State of Vermont House of Representatives



Montpelier, Vermont

Joint House Resolution

J.R.H. 6

Joint resolution urging the United States Congress to repeal the provisions of the Telecommunications Act of 1996 which deregulated cable television pricing

Offered by: Representatives Obuchowski of Rockingham, Deen of Westminster, Head of S. Burlington, Malcolm of Pawlet, Masland of Thetford, Partridge of Windham, Peltz of Woodbury and Shand of Weathersfield

<u>Whereas</u>, due to Vermont's mountainous geography, basic television service, the primary provider of local news and public information for many of the state's residents, is in much of the state only available for a fee via a retransmission medium such as a cable television system, and

<u>Whereas</u>, the United States Congress adopted the Telecommunications Act of 1996 (Pub. L. 104-104), which deregulated the cable television industry's rate-setting process, and

<u>Whereas</u>, the Act was intended to introduce local competition and lower consumer rates for cable television service, and

<u>Whereas</u>, while the introduction of cable competition and lower consumer rates may have been Congress's intent, most consumers, including those in Vermont, still have access to only a single provider's cable television offerings and face continually escalating rates for purchasing cable service, and

<u>Whereas</u>, under the Act, a cable television company, although operating on a state-issued license granted by the public service board, can increase prices with little or no justification, and

<u>Whereas</u>, the most recent Comcast Cable rate increase pursuant to the Telecommunications Act which did not require either public service board or the Federal Communications Commission approval is an example of the totally unwarranted discretion which the Act has handed to the cable television industry, and

<u>Whereas</u>, other utilities' consumer rates, such as electric and telephone services, are subject to governmental regulatory procedures during which the service provider must publicly justify the proposed level of increase and is not guaranteed its request will be approved, and

Whereas, even with the promised benefits of increased competition and lower costs, the deregulation of the cable television rate process was dubious at

best, especially in Vermont, given the geographic limitations on over-the-air broadcast signals, and

<u>Whereas</u>, because none of the goals for the deregulation of the cable television industry has been realized, Congress should reinstitute regulatory approval of cable television rate increases in order that Vermonters of all income levels can continue to afford basic television service, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly strongly urges Congress to reregulate the rate-setting process for the cable television industry, and be it further

<u>Resolved</u>: That the secretary of state be directed to send a copy of this resolution to the members of the Vermont Congressional Delegation.

Shapleigh Smith, Jr. Speaker of the House Attested to:

Brian E. Dubie President of the Senate **Donald G. Milne Clerk, House of Representatives**