

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 Committee on Commerce and Tourism

BILL: SB 1010

INTRODUCER: Senator Richter

SUBJECT: Cable and Video Services

DATE: March 21, 2014

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Caldwell</u>	<u>Caldwell</u>	<u>CU</u>	Favorable
2.	<u>Baye</u>	<u>Hrdlicka</u>	<u>CM</u>	Favorable

I. Summary:

SB 1010 repeals s. 610.119, F.S., which provides for the Office of Program Policy Analysis and Government Accountability to submit a report on the status of competition in the cable and video service industry. The law includes specifics about what the report should contain. Section 610.199(2), F.S., provides that the Department of Agriculture and Consumer Services shall make recommendations regarding the workload and staffing requirements associated with consumer complaints related to video and cable certificate holders.

II. Present Situation:

In 2007, the Legislature created s. 610.119(1), F.S., to require the Office of Program Policy Analysis and Government Accountability (OPPAGA) to submit a report 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, by December 1, 2009, and December 1, 2014, “on the status of competition in the cable and video service industry, including, 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 service providers, the trend in cable and video service prices, and the identification of any patterns of serve as they impact demographic and income groups.”

OPPAGA issued the first report in October 2009. The report identified two barriers preventing a comprehensive assessment:

- Providers reluctance to share data, and
- Insufficient information provided in statewide franchise documents.¹

¹ Office of Program Policy Analysis & Government Accountability, *Benefits from Statewide Cable and Video Franchise Reform Remain Uncertain*, available at <http://www.oppaga.state.fl.us/MonitorDocs/Reports/pdf/0935rpt.pdf> (last visited Mar. 14, 2014). See also s.7, ch. 2001-29, L.O.F.

The report addressed the future required 2014 study, recommending that the Legislature may wish to consider amending s. 610.119(1), F.S., “to require providers to submit information on aggregate numbers of subscribers by census block level and to provide that these data are not subject to public records disclosure,” or “modify the study requirements to no longer direct OPPAGA to analyze the effect of statewide franchising on availability of video services to subscribers throughout the state and the level of competition within the industry.”²

Section 610.119(2), F.S., required the Department of Agriculture and Consumer Services to make recommendations 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 regarding the workload and staffing requirements associated with consumer complaints related to video and cable certificate holders. The department indicates that this obligation was fulfilled in 2008.³

III. Effect of Proposed Changes:

SB 1010 repeals s. 610.119, F.S. OPPAGA will not be required to submit the report due later this year, and the requirement for the Department of Agriculture and Consumer Services report is obsolete.

This bill takes effect July 1, 2014.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

² *Id.*

³ Department of Agriculture and Consumer Services, *Senate Bill 1010 Agency Analysis* (Feb. 21, 2014).

C. **Government Sector Impact:**

OPPAGA would not have to develop the required report. While the Legislature would not receive the benefit of the report, the barriers indicated by OPPAGA's October 2009 report would likely result in a report wanting for detail.

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

As required by federal law, the Federal Communications Commission prepares and publishes an annual report concerning the status of competition in the market for delivery of video programming.⁴ The report is intended to measure progress toward the goals of increasing competition and diversity in multichannel video programming distribution, increasing the availability of satellite delivered programming, and spurring the development of communications technologies.⁵ Among other things, the report addresses the number of service subscribers and market share among various market segments and participants, including a comparison of competition in rural versus urban areas.⁶ The report also addresses programming and consumer behavior patterns.

VIII. **Statutes Affected:**

This bill repeals section 610.119 of the Florida Statutes.

IX. **Additional Information:**

A. **Committee Substitute – Statement of Changes:**

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

None.

B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

⁴ 47 U.S.C. s. 548(g)

⁵ See Federal Communications Commission, *Fifteenth Report*, released July 22, 2013, MB Docket No. 12-203, In the Matter of Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-13-99A1.pdf (last visited Mar. 19, 2014).

⁶ *Id.* at 157.