

AMENDED IN ASSEMBLY APRIL 12, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1104

Introduced by Assembly Member Levine

February 22, 2005

An act to add Article 6 (commencing with Section 8290) to Chapter 7 of Division 4 of the Public Utilities Code, relating to utility charges.

LEGISLATIVE COUNSEL'S DIGEST

AB 1104, as amended, Levine. Utility charges: utility and cable billing practices.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, gas corporations, telephone corporations, and water corporations. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law authorizes the commission, after a hearing, to require every public utility to construct, maintain, and operate utility facilities in a manner so as to promote and safeguard the health and safety of its employees, customers, and the public. Existing law additionally authorizes the commission, after a hearing, to require every cable television corporation to construct, maintain, and operate utility facilities in a manner so as to promote and safeguard the health and safety of its employees, customers, and the public.

This bill would require that every utility, *for which the commission has not adopted a general rule or order, or approved a tariff, specifying the just and reasonable charges that may be made by the utility when the customer discontinues service*, including electrical corporations, gas corporations, telephone corporations, telecommunications carriers as defined under federal law, water

corporations, cable television corporations, and cable operators as defined under federal law, cease billing a customer for additional services within ~~24 hours~~ 7 business days of receiving a request to immediately discontinue service. The bill would require that where the customer requests that service be discontinued ~~at a date specified in the future~~ and provides 7 or more business days notice before the date for discontinuance of service, the utility cease billing the customer for additional services as of midnight of the last day of service.

This bill would authorize a customer of a cable television corporation or cable operator (cable company) to request that cable service be discontinued. If the customer is required to return converters or other equipment upon cable service being discontinued, the bill would require the cable company to schedule, within 7 business days, an appointment for the cable company to pick up the equipment. The bill would authorize a cable company to provide the customer with prepaid mailers or other forms of prepaid shipping packaging for the return of any equipment in lieu of an appointment. The customer's liability for cable service would terminate on the effective day that cable service is discontinued, as specified. The bill would require that certain information be given to the customer regarding the customer's return of the equipment and the customer's liability for charges pending that return.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 6 (commencing with Section 8290) is
2 added to Chapter 7 of Division 4 of the Public Utilities Code, to
3 read:

4

5 Article 6. Utility and Cable Billing Practices.

6

7 8290. For purposes of this article, a utility shall mean all of
8 the following:

9 (a) An electric corporation, as defined in Section 218.

10 (b) A water corporation, as defined in Section 241.

11 (c) A telephone corporation, as defined in Section 234.

12 (d) A telecommunications carrier, as defined in Section 153 of
13 Title 47 of the United States Code.

1 (e) A gas corporation, as defined in Section 222.

2 (f) A cable television corporation, as defined in Section 215.5.

3 (g) A cable operator, as defined in Section 522 of Title 47 of
4 the United States Code.

5 8291. A utility, *for which the commission has not adopted a*
6 *general rule or order, or approved a tariff, specifying the just*
7 *and reasonable charges that may be made by the utility when the*
8 *customer discontinues service, shall cease billing a customer for*
9 *additional services within ~~24 hours~~ seven business days of*
10 *receiving a request to immediately discontinue service. Where*
11 *the customer requests that service be discontinued at a date*
12 *~~specified in the future~~ and provides seven or more business days*
13 *notice before the date for discontinuance of service, the utility*
14 *shall cease billing the customer for additional services as of*
15 *midnight of the last day of service.*

16 8292. (a) *A customer of a cable television corporation, as*
17 *defined in Section 215.5, or of a cable operator, as defined in*
18 *Section 522 of Title 47 of the United States Code, may request*
19 *that service from the cable television corporation or cable*
20 *operator be discontinued. If, as a condition for cable service, the*
21 *customer was supplied with converters or other equipment and*
22 *the customer is required to return the equipment upon cable*
23 *service being discontinued, the cable television corporation or*
24 *cable operator shall, within seven business days following the*
25 *customer's request to discontinue service, schedule an*
26 *appointment for the cable television corporation or cable*
27 *operator or its agent to pick up any converters or other*
28 *equipment supplied to the customer by the cable television*
29 *corporation or cable operator or its agent. A cable television*
30 *corporation or cable operator or its agent may provide the*
31 *customer with prepaid mailers or other forms of prepaid*
32 *shipping packaging for the return of any converters or other*
33 *equipment in lieu of an appointment.*

34 (b) *Upon receiving a request from a customer to discontinue*
35 *cable service, a cable television corporation or cable operator*
36 *shall advise the customer of the right to an appointment within*
37 *seven business days, for the cable television corporation or cable*
38 *operator or its agent to pick up any converters or other*
39 *equipment supplied to the customer by the cable television*
40 *corporation or cable operator or its agent. The customer shall*

1 *additionally be advised of his or her liability for charges pending*
2 *the return of any converters or other equipment. If the cable*
3 *television corporation or cable operator or its agent provides the*
4 *customer with a prepaid mailer or any other form of prepaid*
5 *shipping packaging for the return of any converters or other*
6 *equipment in lieu of an appointment, the customer shall be*
7 *advised of his or her liability for charges pending the mailing or*
8 *shipping of any converters or other equipment.*

9 *(c) The customer's liability for cable service shall terminate*
10 *on the effective day that cable service is discontinued. If, as a*
11 *condition for cable service, the customer was supplied with*
12 *converters or other equipment and the customer is required to*
13 *return the equipment upon cable service being discontinued, the*
14 *discontinuation of service is effective upon the earlier of the*
15 *following:*

16 *(1) The day the customer returns any converters or other*
17 *equipment supplied to the customer by the cable television*
18 *corporation or cable operator or its agent.*

19 *(2) The day of the appointment mutually scheduled between*
20 *the cable television corporation or cable operator and the*
21 *customer, for the cable television corporation or cable operator*
22 *or its agent to pick up any converters or other equipment*
23 *supplied to the customer by the cable television corporation or*
24 *cable operator or its agent, if the cable television corporation or*
25 *cable operator is unable to keep the appointment. If the cable*
26 *television corporation or cable operator is unable to keep the*
27 *appointment, the customer shall be provided with a credit in an*
28 *amount equal to the current billing rate for one month of basic*
29 *service to which the customer subscribes, and the television*
30 *corporation or cable operator shall reschedule a pickup of the*
31 *customer's converters or other equipment at the convenience of*
32 *the customer.*

33 *(3) The day of the appointment mutually scheduled between*
34 *the cable television corporation or cable operator and the*
35 *customer, for the cable television corporation or operator or its*
36 *agent to pick up any converters or other equipment supplied to*
37 *the customer by the cable television corporation or cable*
38 *operator or its agent, if the customer requests that the*
39 *appointment be scheduled more than seven days after the request*
40 *by the customer to discontinue service.*

1 (4) *The day of the appointment mutually rescheduled between*
2 *the cable television corporation or cable operator and the*
3 *customer, for the cable television corporation or cable operator*
4 *or its agent to pick up any converters or other equipment*
5 *supplied to the customer by the cable television corporation or*
6 *cable operator or its agent, if the customer requests that the*
7 *appointment be rescheduled.*

8 (5) *If the cable television corporation or cable operator or its*
9 *agent provides the customer with a prepaid mailer or any other*
10 *form of prepaid shipping packaging for the return of any*
11 *converters or other equipment, the day the customer mails or*
12 *ships the converters and equipment.*

13 (d) *The cable television corporation or cable operator shall*
14 *not initiate any action against a customer for a failure to return*
15 *any converters or other equipment if the cable television*
16 *corporation or cable operator has failed to comply with this*
17 *section.*