

SENATE BILL NO. 278—SENATOR NEAL

MARCH 13, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to powers of certain local governmental entities to provide services of community antenna television system. (BDR 58-1127)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to communication services; revising provisions relating to the powers of certain local governmental entities to provide the services of a community antenna television system; revising provisions relating to franchises granted for community antenna television systems; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 711.030 is hereby amended to read as follows:
2 711.030 *1. “Community antenna television company” or*
3 *“company” means any person or organization which owns, controls,*
4 *operates or manages a community antenna television system .* ~~1.~~
5 ~~except that the definition]~~
6 *2. The term includes:*
7 *(a) The governing body of a county if it sells the services of a*
8 *community antenna television system to the general public in any*
9 *incorporated area of the county or in any area outside the*
10 *boundaries of the county; and*
11 *(b) The governing body of a city if it sells the services of a*
12 *community antenna television system to the general public in any*
13 *area outside the boundaries of the city.*



1 **3. The term** does not include:

2 ~~1-1~~ (a) A telephone, telegraph or electric utility regulated by
3 the Public Utilities Commission of Nevada where the utility merely
4 leases or rents to a community antenna television company wires or
5 cables for the redistribution of television signals to or toward
6 subscribers of that company; or

7 ~~2-1~~ (b) A telephone or telegraph utility regulated by the Public
8 Utilities Commission of Nevada where the utility merely provides
9 channels of communication under published tariffs filed with that
10 Commission to a community antenna television company for the
11 redistribution of television signals to or toward subscribers of that
12 company.

13 **Sec. 2.** NRS 711.175 is hereby amended to read as follows:

14 711.175 ~~Except as otherwise provided in NRS 318.1192,~~
15 ~~318.1193 and 318.1194:~~ *Notwithstanding the provisions of any*
16 *other general law or special law to the contrary:*

17 1. The governing body of a county ~~whose population is 50,000~~
18 ~~or more shall not~~ *may* sell the services of a community antenna
19 television system to the general public ~~in any area located within~~
20 ~~or outside the boundaries of the county, whether or not the~~
21 ~~governing body of the county has granted a franchise to one or~~
22 ~~more community antenna television companies pursuant to this~~
23 ~~chapter. Before the governing body of a county may sell the~~
24 ~~services of a community antenna television system to the general~~
25 ~~public in any incorporated area of the county or in any area~~
26 ~~outside the boundaries of the county, the governing body of the~~
27 ~~county must be granted a franchise from the appropriate~~
28 ~~governing body having jurisdiction over the area.~~

29 2. The governing body of a city ~~whose population is 25,000 or~~
30 ~~more shall not~~ *may* sell the services of a community antenna
31 television system to the general public ~~in any area located within~~
32 ~~or outside the boundaries of the city, whether or not the governing~~
33 ~~body of the city has granted a franchise to one or more community~~
34 ~~antenna television companies pursuant to this chapter. Before the~~
35 ~~governing body of a city may sell the services of a community~~
36 ~~antenna television system to the general public in any area outside~~
37 ~~the boundaries of the city, the governing body of the city must be~~
38 ~~granted a franchise from the appropriate governing body having~~
39 ~~jurisdiction over the area.~~

40 **Sec. 3.** NRS 711.200 is hereby amended to read as follows:

41 711.200 1. The total amount of fees paid in any one year to a
42 local government for a franchise must not exceed 5 percent of the
43 ~~company's~~ gross revenue ~~for~~ *derived by the company from the*
44 *community antenna television system during* the preceding year.



1 2. In determining the gross revenue of a company , the
2 governing body shall:

3 (a) Consider any applicable regulations of the Federal
4 Communications Commission; and

5 (b) Deduct an amount equal to any fees or annual assessment
6 paid by the company for the use of pay or premium channels.

7 **Sec. 4.** NRS 711.240 is hereby amended to read as follows:

8 711.240 1. Except with respect to reasonable promotional
9 activities, a person shall not advertise, offer to provide or provide
10 any service to subscribers of television services at a rate, including
11 any rebate, less than the cost to the company to provide the service
12 which is advertised, offered or provided with the intent to:

13 (a) Impair fair competition or restrain trade among companies
14 which provide services in the same area; or

15 (b) Create a monopoly.

16 2. For the purposes of this section, "cost" means the expense of
17 doing business including, without limitation, expenses for labor,
18 rent, depreciation, interest, maintenance, delivery of the service,
19 franchise fees, taxes, insurance and advertising.

20 3. A community antenna television company may offer any
21 telecommunication or related services which are offered in the same
22 area by a telephone company, pursuant to chapter 704 of NRS and
23 regulations approved by the Public Utilities Commission of Nevada
24 for providers of similar services. A community antenna television
25 company shall obtain a certificate of public convenience and
26 necessity pursuant to NRS 704.330 before providing
27 telecommunication or related services which are subject to
28 regulation by the Public Utilities Commission of Nevada. *The*
29 *provisions of this subsection do not apply to a community antenna*
30 *television company that is owned, controlled, operated or managed*
31 *by the governing body of a county or city.*

32 4. A violation of subsection 1 constitutes a prohibited act under
33 NRS 598A.060. The Attorney General and any other person may
34 exercise the powers conferred by that chapter to prevent, remedy or
35 punish such a violation. The provisions of chapter 598A of NRS
36 apply to any such violation.

37 **Sec. 5.** NRS 318.1193 and 711.185 are hereby repealed.

38 **Sec. 6.** This act becomes effective on July 1, 2003.



TEXT OF REPEALED SECTIONS

318.1193 Facilities for television: Limitation on organization if area includes existing service. No district proposing to furnish television facilities, as provided in NRS 318.1192, may be organized which includes any area already served by a community antenna television company unless the governing body of the local government which granted a franchise to the community antenna television company determines that both the company and the district may furnish service to that area.

711.185 Governing body may grant exclusive franchise. A governing body may grant an exclusive franchise to a community antenna television company.

