

AN ACT

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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*Codification  
District of  
Columbia  
Official Code*

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To grant a 10 year nonexclusive franchise to Comcast Cablevision of the District to provide cable service in the District of Columbia, approve a cable franchise agreement between the District of Columbia and Comcast Cablevision of the District, approve the transfer of control of Comcast Cablevision of the District from Comcast Corporation to AT&T Comcast Corporation, and amend customer service regulations applied to cable service providers in the District.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Approval of the Franchise of Comcast Cablevision of the District to Provide Cable Service in the District of Columbia Act of 2002”.

Sec. 2. Grant of franchise.

Pursuant to the Cable Television Communications Act of 1981, effective August 21, 1982 (D.C. Law 4-142; D.C. Official Code § 34-1201 *et seq.*) (“Cable Act”), Comcast Cablevision of the District, LLC, is granted a 10-year, nonexclusive, revocable franchise to provide cable service in the District of Columbia. The franchise is subject to the provisions of the Cable Act and the terms and conditions of the cable franchise agreement approved by section 3.

Note,  
§ 34-1202.01

Sec. 3. Approval of franchise agreement.

(a) The Council approves the proposed franchise agreement between the District and Comcast Cablevision of the District, LLC, transmitted to the Council by the Mayor on April 25, 2002, attached to this resolution and incorporated by reference, with the following modifications and conditions:

(1) Section 1.5.3 is amended by inserting the phrase “(other than the Public Access Corporation)” after the phrase “PEG Entities”, wherever it appears.

(2) Section 1.58 is amended by striking the phrase "or any other PEG entity".

(3) Section 2.3.06 is amended as follows:

(A) Strike the word “but” and insert the phrase “, the Company is engaged in good-faith negotiations with the District regarding a renewal of the franchise, and” in its place.

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(B) Insert the phrase “; provided an extension under this section 2.3.06 shall not exceed six (6) months” after the phrase “renewal term commences”.

(4) Section 4.1.03(iv) is amended by adding the phrase "(except for channels allocated to the Mayor, the Council, or the Public Access Corporation, for which no PEG Operating Agreement shall be required)" after the phrase "PEG Operating Agreements".

(5) Section 4.1.01 is amended by striking the phrase “PEG Operating Agreement” wherever it appears and inserting the phrase “PEG Operating Agreement or other notice” in its place.

(6) Section 4.1.04 is amended by striking the phrase “PEG Operating Agreement” and inserting the phrase “PEG Operating Agreement or other notice” in its place.

(7) Section 4.1.11 is amended by striking the phrase “PEG Operating Agreement” and inserting the phrase “PEG Operating Agreement or other notice” in its place.

(8) Section 4.1.12(i) is amended as follows:

(A) Strike the phrase "Subject to the terms of its PEG Operating Agreement" and insert the phrase "Subject to the terms of its PEG Operating Agreement, if any," in its place.

(B) Strike the phrase "an approved PEG Operating Agreement" and insert the phrase "an approved PEG Operating Agreement or other notice" in its place.

(9) Section 4.2.05 is amended by striking the sentence “Rules and regulations adopted by the Public Access Corporation shall govern the use of Public Channel time, equipment, facilities, and other services.” and inserting the sentence “Rules and regulations adopted by the Public Access Corporation shall govern the use of all Public Channels, including all matters related to governance, management, time, equipment, facilities, and other services.” in its place.

(10) Section 5.3 is amended by striking the text after the phrase “they are offered; (iv)” and insert the phrase “bulk rates; or (v) any discounts, promotions, or reduced charges allowed by law or regulation.” in its place.

(11) Section 7.3 is amended by striking the phrase “transmission of this Agreement to the Council, and prior”.

(12) Section 7.5 is amended by adding the sentence “The Memorandum of Understanding shall require that the Company make at least good-faith efforts to contract, and procure at least 35% of its goods and services, with local, small, and disadvantaged business enterprises.” at the end.

(13) Section 7.9 is amended by striking the phrase “(D.C. Official Code § 34-1202(24))” and inserting the phrase “, as the act was in effect as of June 1, 2002” in its place.

(14) Section 8.1 is amended by striking the phrase “Subject to Section 10.2 hereof, the” and inserting the word “The” in its place.

(15) Section 10.2 is amended as follows:

(A) Strike the phrase “power,” and insert the phrase “power or other governmental power,” in its place.

(B) Strike the phrase “, provided that the Company shall not be required to comply with any such statutes, rules, regulations, orders or other directives that take effect after the Effective Date to the extent such statutes, rules, regulations, orders or other directives are materially in conflict with the Company’s rights and obligations as set forth in this Agreement. Notwithstanding the preceding sentence, the Company shall comply with each statute, rule, regulation, order and directive of the District that is of general applicability”.

(C) Add 2 new sentences at the end to read as follows:

“In addition to other rights reserved in this section, the District reserves its rights to enact and enforce laws to prohibit or regulate exclusive contracts and anticompetitive acts that have the purpose or effect of limiting competition for the provision of cable service or services similar to cable service, including exclusive programming agreements, and exclusive contracts with vendors to provide equipment, materials or services. The Company reserves its Constitutional contract rights as applicable to its rights and obligations as set forth in the Agreement.”.

(16) Section 10.3.01 is amended by striking the sentence “The Council shall provide the Company with fifteen (15) days’ prior notice of any such hearing (seven (7) days’ prior notice in the case of a roundtable) or any such longer notice period as may be required by applicable law or the Council’s rules or procedures, provided that this sentence shall not limit in any way the Council’s subpoena power under applicable law (Section 15.21 shall not apply to this sentence).”.

(17) Section 10.5.01(ix) is amended by adding the phrase “including the First Source Agreement and the Memorandum of Understanding regarding the utilization of local, small, and disadvantaged business enterprises,” after the word “obligations”.

(18) Section 11.4.03 is amended by striking the sentence “As provided in Section 11.4.01 of this Agreement, the Council shall act on the Company’s petition within the transfer review period as determined under Sections 11.4.1 and 11.4.02 of this Agreement.”.

(19) Section 13.4.02 is amended by adding the word “written” before the word “waiver”, wherever it appears.

(20) Section 15.21 is amended by striking the phrase “, but in all uses “applicable law” shall be limited by Section 10.2 hereof”.

(21) Appendix D.II.A.1 is amended by striking the phrase “with respect to the two (2) Downstream Analog Channels allocated to it pursuant to Section 4.1.03 of this Agreement”.

(22) Strike Appendix D.II.A.4.

(23) Appendix D.II.B.1 is amended by striking the phrase "PEG channels" and inserting the phrase "Educational and Governmental Channels" in its place.

(24) Appendix D.II.B.2 is amended by striking the phrase "PEG channels" and inserting the phrase "Educational and Governmental Channels" in its place.

(25) Appendix F.I.A.1 is amended by striking the phrase “in the Mayor’s executive suite” and inserting the phrase “the offices of Councilmembers and Council committees and in other Council offices, and in the Mayor’s executive suite,” in its place.

(26) Appendix F.II. is amended by adding the sentence "(The District shall deduct the study and installation costs from the advance payment of capital support after full payment, based on the pre-deduction amount, has been made to the Public Access Corporation.)".

(27) Exhibit 1 to Appendix F is amended by striking the phrase "DHS" in the row beginning with the phrase "Dept. of Housing" and inserting the phrase "DHCD" in its place.

(28) Appendix H is amended by striking Section I.10 in its entirety and inserting a new Section I.10 to read as follows:

"10. In the case of a transfer of interest pursuant to Section 11.1 of this Agreement, current financial statements showing the financial condition of the System as of the date of the petition or other written request, and pro forma financial projections for three (3) years, including a statement of projected income and a schedule of planned capital additions, with all significant assumptions explained in notes or supporting schedules. In the case of a transfer of control or stock pursuant to Section 11.2 of this Agreement, (a) such current financial statements and pro forma financial projections for the System (both as described in the preceding sentence) or alternatively (b) the pro forma financial information filed with the federal Securities and Exchange Commission relating to the proposed transaction."

(b) The Chairman of the Council and the Mayor may sign the cable franchise agreement approved, as modified, by this section.

Sec. 4. Approval of transfer of control.

Pursuant to the Cable Television Communications Act of 1981, effective August 21, 1982 (D.C. Law 4-142; D.C. Official Code § 34-1201 *et seq.*), the franchise agreement between the District and District Cablevision Limited Partnership (dated September 30, 1985) and the franchise agreement approved by section 3, the Council approves the transfer of control from Comcast Corporation to AT&T Comcast Corporation of the franchises granted by:

(1) This act; and

(2) The District of Columbia Cable Television Franchise Award Act of 1984, effective March 14, 1985 (D.C. Law 5-163; D.C. Official Code § 34-1213.01 note).

Sec. 5. Modifications to customer service regulations.

Title 15 of the District of Columbia Municipal Regulations, is amended as follows:

(a) Section 3107.22 is amended by striking the phrase "three hundred dollars (\$300)" and inserting the phrase "one hundred fifty dollars (\$150)" in its place.

(b) Section 3108.8 is amended as follows:

(1) Strike the phrase "every reasonable effort" and insert the phrase "a reasonable effort" in its place.

(2) Add a period after the phrase "person is present at the address".

(3) Strike the phrase "by knocking on the door or using a doorbell to alert the subscriber and using any other reasonable means" and insert the sentences "The reasonable effort

of the cable operator shall include, at a minimum, knocking on the door or using the doorbell to alert the subscriber. This subsection shall not preclude the operator from imposing a reasonable charge, related to costs, if the subscriber is not present at the specified time or during the appointment window time block; provided, that the charge shall not exceed twenty dollars (\$20).” in its place.

(c) Section 3106.7 is amended by striking the phrase “a three (3) month period” and inserting the phrase “a one (1) month period” in its place.

(d) Section 3106.8 is amended by striking the sentence “(For example, OCTT will measure in April a cable operator’s performance from January 1 to March 31; OCTT will measure in May a cable operator’s performance from February 1 to April 30; etc.)”.

(e) Section 3107.20 is amended by striking the phrase “subsection 3107.13” and inserting the phrase “subsection 3107.14” in its place.

(f) Section 3109.2 is amended by striking the phrase “all commercial installations” and inserting the phrase “all installations for commercial accounts, subject to applicable law” in its place.

(g) Section 3115.8 is amended by adding the phrase “; provided, that a cable operator shall not be required under this section to keep records for longer than three (3) years” after the phrase “this chapter”.

(h) Section 3118 is renumbered section 3198.

(i) A new section 3118 is added to read as follows:

“3118 NO DISCRIMINATION.

“3118.1 Except to the extent otherwise permitted by applicable law (and after receiving the District’s approval, to the extent the District is exercising such authority pursuant to applicable law), a cable operator shall not discriminate among subscribers with respect to fees, charges, deposits, and other terms and conditions affecting any service, any equipment, installation, or any other activity subject to regulation under section 623 of the Cable Act (47 U.S.C. § 543) (or any successor thereto) and the rules and regulations issued in connection therewith. All such fees, charges, deposits, and other terms and conditions must be applied fairly and uniformly to all subscribers in the cable operator’s franchise area.

“3118.2 Nothing contained in section 3118.1 shall prohibit a cable operator from offering, to the extent permitted by applicable law: (i) discounts to senior citizens or economically disadvantaged groups; (ii) different charges for residential subscribers than for non-residential subscribers; (iii) sales promotions and other discounts or reduced charges for a reasonable period of time, which are offered to all residential subscribers or all non-residential subscribers, as the case may be, for the same length of time although the start date of such promotions, discounts or reduced charges may be staggered such that the offer may begin for the last subscriber to whom they are offered up to six (6) months after the start date for the first subscriber to whom they are offered; (iv) sales promotions and other discounts or reduced charges, which are offered to a class of subscribers to whom one (1) of the cable operator’s competitors has offered similar promotions, discounts or reduced charges, but only for the same

period of time as the competitor's offering; (v) sales promotions and other discounts or reduced charges, which are offered to a discrete class of subscribers and which may affect the fees, charges, deposits, and other terms and conditions for such subscribers for a period not to exceed eight (8) months; provided, that the Company may apply to OCTT for a waiver of such maximum period; (vi) bulk rates; or (vii) other special, short-term discounts or reduced charges to identifiable classes of subscribers or potential subscribers for reasonable categories of service.”.

**Sec. 6. Fiscal impact statement.**

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

**Sec. 7. Effective date.**

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia