person or entity that has applied for and obtained a State-issued authorization to obtain a separate franchise or pay any franchise fee on cable service or video service.

(220 ILCS 5/21-401 new)

Sec. 21-401. Applications.

(a) (1) A person or entity seeking to provide cable service or video service pursuant to this Article shall not use the public rights-of-way for the installation or construction of facilities for the provision of cable service or video service or offer cable service or video service until it has obtained a State-issued authorization to offer or provide cable or video service under Section 401 of this Article, except as provided for in subsection (a) (2). All cable or video providers offering or providing service in this State shall have authorization pursuant to either (i) the Cable and Video Competition Law of 2007 (220 ILCS 5/21-100 et seq.); (ii) Section 11-42-11 of the Illinois Municipal Code (65 ILCS 5/11-42-11); or (iii) Section 5-1095 of the Counties Code (55 ILCS 5/5-1095).

(2) Nothing in this Section shall prohibit a local unit of government from granting a permit to a person or entity for the use of the public rights-of-way to install or construct facilities to provide cable service or video service, at its sole discretion. No unit of local government shall be liable for denial or delay of a permit prior to the issuance of a State-issued authorization.

(b) The application to the Commission for State-issued authorization shall contain a completed affidavit submitted by the applicant and signed by an officer or general partner of the applicant affirming all of the following:

(1) That the applicant has filed or will timely file with the Federal Communications Commission all forms

required by that agency in advance of offering cable service or video service in this State;

(2) That the applicant agrees to comply with all applicable federal and State statutes and regulations;

(3) That the applicant agrees to comply with all applicable local unit of government regulations;

(4) An exact description of the cable service or video service area where the cable service or video service will be offered during the term of the State-issued authorization. The service area shall be identified in terms of either (i) exchanges, as that term is defined in Section 13-206 of the Public Utilities Act; (ii) a collection of United States Census Bureau Block numbers (13 digit); (iii) if the area is smaller than the areas identified in either (i) or (ii), by geographic information system digital boundaries meeting or exceeding national map accuracy standards; or (iv) local unit of government. The description shall include the number of low-income households within the service area or footprint. If an applicant is a an incumbent cable operator, the incumbent cable operator and any successor-in-interest shall be obligated to provide access to cable services or video services within any local units of government at the same levels required by the local franchising authorities for the local unit of government on the effective date of this amendatory Act of the 95th General Assembly and its

application shall provide a description of an area no smaller than the service areas contained in its franchise(s) within the jurisdiction of the local unit of government in which it seeks to offer cable or video service;

(5) The location and telephone number of the applicant's principal place of business within this State and the names of the applicant's principal executive officers who are responsible for communications concerning the application and the services to be offered pursuant to the application, the applicant's legal name and any name or names under which the applicant does or will provide cable services or video services in this State;

(6) A certification that the applicant has concurrently delivered a copy of the application to all local units of government that include all or any part of the service area identified in subsection (b)(4) within such local unit of government's jurisdictional boundaries;

(7) The expected date that cable service or video service will be initially offered in the area identified in subsection (b)(4). In the event that a holder does not offer cable services or video services within three months after the expected date, it shall amend its application and update the expected date service will be offered and explain the delay in offering cable services or video services;

(8) The application shall include adequate assurance that the applicant possesses the financial, managerial, legal, and technical qualifications necessary to construct and operate the proposed system, and to promptly repair any damage to the public right-of-way caused by the applicant, and to pay the cost of removal of its facilities. To accomplish these requirements, the applicant may, at the time the applicant seeks to use the public rights-of-way in that jurisdiction, be required by the State of Illinois and/or later be required by the local unit of government to post a bond, produce a certificate of insurance, or otherwise demonstrate its financial responsibility; and

(9) The application shall include the applicant's general standards related to customer service required by 220 ILCS 5/70-501, which shall include, but not be limited to, installation, disconnection, service and repair obligations; appointment hours, employee ID requirements; customer service telephone numbers and hours; procedures for billing, charges, deposits, refunds, and credits; procedures for termination of service; notice of deletion of programming service, changes related to transmission of programming or changes or increases in rates; use and availability of parental control or lock-out devices; complaint procedures and procedures for bill dispute resolution, and a description of the rights and remedies available to consumers if the holder does not materially

meet their customer service standards; and special services for customers with visual, hearing or mobility disabilities.

(c)(1) The applicant may designate information that it submits in its application or subsequent reports as confidential or proprietary, provided that the applicant states the reasons the confidential designation is necessary. The Commission shall provide adequate protection for such information pursuant to Section 5/4-404 of the Public Utilities Act. If the Commission, a local unit of government, or any other party seeks public disclosure of information designated as confidential, the Commission shall consider the confidential designation in a proceeding under the Administrative Procedures Act, and the burden of proof to demonstrate that the designated information is confidential shall be upon the applicant. Designated information shall remain confidential pending the Commission's determination of whether the information is entitled to confidential treatment. Information designated as confidential shall be provided to local units of government for purposes of assessing compliance with this Article as permitted under a Protective Order issued by the Commission pursuant to the Commission's rules and to the Attorney General pursuant to Section 6.5 of the Attorney General Act, 15 ILCS 205/6.5. Information designated as confidential under this Section or determined to be confidential upon Commission review shall only be disclosed

pursuant to a valid and enforceable subpoena or court order or as required by the Freedom of Information Act. Nothing herein shall delay the application approval timeframes set forth in this Article.

(2) Information regarding the location of video services that have been or are being offered to the public and aggregate information included in the reports required by this Article shall not be designated or treated as confidential.

(d)(1) The Commission shall post all applications it receives under this Article on its web site within five (5) business days.

(2) The Commission shall notify an applicant for a cable service or video service authorization whether the applicant's application and affidavit are complete on or before the 15th business day after the applicant submits the application. If the application and affidavit are not complete, the Commission shall state in its notice all of the reasons the application or affidavit are incomplete, and the applicant shall resubmit a complete application. The Commission shall have 30 days after submission by the applicant of a complete application and affidavit to issue the service authorization. If the Commission does not notify the applicant regarding the completeness of the application and affidavit or issue the service authorization within the time periods required under this subsection, the application and affidavit shall be considered complete and the service authorization issued upon the expiration of the 30th

day.

(e) The authorization issued by the Commission will expire on the date listed in Section 21-1601 and shall contain or include all of the following:

(1) A grant of authority to provide cable service or video service in the service area footprint as requested in the application, subject to the laws of the State and the ordinances, rules and regulations of the local units of government.

(2) A grant of authority to use, occupy, and construct facilities in the public rights-of-way for the delivery of cable service or video service in the service area footprint, subject to the laws, ordinances, rules or regulations of this State and local units of governments.

(3) A statement that the grant of authority is subject to lawful operation of the cable service or video service by the applicant, its affiliated entities or its successors-in-interest.

(4) The Commission shall notify a local unit of government within three (3) business days of the grant of any authorization within a service area footprint if that authorization includes any part of the local unit of government's jurisdictional boundaries.

(f) The authorization issued pursuant to Section 401 of this Article by the Commission may be transferred to any successor-in-interest to the applicant to which it is initially

granted without further Commission action if the successor-in-interest (i) submits an application and the information required by Section 21-401(b) for the successor-in-interest and (ii) is not in violation of this Article or of any federal, State, or local law, ordinance, rule or regulation. A successor-in-interest shall file its application and notice of transfer with the Commission and the relevant local units of government no less than fifteen (15) business days prior to the completion of the transfer. The Commission is not required or authorized to act upon the notice of transfer; however, the transfer is not effective until the Commission approves the successor-in-interest's application. A local unit of government or the Attorney General may seek to bar a transfer of ownership by filing suit in a court of competent jurisdiction predicated on the existence of a material and continuing breach of this Article by the holder, a pattern of noncompliance with customer service standards by the potential successor-in-interest, or the insolvency of the potential successor-in-interest. If a transfer is made when there are violations of this Article or of any federal, State, or local law, ordinance, rule or regulation, the successor-in-interest shall be subject to three times the penalties provided for in this Article.

(g) The authorization issued pursuant to Section 21-401 of this Article by the Commission may be terminated, or its cable service or video service area footprint may be modified, by the

cable service provider or video service provider by submitting notice to the Commission and to the relevant local unit of government containing a description of the change on the same terms as the initial description pursuant to Section 21-401(b)(4). The Commission is not required or authorized to act upon that notice. It shall be a violation of this Article for a holder to discriminate against potential residential subscribers because of the race or income of the residents in the local area in which the group resides by terminating or modifying its cable service or video service area footprint. It shall be a violation of this Article for a holder to terminate or modify its cable service or video service area footprint if it leaves an area with no cable service or video service from any provider.

(h) The Commission's authority to administer this Article is limited to the powers and duties explicitly provided under this Article. Its authority under this Article does not include or limit the powers and duties that the Commission has under the other Articles of the Public Utilities Act, the Illinois Administrative Procedure Act (5 ILCS 100/) or any other law or regulation to conduct proceedings other than as provided in subsection (c) above, or to promulgate rules or regulations. The Commission shall not have the authority to limit or expand the obligations and requirements provided in this Section, or to regulate or control a person or entity to the extent that person or entity is providing cable service or video service

except as provided in this Article.

(220 ILCS 5/21-601 new)

Sec. 21-601. Public, education, and government access. For the purposes of this Section, "programming" means content produced or provided by any person, group, governmental agency, or noncommercial public or private agency or organization.

(a) Not later than 90 days after a request by the local unit of government or its designee that has received notice under Section 21-801(a) of this Article, the holder shall (i) designate the same amount of capacity on its network to provide for public, education, and government access use, as the incumbent cable operator is required to designate under its franchise terms in effect with a local unit of government on January 1, 2007; and (ii) retransmit to its subscribers the same number of public, education, and government access channels as the incumbent cable operator was retransmitting to subscribers on January 1, 2007.

(b) If the local unit of government produces or maintains the public education or government programming in a manner or form that is compatible with the holder's network, it shall transmit such programming to the holder in that form provided that form will permit the holder to satisfy the requirements of Section 21-601(c). If the local unit of government does not produce or maintain such programming in that manner or form, then the holder shall be responsible for any changes in the

form of the transmission necessary to make public, education, and government programming compatible with the technology or protocol used by the holder to deliver services. The holder shall receive programming from the local unit of government (or the local unit of government's public, education, and government programming providers) and transmit that public, education, and government programming directly to the holder's subscribers within the local unit of government's jurisdiction at no cost to the local unit of government or the public, education, and government programming providers. If the holder is required to change the form of the transmission, the local unit of government or its designee shall provide reasonable access to the holder to allow the holder to transmit the public, education, and government programming in an economical manner subject to the requirements of Section 21-601(c).

(c) The holder shall provide to subscribers public, education and government access channel capacity at equivalent visual and audio quality and equivalent functionality, from the viewing perspective of the subscriber, to that of commercial channels carried on the holder's basic cable or video service offerings or tiers without the need for any equipment other than the equipment necessary to receive the holder's basic cable or video service offerings or tiers.

(d) The holder and an incumbent cable operator shall negotiate in good faith to interconnect their networks, if needed, for the purpose of providing public, education, and

government programming. Interconnection may be accomplished by direct cable, microwave link, satellite, or other reasonable method of connection. The holder and the incumbent cable operator shall provide interconnection of the public, education, and government channels on reasonable terms and conditions and may not withhold the interconnection. If a holder and an incumbent cable operator cannot reach a mutually acceptable interconnection agreement, the local unit of government may require the incumbent cable operator to allow the holder to interconnect its network with the incumbent cable operator's network at a technically feasible point on their networks. If no technically feasible point for interconnection is available, the holder and an incumbent cable operator shall each make an interconnection available to the public, education, and government channel originators at their local origination points and shall provide the facilities necessary for the interconnection. The cost of any interconnection shall be borne by the holder unless otherwise agreed to by the parties. The interconnection required by this subsection shall be completed within the 90-day deadline set forth in subsection (a).

(e) The public, education, and government channels shall be for the exclusive use of the local unit of government or its designee to provide public, education, and government programming. The public, education, and government channels shall be used only for noncommercial purposes. However,

advertising, underwriting, or sponsorship recognition may be carried on the channels for the purpose of funding public, education, and government access related activities.

(f) Public, education and government channels shall all be carried on the holder's basic cable or video service offerings or tiers. To the extent feasible, the public, education and government channels shall not be separated numerically from other channels carried on the holder's basic cable or video service offerings or tiers, and the channel numbers for the public, education and government channels shall be the same channel numbers used by the incumbent cable operator unless prohibited by federal law. After the initial designation of public, education and government channel numbers, the channel numbers shall not be changed without the agreement of the local unit of government or the entity to which the local unit of government has assigned responsibility for managing public, education and government access channels unless the change is required by federal law. Each channel shall be capable of carrying a National Television System Committee (NTSC) television signal.

(g) The holder shall provide a listing of public, education and government channels on channel cards and menus provided to subscribers in a manner equivalent to other channels if the holder uses such cards and menus. Further, the holder shall provide a listing of public, education, and government programming on its electronic program guide if such a guide is

utilized by the holder. It is the public, education and government entity's responsibility to provide the holder or its designated agent, as determined by the holder, with program schedules and information in a timely manner.

(h) If less than three public, education, and government channels are provided within the local unit of government as of January 1, 2007, a local unit of government whose jurisdiction lies within the authorized service area of the holder may initially request the holder to designate sufficient capacity for up to three public, education, and government channels. A local unit of government or its designee that seeks to add additional capacity shall give the holder a written notification specifying the number of additional channels to be used, specifying the number of channels in actual use, and verifying that the additional channels requested will be put into actual use.

(i) The holder shall, within 90 days of a request by the local unit of government or its designated public, education, or government access entity, provide sufficient capacity for an additional channel for public, education, and government access when the programming on a given access channel exceeds 40 hours per week as measured on a quarterly basis. The additional channel shall not be used for any purpose other than for carrying additional public, education, or government access programming.

(j) The public, education, and government access

programmer is solely responsible for the content that it provides over designated public, education, or government channels. A holder shall not exercise any editorial control over any programming on any channel designed for public, education, or government use or on any other channel required by law or a binding agreement with the local unit of government.

(k) A holder shall not be subject to any civil or criminal liability for any program carried on any channel designated for public, education, or government use.

(l) A court of competent jurisdiction shall have exclusive jurisdiction to enforce any requirement under this Section or resolve any dispute regarding the requirements set forth in this Section, and no provider of cable service or video service may be barred from providing service or be required to terminate service as a result of that dispute or enforcement action.

(220 ILCS 5/21-701 new)

Sec. 21-701. Emergency alert system. The holder shall comply with all applicable requirements of the Federal Communications Commission involving the distribution and notification of federal, State, and local emergency messages over the emergency alert system applicable to cable operators. The holder will provide a requesting local unit of government with sufficient information regarding how to submit, via

telephone or web listing, a local emergency alert for distribution over its cable or video network. To the extent that a local unit of government requires incumbent cable operators to provide emergency alert system messages or services in excess of the requirements of this Section, the holder shall comply with any such additional requirements within the jurisdiction of the local franchising authority. The holder may provide a local emergency alert to an area larger than the boundaries of the local unit of government issuing the emergency alert.

(220 ILCS 5/21-801 new)

Sec. 21-801. Applicable fees payable to the local unit of government.

(a) Prior to offering cable service or video service in a local unit of government's jurisdiction, a holder shall notify the local unit of government. The notice shall be given to the local unit of government at least 10 days before the holder begins to offer cable service or video service within the boundaries of that local unit of government.

(b) In any local unit of government in which a holder offers cable service or video service on a commercial basis, the holder shall be liable for and pay the service provider fee to the local unit of government. The local unit of government shall adopt an ordinance imposing such a fee. The holder's liability for the fee shall commence on the first day of the

calendar month that is at least 30 days after the holder receives such ordinance. The ordinance shall be sent by mail, postage prepaid, to the address listed on the holder's application provided to the local unit of government pursuant to Section 21-401(b)(6). The fee authorized by this Section shall be 5% of gross revenues or the same as the fee paid to the local unit of government by any incumbent cable operator providing cable service. The payment of the service provider fee shall be due on a quarterly basis, 45 days after the close of the calendar quarter. If mailed, the fee is considered paid on the date it is postmarked. Except as provided in this Article, the local unit of government may not demand any additional fees or charges from the holder and may not demand the use of any other calculation method other than allowed under this Article.

(c) For purposes of this Article, "gross revenues" means all consideration of any kind or nature, including, without limitation, cash, credits, property, and in-kind contributions received by the holder for the operation of a cable or video system to provide cable service or video service within the holder's cable service or video service area within the local unit of government's jurisdiction.

(1) Gross revenues shall include the following:

(i) Recurring charges for cable service or video service.

(ii) Event-based charges for cable service or

video service, including, but not limited to, pay-per-view and video-on-demand charges.

(iii) Rental of set top boxes and other cable service or video service equipment.

(iv) Service charges related to the provision of cable service or video service, including but not limited to activation, installation, and repair charges.

(v) Administrative charges related to the provision of cable service or video service, including but not limited to service order and service termination charges.

(vi) Late payment fees or charges, insufficient funds check charges, and other charges assessed to recover the costs of collecting delinquent payments.

(vii) A pro rata portion of all revenue derived by the holder or its affiliates pursuant to compensation arrangements for advertising or for promotion or exhibition of any products or services derived from the operation of the holder's network to provide cable service or video service within the local unit of government's jurisdiction. The allocation shall be based on the number of subscribers in the local unit of government divided by the total number of subscribers in relation to the relevant regional or national compensation arrangement.

(viii) Compensation received by the holder that is derived from the operation of the holder's network to provide cable service or video service with respect to commissions that are received by the holder as compensation for promotion or exhibition of any products or services on the holder's network, such as a "home shopping" or similar channel, subject to subsection (b) (ix).

(ix) In the case of a cable service or video service that is bundled or integrated functionally with other services, capabilities, or applications, the portion of the holder's revenue attributable to the other services, capabilities, or applications shall be included in gross revenue unless the holder can reasonably identify the division or exclusion of the revenue from its books and records that are kept in the regular course of business.

(x) The service provider fee permitted by Section 21-801(b) of this Article.

(2) Gross revenues do not include any of the following:

(i) Revenues not actually received, even if billed, such as bad debt, subject to Section 21-801(c) (1) (vi).

(ii) Refunds, discounts, or other price adjustments that reduce the amount of gross revenues received by the holder of the State-issued

authorization to the extent the refund, rebate, credit, or discount is attributable to cable service or video service.

(iii) Regardless of whether the services are bundled, packaged, or functionally integrated with cable service or video service, any revenues received from services not classified as cable service or video service, including, without limitation, revenue received from telecommunications services, information services, or the provision of directory or Internet advertising, including yellow pages, white pages, banner advertisement, and electronic publishing or any other revenues attributed by the holder to noncable service or nonvideo service in accordance with the holder's books and records and records kept in the regular course of business and any applicable laws, rules, regulations, standards, or orders.

(iv) The sale of cable services or video services for resale in which the purchaser is required to collect the service provider fee from the purchaser's subscribers to the extent the purchaser certifies in writing that it will resell the service within the local unit of government's jurisdiction and pay the fee permitted by Section 21-801(b) with respect to the service.

(v) Any tax or fee of general applicability imposed

upon the subscribers or the transaction by a city, State, federal, or any other governmental entity and collected by the holder of the State-issued authorization and required to be remitted to the taxing entity, including sales and use taxes.

(vi) Security deposits collected from subscribers.

(vii) Amounts paid by subscribers to "home shopping" or similar vendors for merchandise sold through any home shopping channel offered as part of the cable service or video service.

(3) Revenue of an affiliate of a holder shall be included in the calculation of gross revenues to the extent the treatment of the revenue as revenue of the affiliate rather than the holder has the effect of evading the payment of the fee permitted by Section 21-801(b) of this Article which would otherwise be paid by the cable service or video service.

(d) (1) The holder shall pay to the local unit of government or the entity designated by that local unit of government to manage public, education and government access, upon request as support for public, education, and government access, a fee equal to no less than (i) 1% of gross revenues; or (ii) if greater, the percentage of gross revenues that incumbent cable operators pay to the local unit of government or its designee for public, education, and government access support in the local unit of government's jurisdiction. For purposes of

subparagraph (d)(1)(ii) above, the percentage of gross revenues that all incumbent cable operators pay shall be equal to the annual sum of the payments that incumbent cable operators in the service area are obligated to pay by franchises and agreements or by contracts with the local government designee for public, education and government access in effect on January 1, 2007, including the total of any lump sum payments required to be made over the term of each franchise or agreement divided by the number of years of the applicable term, divided by the annual sum of such incumbent cable operator(s)'s gross revenues during the immediately prior calendar year. The sum of payments includes any payments that an incumbent cable operator is required to pay pursuant to Section 21-301(c)(3) of this Article.

(2) A local unit of government may require all holders of a State-issued authorization and all cable operators franchised by that local unit of government on the effective date hereof in the franchise area to provide to the local unit of government, or to the entity designated by that local unit of government to manage public, education and government access, information sufficient to calculate the public, education and government access equivalent fee and any credits under subsection (d)(1).

(3) The fee shall be due on a quarterly basis and paid 45 days after the close of the calendar quarter. Each payment shall include a statement explaining the basis for the

calculation of the fee. If mailed, the fee is considered paid on the date it is postmarked. The liability of the holder for payment of the fee under this subsection shall commence on the same date as the payment of the service provider fee pursuant to subsection (b) of this Section.

(e) The holder may identify and collect the amount of the service provider fee as a separate line item on the regular bill of each subscriber.

(f) The holder may identify and collect the amount of the public, education, and government programming support fee as a separate line item on the regular bill of each subscriber.

(g) All determinations and computations under this Section shall be made pursuant to the definition of gross revenues set forth in this Section, and shall be made pursuant to generally accepted accounting principles.

(h) Nothing contained in this Article shall be construed to exempt a holder from any tax that is or may later be imposed by the local unit of government, including any tax that is or may later be required to be paid by or through the holder with respect to cable service or video service. A State-issued authorization shall not affect any requirement of the holder with respect to payment of the local unit of government's simplified municipal telecommunications tax or any other tax as it applies to any telephone service provided by the holder. A State-issued authorization shall not affect any requirement of the holder with respect to payment of the local unit of

government's 911 or E911 fees, taxes or charges.

(220 ILCS 5/21-901 new)

Sec. 21-901. Audits.

(a) Upon receiving notice under Section 21-401(e)(4) that a holder has received State-issued authorization under this Article, a local unit of government shall notify the holder of the requirements it imposes on other cable service or video service providers in its jurisdiction to submit to an audit of its books and records. The holder shall comply with the same requirements the local unit of government imposes on other cable service or video service providers in its jurisdiction to audit the holder's books and records and to recompute any amounts determined to be payable under the requirements of the local unit of government. If all local franchises between the local unit of government and a cable operator terminate, the audit requirements shall be those adopted by the local government pursuant to the Local Government Taxpayers' Bill of Rights, 50 ILCS 45. No acceptance of amounts remitted should be construed as an accord that the amounts are correct.

(b) Any additional amount due after an audit shall be paid within 30 days after the local unit of government's submission of an invoice for the sum.

(220 ILCS 5/21-1001 new)

Sec. 21-1001. Local unit of government authority.

(a) The holder of a State-issued authorization shall comply with all the applicable construction and technical standards and right-of-way occupancy standards set forth in a local unit of government's code of ordinances relating to the use of public rights-of-way, pole attachments, permit obligations, indemnification, performance bonds, penalties or liquidated damages. The applicable requirements for a holder that is using its existing telecommunications network or constructing a telecommunications network shall be the same requirements that the local unit of government imposes on telecommunications providers in its jurisdiction. The applicable requirements for a holder that is using or constructing a cable system shall be the same requirements the local unit of government imposes on other cable operators in its jurisdiction.

(b) A local unit of government shall allow the holder to install, construct, operate, maintain, and remove a cable service, video service, or telecommunications network within a public right-of-way and shall provide the holder with open, comparable, nondiscriminatory, and competitively neutral access to the public right-of-way on the same terms applicable to other cable service or video service providers or cable operators in its jurisdiction. Notwithstanding any other provisions of law, if a local unit of government is permitted by law to require the holder of a State authorization to seek a permit to install, construct, operate, maintain or remove its cable service, video service, or telecommunications network

within a public right-of-way, those permits shall be deemed granted within 45 days after being submitted, if not otherwise acted upon by the local unit of government, provided the holder complies with the requirements applicable to the holder in its jurisdiction.

(c) A local unit of government may impose reasonable terms, but it may not discriminate against the holder with respect to any of the following:

(1) The authorization or placement of a cable service, video service, or telecommunications network or equipment in public rights-of-way.

(2) Access to a building.

(3) A local unit of government utility pole attachment.

(d) If a local unit of government imposes a permit fee on incumbent cable operators, it may impose a permit fee on the holder only to the extent it imposes such a fee on incumbent cable operators. In all other cases, these fees may not exceed the actual, direct costs incurred by the local unit of government for issuing the relevant permit. In no event may a fee under this Section be levied if the holder already has paid a permit fee of any kind in connection with the same activity that would otherwise be covered by the permit fee under this Section provided no additional equipment, work, function or other burden is added to the existing activity for which the permit was issued.

(e) Nothing in this Article shall affect the rights that

any holder has under Section 4 of the Telephone Line Right of Way Act (220 ILCS 65/4).

(f) In addition to the other requirements in this Section, if the holder installs, upgrades, constructs, operates, maintains, and removes facilities or equipment within a public right-of-way to provide cable service or video service, it shall comply with the following:

(1) The holder must locate its equipment in the right-of-way as to cause only minimum interference with the use of streets, alleys and other public ways and places, and to cause only minimum impact upon, and interference with the rights and reasonable convenience of property owners who adjoin any of the said streets, alleys or other public ways. No fixtures shall be placed in any public ways in such a manner to interfere with the usual travel on such public ways. Nor shall such fixtures or equipment limit the visibility of vehicular and/or pedestrian traffic.

(2) The holder shall comply with a local unit of government's reasonable requests to place equipment on public property where possible, and promptly comply with local unit of government direction with respect to the location and screening of equipment and facilities. In constructing or upgrading its cable or video network in the right-of-way, the holder shall use the smallest suitable equipment enclosures and power pedestals and cabinets then in use by the holder for the application.

(3) The holder's construction practices shall be in accordance with all applicable sections of the Occupational Safety and Health Act of 1970, as amended, as well as all applicable State laws, including the Illinois Administrative Code, and local codes where applicable, as adopted by the local unit of government. All installation of electronic equipment shall be of a permanent nature, durable and, where applicable, installed in accordance with the provisions of the National Electrical Safety Code of the National Bureau of Standards and National Electrical Code of the National Board of Fire Underwriters.

(4) The holder shall not interfere with the local unit of government's performance of public works. Nothing in the State-issued authorization shall be in preference or hindrance to the right of the local unit of government to perform or carry on any public works or public improvements of any kind. The holder expressly agrees that it shall, at its own expense, protect, support, temporarily disconnect, relocate in the same street or other public place, or remove from such street or other public place, any of the network, system, facilities or equipment when required to do so by the local unit of government, because of necessary public health, safety and welfare improvements. In the event a holder and other users, including incumbent cable operators or utilities, of a public right-of-way are required to relocate and compensation is paid to the users

of such public right-of-way, such parties shall be treated equally with respect to such compensation.

(5) The holder shall comply with all local units of government inspection requirements. The making of post-construction, subsequent and/or periodic inspections or the failure to do so shall not operate to relieve the holder of any responsibility, obligation or liability.

(6) The holder shall maintain insurance or provide evidence of self insurance as required by an applicable ordinance of the local unit of government.

(7) The holder shall reimburse all reasonable make-ready expenses, including aerial and underground installation expenses requested by the holder to the local unit of government within thirty (30) days of billing to the holder provided that such charges shall be at the same rates as charges to others for the same or similar services.

(8) The holder shall indemnify and hold harmless the local unit of government and all boards, officers, employees and representatives thereof from all claims, demands, causes of action, liability, judgments, costs and expenses or losses for injury or death to persons or damage to property owned by, and Worker's Compensation claims against any parties indemnified herein, arising out of, caused by, or as a result of the holder's construction, lines, cable, erection, maintenance, use or presence of, or

removal of any poles, wires, conduit, appurtenances thereto, or equipment or attachments thereto. The holder, however, shall not indemnify the local unit of government for any liabilities, damages, cost and expense resulting from the willful misconduct or negligence of the local unit of government, its officers, employees and agents. The obligations imposed pursuant to this Section by a local unit of government shall be competitively neutral.

(9) The holder, upon request, shall provide the local unit of government with information describing the location of the cable service or video service facilities and equipment located in the unit of local government's rights-of-way pursuant to its State-issued authorization. If designated by the holder as confidential, such information provided pursuant to this subsection shall be exempt from inspection and copying under the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., pursuant to the exemption provided for under 5 ILCS 140/7(1)(mm) and any other present or future exemptions applicable to such information and shall not be disclosed by the unit of local government to any third party without the written consent of the holder.

(220 ILCS 5/21-1101 new)

Sec. 21-1101. Requirements to provide video services.

(a) The holder of a State-issued authorization shall not

deny access to cable service or video service to any potential residential subscribers because of the race or income of the residents in the local area in which the potential subscribers reside.

(b) If the holder is using telecommunications facilities to provide cable or video service and has 1,000,000 or less telecommunications access lines in this State, but more than 300,000 telecommunications access lines in this State, the holder shall:

(1) Provide access to its cable or video service to a number of households equal to at least 25% of its telecommunications access lines in this State within 3 years after the date a holder receives a State-issued authorization from the Commission and to a number not less than 35% of these households within 5 years after the date a holder receives a State-issued authorization from the Commission; provided, however, that the holder of a State-issued authorization is not required to meet the 35% requirement in this subsection until 2 years after at least 15% of the households with access to the holder's video service subscribe to the service for 6 consecutive months. The holder's obligation to provide such access in the State shall be distributed, as the holder determines, within three different designated market areas.

(2) Within 3 years after the date a holder receives a State-issued authorization from the Commission at least

30% of the total households with access to the holder's cable or video service shall be low-income.

Within each designated market area identified in subsection (b)(1), the holder's obligation to offer service to low-income households shall be measured by each exchange, as that term is defined in Section 13-206 of the Public Utilities Act, in which the holder chooses to provide cable or video service. The holder is under no obligation to serve or provide access to an entire exchange; however, in addition to the statewide obligation to provide low-income access provided by this Section, in each exchange in which the holder chooses to provide cable or video service, the holder shall provide access to a percentage of low-income households that is at least equal to the percentage of the total low-income households within that exchange.

(3) The number of telecommunication access lines in this Section shall be based on the number of access lines that exist as of the effective date of this amendatory Act of the 95th General Assembly.

(c) If the holder of a State-issued authorization is using telecommunications facilities to provide cable or video service and has more than 1,000,000 telecommunications access lines in this State, the holder shall:

(1) (A) Provide access to its cable or video service to a number of households equal to at least 35% of the households in

the holder's telecommunications service area in the State within 3 years after the date a holder receives a State-issued authorization from the Commission and to a number not less than 50% of these households within 5 years after the date a holder receives a State-issued authorization from the Commission; provided, however, that the holder of a State-issued authorization is not required to meet the 50% requirement in this subsection until 2 years after at least 15% of the households with access to the holder's video service subscribe to the service for 6 consecutive months.

The holder's obligation to provide such access in the State shall be distributed, as the holder determines, within three designated market areas, one in each of the northeastern, central and southwestern portions of the holder's telecommunications service area in the State. The designated market area for the northeastern portion shall consist of two separate and distinct reporting areas: i) a city with more than 1,000,000 inhabitants, and ii) all other local units of government on a combined basis within such designated market area in which it offers video service.

(B) If any state, in which a holder subject to this subsection (c) or one of its affiliates provides or seeks to provide cable or video service, adopts a law permitting state-issued authorization or statewide franchises to provide cable or video service that requires a cable or video provider to offer service to more than 35% of the households in the

cable or video provider's service area in that state within 3 years, holders subject to this subsection (c) shall provide service in this State to the same percentage of households within 3 years of adoption of such law in that state.

Furthermore, if any state, in which a holder subject to this subsection (c) or one of its affiliates provides or seeks to provide cable or video service, adopts a law requiring a holder of a state-issued authorization or statewide franchises to offer cable or video service to more than 35% of its households if less than 15% of the households with access to the holder's video service subscribe to the service for 6 consecutive months, then as a precondition to further build-out, holders subject to this subsection (c) shall be subject to the same percentage of service subscription in meeting its obligation to provide service to 50% of the households in this State.

(2) Within 3 years after the date a holder receives a State-issued authorization from the Commission at least 30% of the total households with access to the holder's cable or video service shall be low-income.

Within each designated market area listed in subsection (c) (1), the holder's obligation to offer service to low-income households shall be measured by each exchange, as that term is defined in Section 13-206 of the Public Utilities Act in which the holder chooses to provide cable or video service. The holder is under no obligation to serve or provide access to an

entire exchange; however, in addition to the statewide obligation to provide low-income access provided by this Section, in each exchange in which the holder chooses to provide cable or video service, the holder shall provide access to a percentage of low-income households that is at least equal to the percentage of the total low-income households within that exchange.

(d) (1) All other holders shall only provide access to one or more exchanges, as that term is defined in Section 13-206 of the Public Utilities Act, or to local units of government and shall provide access to their cable or video service to a number of households equal to 35% of the households in the exchange or local unit of government within 3 years after the date a holder receives a State-issued authorization from the Commission and to a number not less than 50% of these households within 5 years after the date a holder receives a State-issued authorization from the Commission, provided, however, that if the holder is an incumbent cable operator or any successor-in-interest company, it shall be obligated to provide access to cable or video services within the jurisdiction of a local unit of government at the same levels required by the local franchising authorities for that local unit of government on the effective date of this amendatory Act of the 95th General Assembly.

(2) Within 3 years after the date a holder receives a State-issued authorization from the Commission, at least 30% of

the total households with access to the holder's cable or video service shall be low-income.

Within each designated exchange, as that term is defined in Section 13-206 of the Public Utilities Act, or local unit of government listed in subsection (d)(1), the holder's obligation to offer service to low-income households shall be measured by each exchange or local unit of government in which the holder chooses to provide cable or video service. Except as provided in subsection (d)(1), the holder is under no obligation to serve or provide access to an entire exchange or local unit of government; however, in addition to the statewide obligation to provide low-income access provided by this Section, in each exchange or local unit of government in which the holder chooses to provide cable or video service, the holder shall provide access to a percentage of low-income households that is at least equal to the percentage of the total low-income households within that exchange or local unit of government.

(e) A holder subject to Section 21-1101(c) shall provide wireline broadband service, defined as wireline service capable of supporting, in at least one direction, a speed in excess of 200 kilobits per second (kbps), to the network demarcation point at the subscriber's premises, to a number of households equal to 90% of the households in the holder's telecommunications service area by December 31, 2008, or shall pay within 30 days of December 31, 2008 a sum of \$15,000,000 to

the Digital Divide Elimination Infrastructure Fund established pursuant to Section 13-301.3 of Article XIII of this Act, or any successor fund established by the General Assembly. In that event the holder is required to make a payment pursuant to this subsection, the holder shall have no further accounting for this payment, which shall be used in any part of the State for the purposes established in the Digital Divide Elimination Infrastructure Fund or for broadband deployment.

(f) The holder of a State-issued authorization may satisfy the requirements of subsections (b), (c) and (d) of this Section through the use of any technology, which shall not include direct-to-home satellite service, that offers service, functionality, and content, which is demonstrably similar to that provided through the holder's video service system.

(g) In any investigation into or complaint alleging that the holder of a State-issued authorization has failed to meet the requirements of this Section, the following factors may be considered in justification or mitigation or as justification for an extension of time to meet the requirements of subsections (b), (c) and (d) of this Section:

(1) The inability to obtain access to public and private rights-of-way under reasonable terms and conditions.

(2) Barriers to competition arising from existing exclusive service arrangements in developments or buildings.

(3) The inability to access developments or buildings using reasonable technical solutions under commercially reasonable terms and conditions.

(4) Natural disasters.

(5) Other factors beyond the control of the holder.

(h) If the holder relies on the factors identified in subsection (g) in response to an investigation or complaint, the holder shall demonstrate:

(1) what substantial effort the holder of a State-issued authorization has taken to meet the requirements of subsections (a), (b) or (c) of this Section;

(2) which portions of subsection (g) of this Section apply; and

(3) the number of days it has been delayed or the requirements it cannot perform as a consequence of subsection (g) of this Section.

(i) The factors in subsection (g) may be considered by the Attorney General or by a court of competent jurisdiction in determining whether the holder is in violation of this Article.

(j) Every holder of a State-issued authorization, no later than April 1, 2009, and annually no later than April 1 thereafter, shall report to the Commission for each of the service areas as described in subsections (b), (c) and (d) of this Section in which it provides access to its video service in the State, the following information:

(1) Cable Service and Video Service Information:

(A) The number of households in the holder's telecommunications service area within each designated market area as described in subsections (b) and (c) of this Section or exchange or local unit of government as described in subsection (d) of this Section in which it offers video service.

(B) The number of households in the holder's telecommunications service area within each designated market area as described in subsections (b) and (c) of this Section or exchange or local unit of government as described in subsection (d) of this Section that are offered access to video service by the holder.

(C) The number of households in the holder's telecommunications service area in the State.

(D) The number of households in the holder's telecommunications service area in the State that are offered access to video service by the holder.

(2) Low-Income Household Information:

(A) The number of low-income households in the holder's telecommunications service area within each designated market area as described in subsections (b) and (c) of this Section, as further identified in terms of exchanges, or exchange or local unit of government as described in subsection (d) of this Section, in which it offers video service.

(B) The number of low-income households in the holder's telecommunications service area within each designated market area as described in subsections (b) and (c) of this Section, as further identified in terms of exchanges, or exchange or local unit of government as described in subsection (d) of this Section in the State, that are offered access to video service by the holder.

(C) The number of low-income households in the holder's telecommunications service area in the State.

(D) The number of low-income households in the holder's telecommunications service area in the State that are offered access to video service by the holder.

(k) The Commission, within 30 days of receiving the first report from holders under this Section, and annually no later than July 1 thereafter, shall submit to the General Assembly a report that includes, based on year-end data, the information submitted by holders pursuant to subsections (j)(1) and (j)(2) of this Section. The Commission shall make this report available to any member of the public or any local unit of government upon request. All information submitted to the Commission and designated by holders as confidential and proprietary shall be subject to the disclosure provisions in Section 21-401(c). No individually identifiable customer information shall be subject to public disclosure.

(220 ILCS 5/21-1201 new)

Sec. 21-1201. Multiple-unit dwellings-Interference with Holder Prohibited.

(a) Neither the owner of any multiple-unit residential dwelling nor an agent or representative shall unreasonably interfere with the right of any tenant or lawful resident thereof to receive cable service or video service installation or maintenance from a holder of a State-issued authorization; provided, however, the owner, agent or representative may require just and reasonable compensation from the holder for its access to and use of such property to provide installation, operation, maintenance, or removal of such cable service or video service.

(b) Neither the owner of any multiple-unit residential dwelling nor an agent or representative shall ask, demand or receive any additional payment, service or gratuity in any form from any tenant or lawful resident thereof as a condition for permitting or cooperating with the installation of a cable service or video service to the dwelling unit occupied by a tenant or resident requesting such service.

(c) Neither the owner of any multiple-unit residential dwelling nor an agent or representative shall penalize, charge or surcharge a tenant or resident, or forfeit or threaten to forfeit any right of such tenant or resident, or discriminate in any way against such tenant or resident who requests or receives cable service or video service from a holder.

(d) Nothing in this Section shall prohibit the owner of any multiple-unit residential dwelling nor an agent or representative from requiring that a holder's facilities conform to reasonable conditions necessary to protect safety, functioning, appearance, and value of premises or the convenience and safety of persons or property.

(e) The owner of any multiple-unit residential dwelling or an agent or representative may require a holder to agree to indemnify the owner, or his agents or representatives, for damages or from liability for damages caused by the installation, operation, maintenance or removal of cable service or video service facilities.

(220 ILCS 5/21-1301 new)

Sec. 21-1301. Enforcement, Penalties.

(a) The Attorney General is responsible for administering and ensuring holders' compliance with this Article, provided that nothing in this Article shall deprive local units of government of the right to enforce applicable rights and obligations.

(b) The Attorney General may conduct an investigation regarding possible violations by holders of this Article including, without limitation, the issuance of subpoenas to:

(1) require the holder to file a statement or report or to answer interrogatories in writing as to all information relevant to the alleged violations;

(2) examine, under oath, any person who possesses knowledge or information related to the alleged violations; and

(3) examine any record, book, document, account, or paper related to the alleged violation.

(c) If the Attorney General determines that there is a reason to believe that a holder has violated or is about to violate this Article, the Attorney General may bring an action in a court of competent jurisdiction in the name of the People of the State against the holder to obtain temporary, preliminary, or permanent injunctive relief and civil penalties for any act, policy, or practice by the holder that violates this Article.

(d) If a court orders a holder to make payments to the Attorney General and the payments are to be used for the operations of the Office of the Attorney General or if a holder agrees to make payments to the Attorney General for the operations of the Office of the Attorney General as part of an Assurance of Voluntary Compliance, then the moneys paid under any of the conditions described in this subsection shall be deposited into the Attorney General Court Ordered and Voluntary Compliance Payment Projects Fund. Moneys in the Fund shall be used, subject to appropriation, for the performance of any function pertaining to the exercise of the duties to the Attorney General including, but not limited to, enforcement of any law of this State and conducting public education programs;

however, any moneys in the Fund that are required by the court to be used for a particular purpose shall be used for that purpose.

(e) In an action against a holder brought pursuant to this Article, the Attorney General may seek the assessment of one or more of the following civil monetary penalties in any action filed under this Article where the holder violates this Article and does not remedy the violation within 30 days of notice by the Attorney General:

(1) Any holder that violates or fails to comply with any of the provisions of this Article or of its State-issued authorization shall be subject to a civil penalty of up to \$30,000 for each and every offense, or .00825% of the holder's gross revenues, as defined in Section 21-801, whichever is greater. Every violation of the provisions of this Article by a holder is a separate and distinct offense, provided, however, that if the same act or omission violates more than one provision of this Article, only one penalty or cumulative penalty may be imposed for such act or omission. In case of a continuing violation, each day's continuance thereof shall be a separate and distinct offense, provided, however, that the cumulative penalty for any continuing violation shall not exceed \$500,000 per year, and provided further that these limits shall not apply where the violation was intentional and either (i) created substantial risk to the safety of

the cable service or video service provider's employees or customers or the public or (ii) was intended to cause economic benefits to accrue to the violator.

(2) The holder's State-issued authorization may be suspended or revoked if the holder fails to comply with the provisions of this Article after a reasonable time to achieve compliance has passed.

(3) If the holder is in violation of Section 21-1101, in addition to any other remedies provided by law, a fine not to exceed 3% of the holder's total monthly gross revenue as that term is defined in this Article, shall be imposed for each month from the date of violation until the date that compliance is achieved.

(4) Nothing in this Section shall limit or affect the powers of the Attorney General to enforce the provisions of the Cable and Video Customer Protection Law, 220 ILCS 5/70-501 new, or the Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505.

(220 ILCS 5/21-1401 new)

Sec. 21-1401. Home rule.

(a) The provisions of this Article are a limitation of home rule powers under subsection (i) of Section 6 of Article VII of the Illinois Constitution.

(b) Nothing in this Article shall be construed to limit or deny a home rule unit's power to tax as set forth in Section 6

of Article VII of the Illinois Constitution.

(220 ILCS 5/21-1501 new)

Sec. 21-1501. Except as otherwise provided in this Article, this Article shall be enforced only by a court of competent jurisdiction.

(220 ILCS 5/21-1601 new)

Sec. 21-1601. Repealer. This Article is repealed October 1, 2013.

Section 15-7. The Illinois Administrative Procedure Act is amended by changing Section 1-5 as follows:

(5 ILCS 100/1-5) (from Ch. 127, par. 1001-5)

Sec. 1-5. Applicability.

(a) This Act applies to every agency as defined in this Act. Beginning January 1, 1978, in case of conflict between the provisions of this Act and the Act creating or conferring power on an agency, this Act shall control. If, however, an agency (or its predecessor in the case of an agency that has been consolidated or reorganized) has existing procedures on July 1, 1977, specifically for contested cases or licensing, those existing provisions control, except that this exception respecting contested cases and licensing does not apply if the Act creating or conferring power on the agency adopts by

express reference the provisions of this Act. Where the Act creating or conferring power on an agency establishes administrative procedures not covered by this Act, those procedures shall remain in effect.

(b) The provisions of this Act do not apply to (i) preliminary hearings, investigations, or practices where no final determinations affecting State funding are made by the State Board of Education, (ii) legal opinions issued under Section 2-3.7 of the School Code, (iii) as to State colleges and universities, their disciplinary and grievance proceedings, academic irregularity and capricious grading proceedings, and admission standards and procedures, and (iv) the class specifications for positions and individual position descriptions prepared and maintained under the Personnel Code. Those class specifications shall, however, be made reasonably available to the public for inspection and copying. The provisions of this Act do not apply to hearings under Section 20 of the Uniform Disposition of Unclaimed Property Act.

(c) Section 5-35 of this Act relating to procedures for rulemaking does not apply to the following:

(1) Rules adopted by the Pollution Control Board that, in accordance with Section 7.2 of the Environmental Protection Act, are identical in substance to federal regulations or amendments to those regulations implementing the following: Sections 3001, 3002, 3003, 3004, 3005, and 9003 of the Solid Waste Disposal Act;

Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; Sections 307(b), 307(c), 307(d), 402(b)(8), and 402(b)(9) of the Federal Water Pollution Control Act; and Sections 1412(b), 1414(c), 1417(a), 1421, and 1445(a) of the Safe Drinking Water Act.

(2) Rules adopted by the Pollution Control Board that establish or amend standards for the emission of hydrocarbons and carbon monoxide from gasoline powered motor vehicles subject to inspection under Section 13A-105 of the Vehicle Emissions Inspection Law and rules adopted under Section 13B-20 of the Vehicle Emissions Inspection Law of 1995.

(3) Procedural rules adopted by the Pollution Control Board governing requests for exceptions under Section 14.2 of the Environmental Protection Act.

(4) The Pollution Control Board's grant, pursuant to an adjudicatory determination, of an adjusted standard for persons who can justify an adjustment consistent with subsection (a) of Section 27 of the Environmental Protection Act.

(5) Rules adopted by the Pollution Control Board that are identical in substance to the regulations adopted by the Office of the State Fire Marshal under clause (ii) of paragraph (b) of subsection (3) of Section 2 of the Gasoline Storage Act.

(d) Pay rates established under Section 8a of the Personnel Code shall be amended or repealed pursuant to the process set forth in Section 5-50 within 30 days after it becomes necessary to do so due to a conflict between the rates and the terms of a collective bargaining agreement covering the compensation of an employee subject to that Code.

(e) Section 10-45 of this Act shall not apply to any hearing, proceeding, or investigation conducted under Section 13-515 of the Public Utilities Act.

(f) Article 10 of this Act does not apply to any hearing, proceeding, or investigation conducted by the State Council for the State of Illinois created under Section 3-3-11.05 of the Unified Code of Corrections or by the Interstate Commission ~~Commission~~ for Adult Offender Supervision created under the Interstate Compact for Adult Offender Supervision.

(g) This Act is subject to the provisions of Article XXI of the Public Utilities Act. To the extent that any provision of this Act conflicts with the provisions of that Article XXI, the provisions of that Article XXI control.

(Source: P.A. 92-571, eff. 6-26-02; revised 7-25-02.)

Section 15-10. The Attorney General Act is amended by changing Section 6.5 as follows:

(15 ILCS 205/6.5)

Sec. 6.5. Consumer Utilities Unit.

(a) The General Assembly finds that the health, welfare, and prosperity of all Illinois citizens, and the public's interest in adequate, safe, reliable, cost-effective electric, natural gas, water, cable, video, and telecommunications services, requires effective public representation by the Attorney General to protect the rights and interests of the public in the provision of all elements of electric, natural gas, water, cable, video, and telecommunications service both during and after the transition to a competitive market, and that to ensure that the benefits of competition in the provision of electric, natural gas, water, cable, video, and telecommunications services to all consumers are attained, there shall be created within the Office of the Attorney General a Consumer Utilities Unit.

(b) As used in this Section: "Electric services" means services sold by an electric service provider. "Electric service provider" shall mean anyone who sells, contracts to sell, or markets electric power, generation, distribution, transmission, or services (including metering and billing) in connection therewith. Electric service providers shall include any electric utility and any alternative retail electric supplier as defined in Section 16-102 of the Public Utilities Act.

(b-5) As used in this Section: "Telecommunications services" means services sold by a telecommunications carrier, as provided for in Section 13-203 of the Public Utilities Act.

"Telecommunications carrier" means anyone who sells, contracts to sell, or markets telecommunications services, whether noncompetitive or competitive, including access services, interconnection services, or any services in connection therewith. Telecommunications carriers include any carrier as defined in Section 13-202 of the Public Utilities Act.

(b-10) As used in this Section: "natural gas services" means natural gas services sold by a "gas utility" or by an "alternative gas supplier", as those terms are defined in Section 19-105 of the Public Utilities Act.

(b-15) As used in this Section: "water services" means services sold by any corporation, company, limited liability company, association, joint stock company or association, firm, partnership, or individual, its lessees, trustees, or receivers appointed by any court and that owns, controls, operates, or manages within this State, directly or indirectly, for public use, any plant, equipment, or property used or to be used for or in connection with (i) the production, storage, transmission, sale, delivery, or furnishing of water or (ii) the treatment, storage, transmission, disposal, sale of services, delivery, or furnishing of sewage or sewage services.

(b-20) As used in this Section: "cable service and video service" means services sold by anyone who sells, contracts to sell or markets cable services or video services pursuant to a State-issued authorization under the Cable and Video Competition Law of 2007.

(c) There is created within the Office of the Attorney General a Consumer Utilities Unit, consisting of Assistant Attorneys General appointed by the Attorney General, who, together with such other staff as is deemed necessary by the Attorney General, shall have the power and duty on behalf of the people of the State to intervene in, initiate, enforce, and defend all legal proceedings on matters relating to the provision, marketing, and sale of electric, natural gas, water, and telecommunications service whenever the Attorney General determines that such action is necessary to promote or protect the rights and interests of all Illinois citizens, classes of customers, and users of electric, natural gas, water, and telecommunications services.

(d) In addition to the investigative and enforcement powers available to the Attorney General, including without limitation those under the Consumer Fraud and Deceptive Business Practices Act, the Illinois Antitrust Act, and any other law of this State, the Attorney General shall be a party as a matter of right to all proceedings, investigations, and related matters involving the provision of electric, natural gas, water, and telecommunications services before the Illinois Commerce Commission, the courts, and other public bodies. Upon request, the Office of the Attorney General shall have access to and the use of all files, records, data, and documents in the possession or control of the Commission. The Office of the Attorney General may use information obtained

under this Section, including information that is designated as and that qualifies for confidential treatment, which information the Attorney General's office shall maintain as confidential, to be used for law enforcement purposes only, which information may be shared with other law enforcement officials. Nothing in this Section is intended to take away or limit any of the powers the Attorney General has pursuant to common law or other statutory law.

(Source: P.A. 94-291, eff. 7-21-05.)

Section 15-15. The Counties Code is amended by changing Section 5-1095 and by adding Section 5-1096.5 as follows:

(55 ILCS 5/5-1095) (from Ch. 34, par. 5-1095)

Sec. 5-1095. Community antenna television systems; satellite transmitted television programming.

(a) The County Board may license, tax or franchise the business of operating a community antenna television system or systems within the County and outside of a municipality, as defined in Section 1-1-2 of the Illinois Municipal Code.

When an area is annexed to a municipality, the annexing municipality shall thereby become the franchising authority with respect to that portion of any community antenna television system that, immediately before annexation, had provided cable television services within the annexed area under a franchise granted by the county, and the owner of that

community antenna television system shall thereby be authorized to provide cable television services within the annexed area under the terms and provisions of the existing franchise. In that instance, the franchise shall remain in effect until, by its terms, it expires, except that any franchise fees payable under the franchise shall be payable only to the county for a period of 5 years or until, by its terms, the franchise expires, whichever occurs first. After the 5 year period, any franchise fees payable under the franchise shall be paid to the annexing municipality. In any instance in which a duly franchised community antenna television system is providing cable television services within the annexing municipality at the time of annexation, the annexing municipality may permit that franchisee to extend its community antenna television system to the annexed area under terms and conditions that are no more burdensome nor less favorable to that franchisee than those imposed under any community antenna television franchise applicable to the annexed area at the time of annexation. The authorization to extend cable television service to the annexed area and any community antenna television system authorized to provide cable television services within the annexed area at the time of annexation shall not be subject to the provisions of subsection (e) of this Section.

(b) "Community antenna television system" as used in this Section, means any facility which is constructed in whole or in

part in, on, under or over any highway or other public place and which is operated to perform for hire the service of receiving and amplifying the signals broadcast by one or more television stations and redistributing such signals by wire, cable or other means to members of the public who subscribe to such service except that such term does not include (i) any system which serves fewer than 50 subscribers or (ii) any system which serves only the residents of one or more apartment dwellings under common ownership, control or management, and commercial establishments located on the premises of such dwellings.

(c) The authority hereby granted does not include the authority to license or franchise telephone companies subject to the jurisdiction of the Illinois Commerce Commission or the Federal Communications Commission in connection with furnishing circuits, wires, cables or other facilities to the operator of a community antenna television system.

(c-1) Each franchise entered into by a county and a community antenna television system shall include the customer service and privacy standards and protections contained in the Cable and Video Customers Protection Law. A franchise may not contain different penalties, consumer service and privacy standards and protections. Each franchise entered into by a county and a community antenna television system before the effective date of this amendatory Act of the 95th General Assembly shall be amended by this Section to incorporate the

penalty provisions, customer service and privacy standards and protections contained in the Cable and Video Customers Protection Law.

The County Board may, in the course of franchising such community antenna television system, grant to such franchisee the authority and the right and permission to use all public streets, rights of way, alleys, ways for public service facilities, parks, playgrounds, school grounds, or other public grounds, in which such county may have an interest, for the construction, installation, operation, maintenance, alteration, addition, extension or improvement of a community antenna television system.

Any charge imposed by a community antenna television system franchised pursuant to this Section for the raising or removal of cables or lines to permit passage on, to or from a street shall not exceed the reasonable costs of work reasonably necessary to safely permit such passage. Pursuant to subsections (h) and (i) of Section 6 of Article VII of the Constitution of the State of Illinois, the General Assembly declares the regulation of charges which may be imposed by community antenna television systems for the raising or removal of cables or lines to permit passage on, to or from streets is a power or function to be exercised exclusively by the State and not to be exercised or performed concurrently with the State by any unit of local government, including any home rule unit.

The County Board may, upon written request by the franchisee of a community antenna television system, exercise its right of eminent domain solely for the purpose of granting an easement right no greater than 8 feet in width, extending no greater than 8 feet from any lot line for the purpose of extending cable across any parcel of property in the manner provided for by the law of eminent domain, provided, however, such franchisee deposits with the county sufficient security to pay all costs incurred by the county in the exercise of its right of eminent domain.

Except as specifically provided otherwise in this Section, this Section is not a limitation on any home rule county.

(d) The General Assembly finds and declares that satellite-transmitted television programming should be available to those who desire to subscribe to such programming and that decoding devices should be obtainable at reasonable prices by those who are unable to obtain satellite-transmitted television programming through duly franchised community antenna television systems.

In any instance in which a person is unable to obtain satellite-transmitted television programming through a duly franchised community antenna television system either because the municipality and county in which such person resides has not granted a franchise to operate and maintain a community antenna television system, or because the duly franchised community antenna television system operator does not make

cable television services available to such person, any programming company that delivers satellite-transmitted television programming in scrambled or encrypted form shall ensure that devices for decryption of such programming are made available to such person, through the local community antenna television operator or directly, for purchase or lease at prices reasonably related to the cost of manufacture and distribution of such devices.

(e) The General Assembly finds and declares that, in order to ensure that community antenna television services are provided in an orderly, competitive and economically sound manner, the best interests of the public will be served by the establishment of certain minimum standards and procedures for the granting of additional cable television franchises.

Subject to the provisions of this subsection, the authority granted under subsection (a) hereof shall include the authority to license, franchise and tax more than one cable operator to provide community antenna television services within the territorial limits of a single franchising authority. For purposes of this subsection (e), the term:

(i) "Existing cable television franchise" means a community antenna television franchise granted by a county which is in use at the time such county receives an application or request by another cable operator for a franchise to provide cable antenna television services within all or any portion of the territorial area which is

or may be served under the existing cable television franchise.

(ii) "Additional cable television franchise" means a franchise pursuant to which community antenna television services may be provided within the territorial areas, or any portion thereof, which may be served under an existing cable television franchise.

(iii) "Franchising Authority" is defined as that term is defined under Section 602(9) of the Cable Communications Policy Act of 1984, Public Law 98-549.

(iv) "Cable operator" is defined as that term is defined under Section 602(4) of the Cable Communications Policy Act of 1984, Public Law 98-549.

Before granting an additional cable television franchise, the franchising authority shall:

(1) Give written notice to the owner or operator of any other community antenna television system franchised to serve all or any portion of the territorial area to be served by such additional cable television franchise, identifying the applicant for such additional franchise and specifying the date, time and place at which the franchising authority shall conduct public hearings to consider and determine whether such additional cable television franchise should be granted.

(2) Conduct a public hearing to determine the public need for such additional cable television franchise, the

capacity of public rights-of-way to accommodate such additional community antenna television services, the potential disruption to existing users of public rights-of-way to be used by such additional franchise applicant to complete construction and to provide cable television services within the proposed franchise area, the long term economic impact of such additional cable television system within the community, and such other factors as the franchising authority shall deem appropriate.

(3) Determine, based upon the foregoing factors, whether it is in the best interest of the county to grant such additional cable television franchise.

(4) If the franchising authority shall determine that it is in the best interest of the county to do so, it may grant the additional cable television franchise. Except as provided in paragraph (5) of this subsection (e), no such additional cable television franchise shall be granted under terms or conditions more favorable or less burdensome to the applicant than those required under the existing cable television franchise, including but not limited to terms and conditions pertaining to the territorial extent of the franchise, system design, technical performance standards, construction schedules, performance bonds, standards for construction and installation of cable television facilities, service to subscribers, public

educational and governmental access channels and programming, production assistance, liability and indemnification, and franchise fees.

(5) Unless the existing cable television franchise provides that any additional cable television franchise shall be subject to the same terms or substantially equivalent terms and conditions as those of the existing cable television franchise, the franchising authority may grant an additional cable television franchise under different terms and conditions than those of the existing franchise, in which event the franchising authority shall enter into good faith negotiations with the existing franchisee and shall, within 120 days after the effective date of the additional cable television franchise, modify the existing cable television franchise in a manner and to the extent necessary to ensure that neither the existing cable television franchise nor the additional cable television franchise, each considered in its entirety, provides a competitive advantage over the other, provided that prior to modifying the existing cable television franchise, the franchising authority shall have conducted a public hearing to consider the proposed modification. No modification in the terms and conditions of the existing cable television franchise shall oblige the existing cable television franchisee (1) to make any additional payment to the franchising authority, including the payment of any

additional franchise fee, (2) to engage in any additional construction of the existing cable television system or, (3) to modify the specifications or design of the existing cable television system; and the inclusion of the factors identified in items (2) and (3) shall not be considered in determining whether either franchise considered in its entirety, has a competitive advantage over the other except to the extent that the additional franchisee provides additional video or data services or the equipment or facilities necessary to generate and or carry such service. No modification in the terms and conditions of the existing cable television franchise shall be made if the existing cable television franchisee elects to continue to operate under all terms and conditions of the existing franchise.

If within the 120 day period the franchising authority and the existing cable television franchisee are unable to reach agreement on modifications to the existing cable television franchise, then the franchising authority shall modify the existing cable television franchise, effective 45 days thereafter, in a manner, and only to the extent, that the terms and conditions of the existing cable television franchise shall no longer impose any duty or obligation on the existing franchisee which is not also imposed under the additional cable television franchise; however, if by the modification the existing cable television franchisee is relieved of duties or obligations

not imposed under the additional cable television franchise, then within the same 45 days and following a public hearing concerning modification of the additional cable television franchise within that 45 day period, the franchising authority shall modify the additional cable television franchise to the extent necessary to insure that neither the existing cable television franchise nor the additional cable television franchise, each considered in its entirety, shall have a competitive advantage over the other.

No county shall be subject to suit for damages based upon the county's determination to grant or its refusal to grant an additional cable television franchise, provided that a public hearing as herein provided has been held and the franchising authority has determined that it is in the best interest of the county to grant or refuse to grant such additional franchise, as the case may be.

It is declared to be the law of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of the Illinois Constitution, that the establishment of minimum standards and procedures for the granting of additional cable television franchises as provided in this subsection (e) is an exclusive State power and function that may not be exercised concurrently by a home rule unit.

(Source: P.A. 90-14, eff. 7-1-97; 90-285, eff. 7-31-97.)

(55 ILCS 5/5-1096.5 new)

Sec. 5-1096.5. Cable and video competition.

(a) A person or entity seeking to provide cable service or video service in this State after the effective date of this amendatory Act of the 95th General Assembly shall either (1) obtain a State-issued authorization pursuant to Section 401 of the Cable and Video Competition Law of 2007 (220 ILCS 5/21-401); (2) obtain authorization pursuant to Section 11-42-11 of the Illinois Municipal Code (65 ILCS 5/11-42-11); or (3) obtain authorization pursuant to Section 5-1095 of the Counties Code (55 ILCS 5/5-1095).

(b) A person or entity seeking to provide cable service or video service in this State after the effective date of this amendatory Act of the 95th General Assembly shall not use the public rights-of-way for the installation or construction of facilities for the provision of cable service or video service or offer cable service or video service until it has (i) obtained a State-issued authorization to offer or provide cable or video service under Section 401 of the Cable and Video Competition Law of 2007; (ii) obtained authorization under Section 11-42-11 of the Illinois Municipal Code; (iii) or obtained authorization under Section 5-1095 of the Counties Code. Nothing in this Section shall prohibit a local unit of government from granting a permit to a person or entity for the use of the public rights-of-way to install or construct facilities to provide cable service or video service, at its

sole discretion. No unit of local government shall be liable for denial or delay of a permit prior to the issuance of a State-issued authorization.

(c) For the purposes of Section 5-1095(e), a State-issued authorization under Article XXI of the Public Utilities Act shall be considered substantially equivalent in terms and conditions as an existing cable provider.

(d) Nothing in Article XXI of the Public Utilities Act shall constitute a basis for modification of an existing cable franchise or an injunction against or for the recovery of damages from a municipality pursuant to Section 5-1095(e) because of an application for or the issuance of a State-issued authorization under that Article XXI.

Section 15-20. The Illinois Municipal Code is amended by changing Section 11-42-11 and by adding Section 11-42-11.2 as follows:

(65 ILCS 5/11-42-11) (from Ch. 24, par. 11-42-11)

Sec. 11-42-11. Community antenna television systems; satellite transmitted television programming.

(a) The corporate authorities of each municipality may license, franchise and tax the business of operating a community antenna television system as hereinafter defined. In municipalities with less than 2,000,000 inhabitants, the corporate authorities may, under the limited circumstances set

forth in this Section, own (or lease as lessee) and operate a community antenna television system; provided that a municipality may not acquire, construct, own, or operate a community antenna television system for the use or benefit of private consumers or users, and may not charge a fee for that consumption or use, unless the proposition to acquire, construct, own, or operate a cable antenna television system has been submitted to and approved by the electors of the municipality in accordance with subsection (f). Before acquiring, constructing, or commencing operation of a community antenna television system, the municipality shall comply with the following:

(1) Give written notice to the owner or operator of any other community antenna television system franchised to serve all or any portion of the territorial area to be served by the municipality's community antenna television system, specifying the date, time, and place at which the municipality shall conduct public hearings to consider and determine whether the municipality should acquire, construct, or commence operation of a community antenna television system. The public hearings shall be conducted at least 14 days after this notice is given.

(2) Publish a notice of the hearing in 2 or more newspapers published in the county, city, village, incorporated town, or town, as the case may be. If there is no such newspaper, then notice shall be published in any 2

or more newspapers published in the county and having a general circulation throughout the community. The public hearings shall be conducted at least 14 days after this notice is given.

(3) Conduct a public hearing to determine the means by which construction, maintenance, and operation of the system will be financed, including whether the use of tax revenues or other fees will be required.

(b) The words "community antenna television system" shall mean any facility which is constructed in whole or in part in, on, under or over any highway or other public place and which is operated to perform for hire the service of receiving and amplifying the signals broadcast by one or more television stations and redistributing such signals by wire, cable or other means to members of the public who subscribe to such service; except that such definition shall not include (i) any system which serves fewer than fifty subscribers, or (ii) any system which serves only the residents of one or more apartment dwellings under common ownership, control or management, and commercial establishments located on the premises of such dwellings.

(c) The authority hereby granted does not include authority to license, franchise or tax telephone companies subject to jurisdiction of the Illinois Commerce Commission or the Federal Communications Commission in connection with the furnishing of circuits, wires, cables, and other facilities to the operator

of a community antenna television system.

(c-1) Each franchise entered into by a municipality and a community antenna television system shall include the customer service and privacy standards and protections contained in the Cable and Video Customers Protection Law. A franchise may not contain different penalties, consumer service and privacy standards and protections. Each franchise entered into by a municipality and a community antenna television system before the effective date of this amendatory Act of the 95th General Assembly shall be amended by this Section to incorporate the penalty provisions, customer service and privacy standards and protections contained in the Cable and Video Customers Protection Law.

The corporate authorities of each municipality may, in the course of franchising such community antenna television system, grant to such franchisee the authority and the right and permission to use all public streets, rights of way, alleys, ways for public service facilities, parks, playgrounds, school grounds, or other public grounds, in which such municipality may have an interest, for the construction, installation, operation, maintenance, alteration, addition, extension or improvement of a community antenna television system.

Any charge imposed by a community antenna television system franchised pursuant to this Section for the raising or removal of cables or lines to permit passage on, to or from a street

shall not exceed the reasonable costs of work reasonably necessary to safely permit such passage. Pursuant to subsections (h) and (i) of Section 6 of Article VII of the Constitution of the State of Illinois, the General Assembly declares the regulation of charges which may be imposed by community antenna television systems for the raising or removal of cables or lines to permit passage on, to or from streets is a power or function to be exercised exclusively by the State and not to be exercised or performed concurrently with the State by any unit of local government, including any home rule unit.

The municipality may, upon written request by the franchisee of a community antenna television system, exercise its right of eminent domain solely for the purpose of granting an easement right no greater than 8 feet in width, extending no greater than 8 feet from any lot line for the purpose of extending cable across any parcel of property in the manner provided by the law of eminent domain, provided, however, such franchisee deposits with the municipality sufficient security to pay all costs incurred by the municipality in the exercise of its right of eminent domain.

(d) The General Assembly finds and declares that satellite-transmitted television programming should be available to those who desire to subscribe to such programming and that decoding devices should be obtainable at reasonable prices by those who are unable to obtain satellite-transmitted

television programming through duly franchised community antenna television systems.

In any instance in which a person is unable to obtain satellite-transmitted television programming through a duly franchised community antenna television system either because the municipality and county in which such person resides has not granted a franchise to operate and maintain a community antenna television system, or because the duly franchised community antenna television system operator does not make cable television services available to such person, any programming company that delivers satellite-transmitted television programming in scrambled or encrypted form shall ensure that devices for description of such programming are made available to such person, through the local community antenna television operator or directly, for purchase or lease at prices reasonably related to the cost of manufacture and distribution of such devices.

(e) The General Assembly finds and declares that, in order to ensure that community antenna television services are provided in an orderly, competitive and economically sound manner, the best interests of the public will be served by the establishment of certain minimum standards and procedures for the granting of additional cable television franchises.

Subject to the provisions of this subsection, the authority granted under subsection (a) hereof shall include the authority to license, franchise and tax more than one cable operator to

provide community antenna television services within the corporate limits of a single franchising authority. For purposes of this subsection (e), the term:

(i) "Existing cable television franchise" means a community antenna television franchise granted by a municipality which is in use at the time such municipality receives an application or request by another cable operator for a franchise to provide cable antenna television services within all or any portion of the territorial area which is or may be served under the existing cable television franchise.

(ii) "Additional cable television franchise" means a franchise pursuant to which community antenna television services may be provided within the territorial areas, or any portion thereof, which may be served under an existing cable television franchise.

(iii) "Franchising Authority" is defined as that term is defined under Section 602(9) of the Cable Communications Policy Act of 1984, Public Law 98-549, but does not include any municipality with a population of 1,000,000 or more.

(iv) "Cable operator" is defined as that term is defined under Section 602(4) of the Cable Communications Policy Act of 1984, Public Law 98-549.

Before granting an additional cable television franchise, the franchising authority shall:

(1) Give written notice to the owner or operator of any

other community antenna television system franchised to serve all or any portion of the territorial area to be served by such additional cable television franchise, identifying the applicant for such additional franchise and specifying the date, time and place at which the franchising authority shall conduct public hearings to consider and determine whether such additional cable television franchise should be granted.

(2) Conduct a public hearing to determine the public need for such additional cable television franchise, the capacity of public rights-of-way to accommodate such additional community antenna television services, the potential disruption to existing users of public rights-of-way to be used by such additional franchise applicant to complete construction and to provide cable television services within the proposed franchise area, the long term economic impact of such additional cable television system within the community, and such other factors as the franchising authority shall deem appropriate.

(3) Determine, based upon the foregoing factors, whether it is in the best interest of the municipality to grant such additional cable television franchise.

(4) If the franchising authority shall determine that it is in the best interest of the municipality to do so, it may grant the additional cable television franchise.

Except as provided in paragraph (5) of this subsection (e), no such additional cable television franchise shall be granted under terms or conditions more favorable or less burdensome to the applicant than those required under the existing cable television franchise, including but not limited to terms and conditions pertaining to the territorial extent of the franchise, system design, technical performance standards, construction schedules, performance bonds, standards for construction and installation of cable television facilities, service to subscribers, public educational and governmental access channels and programming, production assistance, liability and indemnification, and franchise fees.

(5) Unless the existing cable television franchise provides that any additional cable television franchise shall be subject to the same terms or substantially equivalent terms and conditions as those of the existing cable television franchise, the franchising authority may grant an additional cable television franchise under different terms and conditions than those of the existing franchise, in which event the franchising authority shall enter into good faith negotiations with the existing franchisee and shall, within 120 days after the effective date of the additional cable television franchise, modify the existing cable television franchise in a manner and to the extent necessary to ensure that neither the existing

cable television franchise nor the additional cable television franchise, each considered in its entirety, provides a competitive advantage over the other, provided that prior to modifying the existing cable television franchise, the franchising authority shall have conducted a public hearing to consider the proposed modification. No modification in the terms and conditions of the existing cable television franchise shall oblige the existing cable television franchisee (1) to make any additional payment to the franchising authority, including the payment of any additional franchise fee, (2) to engage in any additional construction of the existing cable television system or, (3) to modify the specifications or design of the existing cable television system; and the inclusion of the factors identified in items (2) and (3) shall not be considered in determining whether either franchise considered in its entirety, has a competitive advantage over the other except to the extent that the additional franchisee provides additional video or data services or the equipment or facilities necessary to generate and or carry such service. No modification in the terms and conditions of the existing cable television franchise shall be made if the existing cable television franchisee elects to continue to operate under all terms and conditions of the existing franchise.

If within the 120 day period the franchising authority and the existing cable television franchisee are unable to

reach agreement on modifications to the existing cable television franchise, then the franchising authority shall modify the existing cable television franchise, effective 45 days thereafter, in a manner, and only to the extent, that the terms and conditions of the existing cable television franchise shall no longer impose any duty or obligation on the existing franchisee which is not also imposed under the additional cable television franchise; however, if by the modification the existing cable television franchisee is relieved of duties or obligations not imposed under the additional cable television franchise, then within the same 45 days and following a public hearing concerning modification of the additional cable television franchise within that 45 day period, the franchising authority shall modify the additional cable television franchise to the extent necessary to insure that neither the existing cable television franchise nor the additional cable television franchise, each considered in its entirety, shall have a competitive advantage over the other.

No municipality shall be subject to suit for damages based upon the municipality's determination to grant or its refusal to grant an additional cable television franchise, provided that a public hearing as herein provided has been held and the franchising authority has determined that it is in the best interest of the municipality to grant or refuse to grant such

additional franchise, as the case may be.

It is declared to be the law of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of the Illinois Constitution, that the establishment of minimum standards and procedures for the granting of additional cable television franchises by municipalities with a population less than 1,000,000 as provided in this subsection (e) is an exclusive State power and function that may not be exercised concurrently by a home rule unit.

(f) No municipality may acquire, construct, own, or operate a community antenna television system unless the corporate authorities adopt an ordinance. The ordinance must set forth the action proposed; describe the plant, equipment, and property to be acquired or constructed; and specifically describe the manner in which the construction, acquisition, and operation of the system will be financed.

The ordinance may not take effect until the question of acquiring, construction, owning, or operating a community antenna television system has been submitted to the electors of the municipality at a regular election and approved by a majority of the electors voting on the question. The corporate authorities must certify the question to the proper election authority, which must submit the question at an election in accordance with the Election Code.

The question must be submitted in substantially the following form:

Shall the ordinance authorizing the municipality to
(insert action authorized by ordinance) take effect?

The votes must be recorded as "Yes" or "No".

If a majority of electors voting on the question vote in
the affirmative, the ordinance shall take effect.

Not more than 30 or less than 15 days before the date of
the referendum, the municipal clerk must publish the ordinance
at least once in one or more newspapers published in the
municipality or, if no newspaper is published in the
municipality, in one or more newspapers of general circulation
within the municipality.

(Source: P.A. 90-285, eff. 7-31-97; 91-648, eff. 1-1-00.)

(65 ILCS 5/11-42-11.2 new)

Sec. 11-42-11.2. Cable and video competition.

(a) A person or entity seeking to provide cable service or
video service in this State after the effective date of this
amendatory Act of the 95th General Assembly shall either (1)
obtain a State-issued authorization pursuant to Section 401 of
the Cable and Video Competition Law of 2007; (2) obtain
authorization pursuant to Section 11-42-11 of the Illinois
Municipal Code; or (3) obtain authorization pursuant to Section
5-1095 of the Counties Code. All providers offering or
providing cable or video service in this State shall have
authorization pursuant to either (i) the Cable and Video
Competition Law of 2007; (ii) Section 11-42-11 of the Illinois

Municipal Code; (iii) Section 5-1095 of the Counties Code.

(b) A person or entity seeking to provide cable service or video service in this State after the effective date of this amendatory Act of the 95th General Assembly shall not use the public rights-of-way for the installation or construction of facilities for the provision of cable service or video service or offer cable service or video service until it has (i) obtained a State-issued authorization to offer or provide cable or video service under Section 401 of the Cable and Video Competition Law of 2007; (ii) obtained authorization under Section 11-42-11 of the Illinois Municipal Code; (iii) or obtained authorization under Section 5-1095 of the Counties Code. Nothing in this Section shall prohibit a local unit of government from granting a permit to a person or entity for the use of the public rights-of-way to install or construct facilities to provide cable service or video service, at its sole discretion. No unit of local government shall be liable for denial or delay of a permit prior to the issuance of a State-issued authorization.

(c) For the purposes of Section 11-42-11(e), a State-issued authorization under Article XXI of the Public Utilities Act shall be considered substantially equivalent in terms and conditions as an existing cable provider.

(d) Nothing in Article XXI of the Public Utilities Act shall constitute a basis for modification of an existing cable franchise or an injunction against or for the recovery of

damages from a municipality pursuant to Section 11-42-11 because of an application for or the issuance of a State-issued authorization under that Article XXI.

Section 15-25. The Public Utilities Act is amended by adding the heading of Article 70 and Sections 13-507.1, 70-501, 70-502, and 70-503 as follows:

(220 ILCS 5/13-507.1 new)

Sec. 13-507.1. In any proceeding permitting, approving, investigating, or establishing rates, charges, classifications, or tariffs for telecommunications services classified as noncompetitive offered or provided by an incumbent local exchange carrier as that term is defined in Section 13-202.1 of the Public Utilities Act, the Commission shall not allow any subsidy of Internet services, cable services, or video services by the rates or charges for local exchange telecommunications services, including local services classified as noncompetitive.

(220 ILCS 5/Art. 70 heading new)

ARTICLE 70. CABLE AND VIDEO CUSTOMER PROTECTION LAW

(220 ILCS 5/70-501 new)

Sec. 70-501. Customer service and privacy protection. All cable or video providers in this State shall comply with the

following customer service requirements and privacy protections. The provisions of this Act shall not apply to an incumbent cable operator prior to January 1, 2008. For purposes of this paragraph, an incumbent cable operator means a person or entity that provided cable services in a particular area under a franchise agreement with a local unit of government pursuant to Section 11-42-11 of the Illinois Municipal Code or Section 5-1095 of the Counties Code on January 1, 2007. A master antenna television, satellite master antenna television, direct broadcast satellite, multipoint distribution service, and other provider of video programming shall only be subject to the provisions of this Article to the extent permitted by federal law. The following definitions apply to the terms used in this Article:

"Basic cable or video service" means any service offering or tier which includes the retransmission of local television broadcast signals.

"Cable or video provider" means any person or entity providing cable service or video service pursuant to authorization under (i) the Cable and Video Competition Law of 2007; (ii) Section 11-42-11 of the Illinois Municipal Code; (iii) Section 5-1095 of the Counties Code; or (iv) a master antenna television, satellite master antenna television, direct broadcast satellite, multipoint distribution services, and other providers of video programming, whatever their technology. A cable or video provider shall not include a

landlord providing only broadcast video programming to a single-family home or other residential dwelling consisting of four units or less.

"Franchise" has the same meaning as found in 47 U.S.C. 522(9).

"Local unit of government" means a city, village, incorporated town, or a county.

"Normal business hours" means those hours during which most similar businesses in the geographic area of the local unit of government are open to serve customers. In all cases, "normal business hours" must include some evening hours at least one night per week or some weekend hours.

"Normal operating conditions" means those service conditions that are within the control of cable or video providers. Those conditions that are not within the control of cable or video providers include, but are not limited to, natural disasters, civil disturbances, power outages, telephone network outages, and severe or unusual weather conditions. Those conditions that are ordinarily within the control of cable or video providers include, but are not limited to, special promotions, pay-per-view events, rate increases, regular peak or seasonal demand periods, and maintenance or upgrade of the cable service or video service network.

"Service interruption" means the loss of picture or sound on one or more cable service or video service on one or more

cable or video channels.

"Service line drop" means the point of connection between a premises and the cable or video network that enables the premises to receive cable service or video service.

(a) General customer service standards:

(1) Cable or video providers shall establish general standards related to customer service, which shall include, but not be limited to, installation, disconnection, service and repair obligations; appointment hours, and employee ID requirements; customer service telephone numbers and hours; procedures for billing, charges, deposits, refunds, and credits; procedures for termination of service; notice of deletion of programming service, changes related to transmission of programming; changes or increases in rates; the use and availability of parental control or lock-out devices; the use and availability of A/B switch if applicable; complaint procedures and procedures for bill dispute resolution; a description of the rights and remedies available to consumers if the cable or video provider does not materially meet their customer service standards; and special services for customers with visual, hearing or mobility disabilities.

(2) Cable or video providers' rates for each level of service, rules, regulations and policies related to

its cable service or video service described in subsection (a) (1) must be made available to the public and displayed clearly and conspicuously on the cable or video provider's site on the Internet. If a promotional price or a price for a specified period of time is offered, the cable or video provider shall display the price at the end of the promotional period or specified period of time clearly and conspicuously with the display of the promotional price or price for a specified period of time. The cable or video provider shall provide this information upon request.

(3) Cable or video providers shall provide notice concerning their general customer service standards to all customers. This notice shall be offered when service is first activated and annually thereafter. The information in the notice shall include all of the information specified in subsection (a) (1), as well as the following: a listing of services offered by the cable or video providers, which shall clearly describe programming for all services and all levels of service; the rates for all services and levels of service; telephone number(s) through which customers may subscribe to, change, or terminate service, request customer service or seek general or billing information; instructions on the use of the cable or video services; and, a description of rights and

remedies that the cable or video providers shall make available to their customers if they do not materially meet the general customer service standards described in this Act.

(b) General customer service obligations:

(1) Cable or video providers shall render reasonably efficient service, promptly make repairs, and interrupt service only as necessary and for good cause, during periods of minimum use of the system and for no more than 24 hours.

(2) All service representatives or any other person who contacts customers or potential customers on behalf of the cable or video provider shall have a visible identification card with their name and photograph and shall orally identify themselves upon first contact with the customer. Customer service representatives shall orally identify themselves to callers immediately following the greeting during each telephone contact with the public.

(3) The cable or video providers shall: (i) maintain a customer service facility within the boundaries of a local unit of government staffed by customer service representatives that have the capacity to accept payment, adjust bills, respond to repair, installation, reconnection, disconnection, or other service calls; distribute or receive converter

boxes, remote control units, digital stereo units or other equipment related to the provision of cable or video service; or (ii) provide customers with bill payment facilities through retail, financial, or other commercial institutions located within the boundaries of a local unit of government; or (iii) provide an address, toll-free telephone number or electronic address to accept bill payments and correspondence, and provide secure collection boxes for the receipt of bill payments and the return of equipment, provided that if a cable or video provider provides secure collection boxes, it shall provide a printed receipt when items are deposited; or (iv) provide an address, toll-free telephone number or electronic address to accept bill payments and correspondence, and provide a method for customers to return equipment to the cable or video provider at no cost to the customer.

(4) In each contact with a customer, the service representatives or any other person who contacts customers or potential customers on behalf of the cable or video provider, shall state the estimated cost of the service, repair, or installation orally prior to delivery of the service or before any work is performed, and shall provide the customer with an oral statement of the total charges before terminating the telephone call or other contact in which a service is

ordered, whether in-person or over the Internet, and shall provide a written statement of the total charges before leaving the location at which the work was performed. In the event that the cost of service is a promotional price or is for a limited period of time, the cost of service at the end of the promotion or limited period of time shall be disclosed.

(5) Cable or video providers shall provide customers a minimum of 30 days' written notice before increasing rates or eliminating transmission of programming and shall submit the notice to the local unit of government in advance of distribution to customers, provided that the cable or video provider is not in violation of this provision if the elimination of transmission of programming was outside the control of the provider, in which case the provider shall use reasonable efforts to provide as much notice as possible and any rate decrease related to the elimination of transmission of programming shall be applied to the date of the change.

(6) Cable or video providers shall provide clear visual and audio reception that meets or exceeds applicable Federal Communications Commission technical standards. If a customer experiences poor video or audio reception due to the equipment of the cable or video provider, the cable or video provider shall

promptly repair the problem at its own expense.

(c) Bills, payment and termination:

(1) Cable or video providers shall render monthly bills that are clear, accurate and understandable.

(2) Every residential customer who pays bills directly to the cable or video provider shall have at least 28 days from the date of the bill to pay the listed charges.

(3) Customer payments shall be posted promptly. When the payment is sent by United States Mail, payment is considered paid on the date it is postmarked.

(4) Cable or video providers may not terminate residential service for nonpayment of a bill unless the cable or video provider furnishes notice of the delinquency and impending termination at least 21 days prior to the proposed termination. Notice of proposed termination shall be mailed, postage prepaid, to the customer to whom service is billed. Notice of proposed termination shall not be mailed until the 29th day after the date of the bill for services. Notice of delinquency and impending termination may be part of a billing statement only if the notice is presented in a different color than the bill and is designed to be conspicuous. The cable or video providers may not assess a late fee prior to the 29th day after the date of the bill for service.

(5) Every notice of impending termination shall include all of the following: name and address of customer; amount of delinquency; date on which payment is required to avoid termination; and the telephone number of the cable or video provider's service representative to make payment arrangements and to provide additional information about the charges for failure to return equipment and for reconnection, if any. No customer may be charged a fee for termination or disconnection of service, irrespective of whether the customer initiated termination or disconnection or the cable or video provider initiated termination or disconnection.

(6) Service may only be terminated on days when the customer is able to reach a service representative of the cable or video providers, either in person or by telephone.

(7) Any service terminated by a cable or video provider without good cause shall be restored without any reconnection fee, charge or penalty; good cause for termination includes, but is not limited to, failure to pay a bill by the date specified in the notice of impending termination, payment by check for which there are insufficient funds, theft of service, abuse of equipment or personnel or other similar subscriber actions.

(8) Cable or video providers shall cease charging a customer for any or all services within 1 business day after it receives a request to immediately terminate service or on the day requested by the customer if such a date is at least 5 days from the date requested by the customer. Nothing in this subsection shall prohibit the provider from billing for charges that the customer incurs prior to the date of termination. Cable or video providers shall issue a credit, a refund, or return a deposit within 10 business days after the close of the customer's billing cycle following the request for termination or the return of equipment, if any, whichever is later.

(9) The customers or subscribers of a cable or video provider shall be allowed to disconnect their service at any time within the first 60 days after subscribing to or upgrading the service. Within this 60-day period, cable or video providers shall not charge or impose any fees or penalties on the customer for disconnecting service, including, but not limited to, any installation charge, the imposition of an early termination charge, except the cable or video provider may impose a charge or fee to offset any rebates or credits received by the customer, and may impose monthly service or maintenance charges, including pay-per-view and premium services charges, during such

60-day period.

(10) Cable and video providers shall guarantee customer satisfaction for new or upgraded service and the customer shall receive a pro-rata credit in an amount equal to the pro-rata charge for the remaining days of service being disconnected or replaced upon the customers request if the customer is dissatisfied with the service and requests to discontinue the service within the first 60 days after subscribing to the upgraded service.

(d) Response to customer inquiries:

(1) Cable or video providers will maintain a toll-free telephone access line that will be available to customers 24 hours a day, seven days a week, to accept calls regarding installation, termination, service, and complaints. Trained, knowledgeable, qualified service representatives of the cable or video providers will be available to respond to customer telephone inquiries during normal business hours. Customer service representatives shall be able to provide credit, waive fees, schedule appointments and change billing cycles. Any difficulties that cannot be resolved by the customer service representatives shall be referred to a supervisor who shall make best efforts to resolve the issue immediately. If the supervisor does not resolve the

issue to the customer's satisfaction, the customer shall be informed of the cable or video provider's complaint procedures and procedures for billing dispute resolution and given a description of the rights and remedies available to customers to enforce the terms of this Article, including the customer's rights to have the complaint reviewed by the local unit of government, to request mediation, and to review in a court of competent jurisdiction.

(2) After normal business hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received by telephone or e-mail after normal business hours shall be responded to by a trained service representative on the next business day. The cable or video provider shall respond to a written billing inquiry within 10 days of receipt of the inquiry.

(3) Cable or video providers shall provide customers seeking non-standard installations with a total installation cost estimate and an estimated date of completion. The actual charge to the customer shall not exceed 10% of the estimated cost without the written consent of the customer.

(4) If the cable or video provider receives notice that an unsafe condition exists with respect to its equipment, it shall investigate such condition

immediately, and shall take such measures as are necessary to remove or eliminate the unsafe condition. The cable or video provider shall inform the local unit of government promptly, but no later than 2 hours after it receives notification of an unsafe condition that it has not remedied.

(5) Under normal operating conditions, telephone answer time by the cable or video provider's customer representative, including wait time, shall not exceed 30 seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed 30 seconds. These standards shall be met no less than 90% of the time under normal operating conditions, measured on a quarterly basis.

(6) Under normal operating conditions, the cable or video provider's customers will receive a busy signal less than 3% of the time.

(e) Installations, Outages and Service Calls. Under normal operating conditions, each of the following standards related to installations, outages and service calls will be met no less than 95% of the time measured on a quarterly basis:

(1) Standard installations will be performed within 7 business days after an order has been placed. "Standard" installations are those that are located up to 125 feet from the existing distribution system;

(2) Excluding conditions beyond the control of the cable or video providers, the cable or video providers will begin working on "service interruptions" promptly and in no event later than 24 hours after the interruption is reported by the customer or otherwise becomes known to the cable or video providers. Cable or video providers must begin actions to correct other service problems the next business day after notification of the service problem and correct the problem within 48 hours after the interruption is reported by the customer 95% of the time, measured on a quarterly basis;

(3) The "appointment window" alternatives for installations, service calls, and other installation activities will be either a specific time or, at a maximum, a four hour time block during evening, weekend and normal business hours. The cable or video provider may schedule service calls and other installation activities outside of these hours for the express convenience of the customer; and

(4) Cable or video providers may not cancel an appointment with a customer after 5:00 p.m. on the business day prior to the scheduled appointment. If the cable or video provider's representative is running late for an appointment with a customer and will not be able to keep the appointment as scheduled, the customer

will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the customer, even if the rescheduled appointment is not within normal business hours.

(f) Public benefit obligation:

(1) All cable or video providers offering service pursuant to the Cable and Video Competition Law of 2007, the Illinois Municipal Code, or the Counties Code, shall provide a free service line drop and free basic service to all current and future public buildings within their footprint, including, but not limited to, all local unit of government buildings, public libraries, and public primary and secondary schools, whether owned or leased by that local unit of government ("eligible buildings"). Such service shall be used in a manner consistent with the government purpose for the eligible building and shall not be resold.

(2) This obligation only applies to those cable or video service providers whose cable service or video service systems pass eligible buildings and its cable or video service is generally available to residential subscribers in the same local unit of government in which the eligible building is located. The burden of providing such service at each eligible building shall be shared by all cable and video providers whose

systems pass the eligible buildings in an equitable and competitively neutral manner, and nothing herein shall require duplicative installations by more than one cable or video provider at each eligible building. Cable or video providers operating in a local unit of government shall meet as necessary and determine who will provide service to eligible buildings under this subsection. If the cable or video providers are unable to reach agreement, they shall meet with the local unit of government which shall determine which cable or video providers will serve each eligible building. The local unit of government shall bear the costs of any inside wiring or video equipment costs not ordinarily provided as part of the cable or video provider's basic offering.

(g) After the cable or video providers have offered service for one (1) year, the cable or video providers shall make an annual report to the Commission, the local unit of government and to the Attorney General that it is meeting the standards specified in this Article, identifying the number of complaints it received over the prior year in the State, and specifying the number of complaints related to each of the following: (1) billing, charges, refunds, credits; (2) installation or termination of service; (3) quality of service and repair; (4) programming; and (5) miscellaneous complaints that do not

fall within these categories. Thereafter, the cable or video providers shall also provide, upon request by the local unit of government where service is offered and to the Attorney General, an annual public report that includes performance data described in subsections (d)(5), (d)(6), (e)(1) and (e)(2) of this Section for cable services or video services. The performance data shall be disaggregated for each requesting local unit of government or local exchange, as that term is defined in Section 13-206 of the Public Utilities Act, in which the cable or video providers have customers.

(h) To the extent consistent with federal law, cable or video providers shall offer the lowest-cost basic cable or video service as a stand-alone service to residential customers at reasonable rates. Cable or video providers shall not require the subscription to any service other than the lowest-cost basic service or to any telecommunications or information service, as a condition of access to cable or video service, including programming offered on a per channel or per program basis. Cable or video providers shall not discriminate between subscribers to the lowest-cost basic service, subscribers to other cable services or video services, and other subscribers with regard to the rates charged for cable or video programming offered on a per channel or per program basis.

(i) To the extent consistent with federal law, cable or

video providers shall ensure that charges for changes in the subscriber's selection of services or equipment shall be based on the cost of such change and shall not exceed nominal amounts when the system's configuration permits changes in service tier selection to be effected solely by coded entry on a computer terminal or by other similarly simple method.

(j) To the extent consistent with federal law, cable or video providers shall have a rate structure for the provision of cable or video service that is uniform throughout the area within the boundaries of the local unit of government. This subsection is not intended to prohibit bulk discounts to multiple dwelling units or to prohibit reasonable discounts to senior citizens or other economically disadvantaged groups.

(k) To the extent consistent with federal law, cable or video providers shall not charge a subscriber for any service or equipment that the subscriber has not affirmatively requested by name. For purposes of this subsection, a subscriber's failure to refuse a cable or video provider's proposal to provide service or equipment shall not be deemed to be an affirmative request for such service or equipment.

(l) No contract or service offering cable services or video services or any bundle including such services shall be for a term longer than one year. Any contract or service

offering with a term of service that contains an early termination fee shall limit the early termination fee to not more than the amount of the discount reflected in the price for cable services or video services for the period during which the consumer benefited from the discount.

(m) Cable or video providers shall not discriminate in the provision of services for the hearing and visually impaired, and shall comply with the accessibility requirements of 47 U.S.C. 613. Cable or video providers shall deliver and pick-up, or provide customers with pre-paid shipping and packaging for the return of, converters and other necessary equipment at the home of customers with disabilities. Cable or video providers shall provide free use of a converter or remote control unit to mobility impaired customers.

(n) (1) To the extent consistent with federal law, cable or video providers shall comply with the provisions of 47 U.S.C. 532(h) and (j). The cable or video providers shall not exercise any editorial control over any video programming provided pursuant to this Section, or in any other way consider the content of such programming, except that a cable or video provider may refuse to transmit any leased access program or portion of a leased access program which contains obscenity, indecency, or nudity and may consider such content to the minimum extent necessary to establish a reasonable price for the commercial use of

designated channel capacity by an unaffiliated person.
This subsection shall permit cable or video providers to
enforce prospectively a written and published policy of
prohibiting programming that the cable or video provider
reasonably believes describes or depicts sexual or
excretory activities or organs in a patently offensive
manner as measured by contemporary community standards.

(2) Upon customer request, the cable or video
provider shall, without charge, fully scramble or
otherwise fully block the audio and video programming
of each channel carrying such programming so that a
person who is not a subscriber does not receive the
channel or programming.

(3) In providing sexually explicit adult
programming or other programming that is indecent on
any channel of its service primarily dedicated to
sexually oriented programming, the cable or video
provider shall fully scramble or otherwise fully block
the video and audio portion of such channel so that one
not a subscriber to such channel or programming does
not receive it.

(4) Scramble means to rearrange the content of the
signal of the programming so that the programming
cannot be viewed or heard in an understandable manner.

(o) Cable or video providers will maintain a listing,
specific to the level of street address, of the areas where

its cable or video services are available. Customers who inquire about purchasing cable or video service shall be informed about whether the cable or video provider's cable or video services are currently available to them at their specific location.

(p) Privacy protections. Cable or video providers shall not disclose the name, address, telephone number or other personally identifying information of a cable service or video service customer to be used in mailing lists or to be used for other commercial purposes not reasonably related to the conduct of its business unless the cable or video provider has provided to the customer a notice, separately or included in any other customer service notice, that clearly and conspicuously describes the customer's ability to prohibit the disclosure. Cable or video providers shall provide an address and telephone number for a customer to use without toll charge to prevent disclosure of the customer's name and address in mailing lists or for other commercial purposes not reasonably related to the conduct of its business to other businesses or affiliates of the cable or video provider. Cable or video providers shall comply with the consumer privacy requirements of the Communications Consumer Privacy Act, the Restricted Call Registry Act, and 47 U.S.C. 551 that are in effect as of the effective date of this amendatory Act of the 95th General Assembly, and as amended

thereafter.

(g) Cable or video providers shall implement an informal process for handling inquiries from local units of government and customers concerning billing issues, service issues, privacy concerns and other consumer complaints. In the event an issue is not resolved through this informal process, a local unit of government or the customer may request nonbinding mediation with the cable or video provider, with each party to bear its own costs of such mediation. Selection of the mediator will be by mutual agreement, and preference will be given to mediation services that do not charge the consumer for their services. In the event the informal process does not produce a satisfactory result to the customer or the local unit of government, enforcement may be pursued as provided in subsection (r) (4).

(r) The Attorney General and the local unit of government may enforce all of the customer service and privacy protection standards of this Section with respect to complaints received from residents within the local unit of government's jurisdiction, but it may not adopt or seek to enforce any additional or different customer service or performance standards under any other authority or provision of law.

(1) The local unit of government may, by ordinance, provide a schedule of penalties for any material breach

of this Section by cable or video providers in addition to the penalties provided herein. No monetary penalties shall be assessed for a material breach if it is out of the reasonable control of the cable or video providers or its affiliate. Monetary penalties adopted in an ordinance pursuant to this Section shall apply on a competitively neutral basis to all providers of cable service or video service within the local unit of government's jurisdiction and in no event shall the penalties imposed under this subsection exceed \$750 for each day of the material breach, and shall not exceed \$25,000 for each occurrence of a material breach per customer.

(2) For purposes of this Section, "material breach" means any substantial failure of a cable or video service provider to comply with service quality and other standards specified in any provision of this Act. The Attorney General or the local unit of government shall give the cable or video provider written notice of any alleged material breaches of this Act and allow such provider at least 30 days from receipt of the notice to remedy the specified material breach.

(3) A material breach, for the purposes of assessing penalties, shall be deemed to have occurred for each day that a material breach has not been

remedied by the cable service or video service provider after the expiration of the period specified in subsection (r)(2) in each local unit of government's jurisdiction, irrespective of the number of customers affected.

(4) Any customer, the Attorney General, or local unit of government may pursue alleged violations of this Act by the cable or video provider in a court of competent jurisdiction. A cable or video provider may seek judicial review of a decision of a local unit of government imposing penalties in a court of competent jurisdiction. No local unit of government shall be subject to suit for damages or other relief based upon its action in connection with its enforcement or review of any of the terms, conditions, and rights contained in this Act except a court may require the return of any penalty it finds was not properly assessed or imposed.

(s) Cable or video providers shall credit customers for violations in the amounts stated herein. The credits shall be applied on the statement issued to the customer for the next monthly billing cycle following the violation or following the discovery of the violation. Cable or video providers are responsible for providing the credits described herein and the customer is under no obligation to request the credit. If the customer is no longer taking

service from the cable or video provider, the credit amount will be refunded to the customer by check within 30 days of the termination of service. A local unit of government may, by ordinance, adopt a schedule of credits payable directly to customers for breach of the customer service standards and obligations contained in this Article, provided the schedule of customer credits applies on a competitively neutral basis to all providers of cable service or video service in the local unit of government's jurisdiction and the credits are not greater than the credits provided in this Section.

(1) Failure to provide notice of customer service standards upon initiation of service: \$25.00.

(2) Failure to install service within 7 days: Waiver of 50% of the installation fee or the monthly fee for the lowest-cost basic service, whichever is greater. Failure to install service within 14 days: Waiver of 100% of the installation fee or the monthly fee for the lowest-cost basic service, whichever is greater.

(3) Failure to remedy service interruptions or poor video or audio service quality within 48 hours: Pro-rata credit of total regular monthly charges equal to the number of days of the service interruption.

(4) Failure to keep an appointment or to notify the customer prior to the close of business on the business

day prior to the scheduled appointment: \$25.00.

(5) Violation of privacy protections: \$150.00.

(6) Failure to comply with scrambling requirements: \$50.00 per month.

(7) Violation of customer service and billing standards in subsections (c) and (d): \$25.00 per occurrence.

(8) Violation of the bundling rules in Section (h): \$25.00 per month.

(t) The enforcement powers granted to the Attorney General in Article XXI of the Public Utilities Act shall apply to this Act, except that the Attorney General may not seek penalties for violation of this Act other than in the amounts specified herein. Nothing in this Section shall limit or affect the powers of the Attorney General to enforce the provisions of Article 21 of the Public Utilities Act or the Consumer Fraud and Deceptive Business Practices Act.

(u) This Act applies to all cable and video providers in the State, including but not limited to those operating under a local franchise as that term is used in 47 U.S.C. 522(9), those operating under authorization pursuant to Section 11-42-11 of the Municipal Code, those operating under authorization pursuant to Section 5-1095 of the Counties Code, and those operating under a State-issued authorization pursuant to Article XXI of the Public

Utilities Act.

(220 ILCS 5/70-502 new)

Sec. 70-502. The provisions of this Article are a limitation of home rule powers under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(220 ILCS 5/70-503 new)

Sec. 70-503. The provisions of this Article are severable under Section 1.31 of the Statute on Statutes.

Section 15-30. The State Mandates Act is amended by adding Section 8.31 as follows:

(30 ILCS 805/8.31 new)

Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 95th General Assembly.

ARTICLE 99.

Section 99-999. Effective date. This Act takes effect upon becoming law.