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(Original Signature of Member)

118TH CONGRESS
1ST SESSION

H. R. _____

To amend the Communications Act of 1934 to amend provisions relating to franchise term and termination and provisions relating to the elimination or modification of requirements in franchises, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M____. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Communications Act of 1934 to amend provisions relating to franchise term and termination and provisions relating to the elimination or modification of requirements in franchises, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Cable Transparency
5 Act”.

1 **SEC. 2. CABLE FRANCHISE TERM AND TERMINATION.**

2 (a) **ELIMINATION OR MODIFICATION OF REQUIRE-**
3 **MENT IN FRANCHISE.**—Section 625 of the Communica-
4 tions Act of 1934 (47 U.S.C. 545) is amended to read
5 as follows:

6 **“SEC. 625. ELIMINATION OR MODIFICATION OF REQUIRE-**
7 **MENT IN FRANCHISE.**

8 “(a) **IN GENERAL.**—During the period in which a
9 franchise is in effect, the cable operator may obtain the
10 elimination or modification of any requirement in the fran-
11 chise by submitting to the franchising authority a request
12 for the elimination or modification of such requirement.

13 “(b) **ELIMINATION OR MODIFICATION OF REQUIRE-**
14 **MENT IN FRANCHISE.**—The franchising authority shall
15 eliminate or modify a requirement in accordance with a
16 complete request submitted under subsection (a) not later
17 than 120 days after receiving such request if the cable
18 operator demonstrates in the request—

19 “(1) good cause for the elimination or modifica-
20 tion of the requirement; and

21 “(2) that the mix, quality, and level of services
22 required by the franchise at the time the franchise
23 was granted will be maintained after the elimination
24 or modification of the requirement.

25 “(c) **DEEMED ELIMINATION OR MODIFICATION.**—
26 Except in the case of a request for the elimination or

1 modification of a requirement for services relating to pub-
2 lic, educational, or governmental access, if the franchising
3 authority fails to approve or deny the complete request
4 submitted under subsection (a) by the date described
5 under subsection (b), the requirement shall be deemed
6 eliminated or modified in accordance with the request on
7 the day after such date.

8 “(d) APPEAL.—

9 “(1) IN GENERAL.—Any cable operator whose
10 request for elimination or modification of a require-
11 ment in a franchise under subsection (a) has been
12 denied by a final decision of a franchising authority
13 may obtain the elimination or modification of such
14 franchise requirements pursuant to the provisions of
15 section 635.

16 “(2) GRANT OF REQUEST.—In the case of any
17 proposed elimination or modification of a require-
18 ment in a franchise under subsection (a), the court
19 shall grant such elimination or modification only if
20 the cable operator demonstrates to the court—

21 “(A) good cause for the elimination or
22 modification of the requirement; and

23 “(B) that the mix, quality, and level of
24 services required by the franchise at the time
25 the franchise was granted will be maintained

1 after the elimination or modification of the re-
2 quirement.

3 “(e) WHEN REQUEST CONSIDERED COMPLETE; RE-
4 CEIVED.—

5 “(1) WHEN REQUEST CONSIDERED COM-
6 PLETE.—

7 “(A) IN GENERAL.—For the purposes of
8 this section, a request to a franchising author-
9 ity shall be considered complete if the cable op-
10 erator has not received a written notice from
11 the franchising authority within 10 business
12 days after the date on which the request is re-
13 ceived by the franchising authority—

14 “(i) stating that all the information
15 (including any form or other document) re-
16 quired by the franchising authority to be
17 submitted for the request to be considered
18 complete has not been submitted; and

19 “(ii) identifying the information re-
20 quired to be submitted that was not sub-
21 mitted.

22 “(B) DEFINITION.—In this paragraph, the
23 term ‘the date on which the request is received
24 by the franchising authority’ means—

1 “(i) in the case of a request submitted
2 electronically, the date on which the re-
3 quest is transmitted;

4 “(ii) in the case of a request sub-
5 mitted in person, the date on which the re-
6 quest is delivered to the individual or at
7 the location specified by the franchising
8 authority for in-person submission; and

9 “(iii) in the case of a request sub-
10 mitted in any other manner, the date de-
11 termined under regulations promulgated by
12 the Commission for the manner in which
13 the request is submitted.

14 “(2) WHEN COMPLETE REQUEST CONSIDERED
15 RECEIVED.—For the purposes of this section, a com-
16 plete request shall be considered received—

17 “(A) except as provided in subparagraph
18 (B), on the date on which the cable operator
19 submits to the franchising authority all infor-
20 mation (including any form or other document)
21 required by the franchising authority to be sub-
22 mitted for the request to be considered com-
23 plete; or

24 “(B) in the case of a request with respect
25 to which all such information is not submitted

1 and that is considered complete under para-
2 graph (1)(A) because the cable operator has not
3 received a written notice from the franchising
4 authority within the period described in such
5 paragraph, on the day after the last day of such
6 period.”.

7 (b) IN GENERAL.—Section 626 of the Communica-
8 tions Act of 1934 (47 U.S.C. 546) is amended to read
9 as follows:

10 **“SEC. 626. FRANCHISE TERM AND TERMINATION.**

11 “(a) FRANCHISE TERM.—A franchise shall continue
12 in effect (without any requirement for renewal) until the
13 date on which the franchise is revoked or terminated in
14 accordance with subsection (b).

15 “(b) LIMITS.—

16 “(1) PROHIBITION AGAINST REVOCATION; TER-
17 MINATION.—Except as provided in paragraph (2), a
18 franchise may not be—

19 “(A) revoked by a franchising authority;

20 “(B) terminated by a cable operator; or

21 “(C) revoked or terminated by operation of
22 law, including by a term in a franchise that re-
23 vokes or terminates such franchise on a specific
24 date, after a period of time, or upon the occur-
25 rence of an event.

1 “(2) WHEN TERMINATION OR REVOCATION OF
2 FRANCHISE PERMITTED.—

3 “(A) TERMINATION BY CABLE OPER-
4 ATOR.—

5 “(i) IN GENERAL.—A cable operator
6 may terminate a franchise by submitting
7 to the franchising authority a written re-
8 quest for the franchising authority to re-
9 voke such franchise.

10 “(ii) TIME OF REVOCATION.—If the
11 cable operator submits a complete request
12 under clause (i), the franchising authority
13 shall revoke the franchise on the date that
14 is 90 days after the franchising authority
15 receives such request.

16 “(iii) DEEMED TO BE REVOKED.—If a
17 franchising authority does not approve a
18 request by the date required under clause
19 (ii), the franchise is deemed revoked on the
20 day after such date.

21 “(B) TERMINATION BY FRANCHISING AU-
22 THORITY.—A franchising authority may revoke
23 a franchise if the franchising authority—

24 “(i) finds that the cable operator has
25 knowingly and willfully failed to substan-

1 tially meet a material requirement imposed
2 by the franchise;

3 “(ii) provides the cable operator a rea-
4 sonable opportunity to cure such failure,
5 after which the cable operator fails to cure
6 such failure; and

7 “(iii) does not waive the material re-
8 quirement or acquiesce with the failure to
9 substantially meet such requirement.

10 “(C) WHEN REQUEST CONSIDERED COM-
11 PLETE; RECEIVED.—

12 “(i) WHEN REQUEST CONSIDERED
13 COMPLETE.—

14 “(I) IN GENERAL.—For the pur-
15 poses of this paragraph, a request to
16 a franchising authority shall be con-
17 sidered complete if the cable operator
18 has not received a written notice from
19 the franchising authority within 10
20 business days after the date on which
21 the request is received by the fran-
22 chising authority—

23 “(aa) stating that all the in-
24 formation (including any form or
25 other document) required by the

1 franchising authority to be sub-
2 mitted for the request to be con-
3 sidered complete has not been
4 submitted; and

5 “(bb) identifying the infor-
6 mation required to be submitted
7 that was not submitted.

8 “(II) DEFINITION.—In this
9 clause, the term ‘the date on which
10 the request is received by the fran-
11 chising authority’ means—

12 “(aa) in the case of a re-
13 quest submitted electronically,
14 the date on which the request is
15 transmitted;

16 “(bb) in the case of a re-
17 quest submitted in person, the
18 date on which the request is de-
19 livered to the individual or at the
20 location specified by the fran-
21 chising authority for in-person
22 submission; and

23 “(cc) in the case of a re-
24 quest submitted in any other
25 manner, the date determined

1 under regulations promulgated by
2 the Commission for the manner
3 in which the request is sub-
4 mitted.

5 “(ii) WHEN COMPLETE REQUEST CON-
6 SIDERED RECEIVED.—For the purposes of
7 this paragraph, a complete request shall be
8 considered received—

9 “(I) except as provided in sub-
10 clause (II), on the date on which the
11 cable operator submits to the fran-
12 chising authority all information (in-
13 cluding any form or other document)
14 required by the franchising authority
15 to be submitted for the request to be
16 considered complete; or

17 “(II) in the case of a request
18 with respect to which all such infor-
19 mation is not submitted and that is
20 considered complete under clause
21 (i)(I) because the cable operator has
22 not received a written notice from the
23 franchising authority within the pe-
24 riod described in such clause, on the
25 day after the last day of such period.

1 “(c) REVIEW BY COMMISSION.—

2 “(1) PETITION.—A cable operator may petition
3 the Commission for review of a determination by a
4 franchising authority to revoke a franchise under
5 subsection (b)(2)(B).

6 “(2) REVIEW.—The Commission shall review
7 the determination de novo.

8 “(3) ORDER.—If, based on the evidence pre-
9 sented during the review, the Commission deter-
10 mines that the franchising authority has not dem-
11 onstrated by a preponderance of the evidence that
12 the franchising authority revoked the franchise in
13 accordance with subsection (b)(2)(B), the Commis-
14 sion shall order the franchising authority to rein-
15 state the franchise.”.

16 (c) TECHNICAL AND CONFORMING AMENDMENTS.—
17 The Communications Act of 1934 (47 U.S.C. 151 et seq.)
18 is amended—

19 (1) in section 601—

20 (A) in paragraph (4), by striking the semi-
21 colon at the end and inserting “; and”;

22 (B) by striking paragraph (5); and

23 (C) by redesignating paragraph (6) as
24 paragraph (5);

25 (2) in section 602(9)—

1 (A) by striking “initial”; and

2 (B) by striking “, or renewal thereof (in-
3 cluding a renewal of an authorization which has
4 been granted subject to section 626),”;

5 (3) in section 611(b), by striking “and may re-
6 quire as part of a cable operator’s proposal for a
7 franchise renewal, subject to section 626”;

8 (4) in section 612(b)(3)—

9 (A) by striking “or as part of a proposal
10 for renewal, subject to section 626,”; and

11 (B) by striking “, or proposal for renewal
12 thereof,”;

13 (5) in section 621(b)(3)—

14 (A) in subparagraph (C)(ii), by striking
15 “or franchise renewal”; and

16 (B) in subparagraph (D)—

17 (i) by striking “initial”; and

18 (ii) by striking “, a franchise re-
19 newal,”;

20 (6) in section 624—

21 (A) in subsection (b)(1), by striking “(in-
22 cluding requests for renewal proposals, subject
23 to section 626)”; and

24 (B) in subsection (d)(1), by striking “or
25 renewal thereof”;

1 (7) in section 635A(a), by striking “renewal,”.

2 (d) EFFECTIVE DATE; APPLICATION.—

3 (1) EFFECTIVE DATE.—This section, and the
4 amendments made by this section, shall take effect
5 6 months after the date of the enactment of this
6 Act.

7 (2) APPLICATION.—This section, and the
8 amendments made by this section, shall apply to a
9 franchise granted—

10 (A) on or after the effective date estab-
11 lished by paragraph (1); or

12 (B) before such date, if such franchise (in-
13 cluding, notwithstanding the amendment made
14 by subsection (c)(2)(B), any renewal thereof) is
15 in effect on such date.