

HOUSE BILL 1203

I3

0lr2395
CF 0lr2391

By: **Delegate Frick**

Introduced and read first time: February 18, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Consumer Protection – Cable Operators – Purchase of Cable Converter Box**

3 FOR the purpose of requiring a cable operator to provide certain options to certain
4 subscribers concerning purchase of a cable converter box; providing that a cable
5 operator may continue to offer certain options; prohibiting a cable operator from
6 discriminating between certain subscribers under certain circumstances;
7 providing for the construction of this Act; making a violation of this Act an
8 unfair or deceptive trade practice subject to certain enforcement and penalty
9 provisions; defining certain terms; providing that existing obligations or
10 contract rights may not be impaired by this Act; and generally relating to
11 consumer protection and cable service subscribers.

12 BY renumbering

13 Article – Commercial Law
14 Section 13–301(14)(xxiv) through (xxvii), respectively
15 to be Section 13–301(14)(xxv) through (xxviii), respectively
16 Annotated Code of Maryland
17 (2005 Replacement Volume and 2009 Supplement)

18 BY adding to

19 Article – Commercial Law
20 Section 13–301(14)(xxiv) and 14–1322
21 Annotated Code of Maryland
22 (2005 Replacement Volume and 2009 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
24 MARYLAND, That Section(s) 13–301(14)(xxiv) through (xxvii), respectively, of Article
25 – Commercial Law of the Annotated Code of Maryland be renumbered to be Section(s)
26 13–301(14)(xxv) through (xxviii), respectively.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Article – Commercial Law**

4 13–301.

5 Unfair or deceptive trade practices include any:

6 (14) Violation of a provision of:

7 **(XXIV) SECTION 14–1322 OF THIS ARTICLE;**

8 **14–1322.**

9 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
10 **MEANINGS INDICATED.**

11 **(2) “CABLE CONVERTER BOX” MEANS:**

12 **(I) A DEVICE THAT DESCRAMBLES, DECRYPTS, OR**
13 **CONVERTS CABLE SIGNALS TO ENABLE DISPLAY OF CABLE SERVICE VIDEO**
14 **PROGRAMMING ON THE SUBSCRIBER’S TELEVISION, MONITOR, OR DISPLAY**
15 **EQUIPMENT; AND**

16 **(II) ANY REMOTE CONTROL DEVICE THAT ALLOWS**
17 **SUBSCRIBER INTERACTION FOR SELECTION OR USE OF CABLE SERVICE.**

18 **(3) “CABLE OPERATOR” MEANS A PERSON THAT:**

19 **(I) 1. PROVIDES CABLE SERVICE OVER A CABLE**
20 **SYSTEM; AND**

21 **2. DIRECTLY OR THROUGH ONE OR MORE**
22 **AFFILIATES OWNS A SIGNIFICANT INTEREST IN THE CABLE SYSTEM; OR**

23 **(II) OTHERWISE CONTROLS OR IS RESPONSIBLE FOR THE**
24 **MANAGEMENT AND OPERATION OF THE CABLE SYSTEM THROUGH ANY**
25 **ARRANGEMENT.**

26 **(4) “CABLE SERVICE” MEANS:**

27 **(I) THE TRANSMISSION TO SUBSCRIBERS OF VIDEO**
28 **PROGRAMMING OR OTHER PROGRAMMING SERVICE; AND**

1 **(II) SUBSCRIBER INTERACTION, IF ANY, REQUIRED TO**
2 **SELECT OR USE THE VIDEO PROGRAMMING OR OTHER PROGRAMMING SERVICE.**

3 **(5) "CABLE SYSTEM" MEANS A FACILITY THAT:**

4 **(I) CONSISTS OF A SET OF CLOSED TRANSMISSION PATHS**
5 **AND ASSOCIATED SIGNAL GENERATION; AND**

6 **(II) IS DESIGNED TO PROVIDE CABLE SERVICE TO MULTIPLE**
7 **SUBSCRIBERS IN A COMMUNITY.**

8 **(B) THIS SECTION MAY NOT BE CONSTRUED TO PROHIBIT, CONDITION,**
9 **OR RESTRICT ANY CABLE SYSTEM'S USE OF ANY TYPE OF SUBSCRIBER**
10 **EQUIPMENT OR TRANSMISSION TECHNOLOGY.**

11 **(C) (1) A CABLE OPERATOR THAT REQUIRES A SUBSCRIBER IN THE**
12 **STATE TO RENT OR LEASE A CABLE CONVERTER BOX TO RECEIVE CABLE**
13 **SERVICE SHALL ALLOW THE SUBSCRIBER TO PURCHASE THE CABLE**
14 **CONVERTER BOX OUTRIGHT.**

15 **(2) THIS SECTION MAY NOT PROHIBIT A CABLE OPERATOR FROM**
16 **CONTINUING TO OFFER A SUBSCRIBER THE OPTION OF RENTING OR LEASING A**
17 **CABLE CONVERTER BOX FOR A SEPARATE FEE OR AS PART OF A PROGRAM**
18 **PACKAGE.**

19 **(D) A CABLE OPERATOR MAY NOT DISCRIMINATE IN THE PRICE FOR**
20 **CABLE SERVICE BASED ON WHETHER A SUBSCRIBER RENTS, LEASES, OR OWNS A**
21 **CABLE CONVERTER BOX.**

22 **(E) A VIOLATION OF THIS SECTION:**

23 **(1) IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE**
24 **MEANING OF TITLE 13 OF THIS ARTICLE; AND**

25 **(2) IS SUBJECT TO THE ENFORCEMENT AND PENALTY**
26 **PROVISIONS CONTAINED IN TITLE 13 OF THIS ARTICLE.**

27 SECTION 3. AND BE IT FURTHER ENACTED, That a presently existing
28 obligation or contract right may not be impaired in any way by this Act.

29 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 July 1, 2010.