

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Communications, Energy, and Public Utilities Committee

BILL: SB2092

INTRODUCER: Senator King

SUBJECT: Cable and Video Services

DATE: April 10, 2009

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Caldwell	Caldwell	CU	Pre-meeting
2.			CM	
3.			WPSC	
4.				
5.				
6.				

I. Summary:

The bill extends one of the dates by which the Office of Program Policy Analysis and Government Accountability (OPPAGA) is required to submit a report on the status of competition in the cable and video service industry and clarifies that two reports are to be filed. The bill requires that the reports contain certain information and requires that cable and video service providers submit certain information to the OPPAGA by specified dates to facilitate the completion of the reports, if not prohibited by federal law or exempt from the public records law.

This bill amends section 610.119 of the Florida Statutes.

II. Present Situation:

Chapter 2007-29, Laws of Florida,¹ created a statewide franchise process for cable and video services to encourage competition in providing these services.

Section 610.119, F. S. provides for the OPPAGA to report by December 1, 2009, and December 1, 2014, to the President of the Senate, Speaker of the House of Representatives, and the majority and minority leaders of the Senate and House of Representative on the status of competition in the cable and video service industry. The report is to include, by each municipality and county, the number of cable and video service providers, the number of cable and video subscribers served, the number of areas served by fewer than two cable or video services providers, the trend in cable and video service prices, and the identification of any patterns of service as they impact demographic and income groups.

¹ Council Substitute for Council Substitute for HB529

In early 2008, the OPPAGA sent out data requests but did not get a sufficient response. Numerous communications occurred between industry representatives and the OPPAGA staff with regard to the requested information. According to the OPPAGA, industry stated that they were precluded by federal law from providing individual subscriber information which was some of the information sought in the data request. OPPAGA stated that it contacted the Federal Communications Commission (FCC) to confirm the prohibition and clarify whether there were any options that could allow OPPAGA to obtain the subscriber information needed for the cable video services project. On June 19, 2008, the FCC General Counsel informed the OPPAGA that providers are precluded under federal law from releasing individual subscriber information.

OPPAGA has stated that it is proceeding with the cable and video services project and believe that the study will address the remaining issue areas including the number of cable and video service providers by county or municipality, the number of areas served by fewer than two cable or video service providers, and the trend in cable and video service prices. However, its ability to address these issues is highly dependent upon the information provided by the companies.

III. Effect of Proposed Changes:

The bill amends s. 610.119, F.S., to modify the dates from 2009 to 2010 and four years thereafter in 2014 that a report on the status of competition in the cable and video service industry is due to the President of the Senate, the Speaker of the House of Representatives, and the majority and minority leaders of the Senate and House of Representatives. The report must identify the:

- Total number of cable providers offering service in Florida;
- Total number of video service providers offering service in Florida;
- Total number of cable subscribers served by each provider;
- Total number of video subscribers served by each provider;
- Number of areas served by fewer than two cable or video services providers;
- Trends in prices for cable and video services from 2009 to 2014; and
- Patterns of service and its impact on certain demographic and income groups.

Cable and video service providers are required to provide certain information in a specified format to the OPPAGA beginning June 30, 2009, and annually thereafter until June 30, 2014. In addition, the providers must submit to OPPAGA the aggregate number of cable and video subscribers served by each provider by zip code and annual price reports containing regional price differences for the full list of service pricing alternatives offered by the provider as of each year for the four quarters ending June 30, including basic and packaged video and cable services if the information provided does not violate federal law and is exempt from the public records requirements of chapter 119, F.S.

The effective date of the bill is July 1, 2009.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

SB2126 is a public records exemption that is tied to this bill.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Cable and video service providers may incur costs to comply with the reporting requirement.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.