

making to establish a streamlined process for filing of an effective competition petition pursuant to this section for small cable operators, particularly those who serve primarily rural areas.

**(2) Construction**

Nothing in this subsection shall be construed to have any effect on the duty of a small cable operator to prove the existence of effective competition under this section.

**(3) Definition of small cable operator**

In this subsection, the term “small cable operator” has the meaning given the term in subsection (m)(2).

(June 19, 1934, ch. 652, title VI, § 623, as added Pub. L. 98-549, § 2, Oct. 30, 1984, 98 Stat. 2788; amended Pub. L. 102-385, § 3(a), Oct. 5, 1992, 106 Stat. 1464; Pub. L. 104-104, title III, § 301(b), (c), (j), (k)(1), Feb. 8, 1996, 110 Stat. 114, 116, 118; Pub. L. 113-200, title I, §§ 110, 111, Dec. 4, 2014, 128 Stat. 2065, 2066; Pub. L. 115-141, div. P, title IV, § 402(e), Mar. 23, 2018, 132 Stat. 1089.)

**Editorial Notes**

**AMENDMENTS**

2018—Subsec. (k)(1). Pub. L. 115-141, § 402(e)(1), substituted “publish with its report under section 163 of this title” for “annually publish”.

Subsec. (k)(2). Pub. L. 115-141, § 402(e)(2), struck out “annual” before “report” in heading.

2014—Subsec. (k). Pub. L. 113-200, § 110, amended subsec. (k) generally. Prior to amendment, text read as follows: “The Commission shall annually publish statistical reports on the average rates for basic cable service and other cable programming, and for converter boxes, remote control units, and other equipment, of—

“(1) cable systems that the Commission has found are subject to effective competition under subsection (a)(2) of this section, compared with

“(2) cable systems that the Commission has found are not subject to such effective competition.”

Subsec. (o). Pub. L. 113-200, § 111, added subsec. (o).

1996—Subsec. (a)(7). Pub. L. 104-104, § 301(j), added par. (7).

Subsec. (c)(1)(B). Pub. L. 104-104, § 301(b)(1)(A), substituted “franchising authority (in accordance with paragraph (3))” for “subscriber, franchising authority, or other relevant State or local government entity”.

Subsec. (c)(1)(C). Pub. L. 104-104, § 301(b)(1)(B), substituted “the first complaint filed with the franchising authority under paragraph (3)” for “such complaint”.

Subsec. (c)(3), (4). Pub. L. 104-104, § 301(b)(1)(C), added pars. (3) and (4) and struck out heading and text of former par. (3). Text read as follows: “Except during the 180-day period following the effective date of the regulations prescribed by the Commission under paragraph (1), the procedures established under subparagraph (B) of such paragraph shall be available only with respect to complaints filed within a reasonable period of time following a change in rates that is initiated after that effective date, including a change in rates that results from a change in that system’s service tiers.”

Subsec. (d). Pub. L. 104-104, § 301(b)(2), inserted at end “This subsection does not apply to (1) a cable operator with respect to the provision of cable service over its cable system in any geographic area in which the video programming services offered by the operator in that area are subject to effective competition, or (2) any video programming offered on a per channel or per program basis. Bulk discounts to multiple dwelling units shall not be subject to this subsection, except that a cable operator of a cable system that is not subject to effective competition may not charge predatory prices

to a multiple dwelling unit. Upon a prima facie showing by a complainant that there are reasonable grounds to believe that the discounted price is predatory, the cable system shall have the burden of showing that its discounted price is not predatory.”

Subsec. (l)(1)(D). Pub. L. 104-104, § 301(b)(3), added subpar. (D).

Subsec. (m). Pub. L. 104-104, § 301(c), added subsec. (m).

Subsec. (n). Pub. L. 104-104, § 301(k)(1), added subsec. (n).

1992—Pub. L. 102-385 amended section generally, substituting present provisions for former provisions which related in subsec. (a) to limitation on regulatory power of Federal agencies, States, or franchising authorities, in subsec. (b) to promulgation, scope, content, periodic review, and amendment of regulations, in subsec. (c) to regulation by franchising authority during initial 2-year period, in subsec. (d) to automatic granting of rate increase requests upon agency inaction within 180-day period, in subsec. (e) to additional increases in rates and to reduction by amount of increase under franchise provisions, in subsec. (f) to non-discrimination and facilitation of reception by hearing-impaired individuals, in subsec. (g) to continued effectiveness of limitation or the preemption of regulation under prior State law, and in subsec. (h) to reports and recommendations to Congress.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 1996 AMENDMENT**

Pub. L. 104-104, title III, § 301(k)(2), Feb. 8, 1996, 110 Stat. 118, provided that: “The amendment made by paragraph (1) [amending this section] shall take effect on the date of enactment of this Act [Feb. 8, 1996] and shall be applicable to any rate proposal filed on or after September 4, 1993, upon which no final action has been taken by December 1, 1995.”

**EFFECTIVE DATE OF 1992 AMENDMENT**

Pub. L. 102-385, § 3(b), Oct. 5, 1992, 106 Stat. 1471, provided that: “The amendment made by subsection (a) [amending this section] shall take effect 180 days after the date of enactment of this Act [Oct. 5, 1992], except that the authority of the Federal Communications Commission to prescribe regulations is effective on such date of enactment.”

**EFFECTIVE DATE**

Section effective 60 days after Oct. 30, 1984, except where otherwise expressly provided, see section 9(a) of Pub. L. 98-549, set out as a note under section 521 of this title.

**RESTORATION, RETIERMENT AND REPRICING OF SERVICE PREVIOUSLY ELIMINATED, RETIERED, OR REPRICED**

Pub. L. 98-549, § 9(b), Oct. 30, 1984, 98 Stat. 2806, provided that: “Nothing in section 623 or 624 of the Communications Act of 1934 [sections 543 and 544 of this title], as added by this Act, shall be construed to allow a franchising authority, or a State or any political subdivision of a State, to require a cable operator to restore, retier, or reprice any cable service which was lawfully eliminated, retiered, or repriced as of September 26, 1984.”

**§ 544. Regulation of services, facilities, and equipment**

**(a) Regulation by franchising authority**

Any franchising authority may not regulate the services, facilities, and equipment provided by a cable operator except to the extent consistent with this subchapter.

**(b) Requests for proposals; establishment and enforcement of requirements**

In the case of any franchise granted after the effective date of this subchapter, the franchising

authority, to the extent related to the establishment or operation of a cable system—

(1) in its request for proposals for a franchise (including requests for renewal proposals, subject to section 546 of this title), may establish requirements for facilities and equipment, but may not, except as provided in subsection (h), establish requirements for video programming or other information services; and

(2) subject to section 545 of this title, may enforce any requirements contained within the franchise—

(A) for facilities and equipment; and

(B) for broad categories of video programming or other services.

**(c) Enforcement authority respecting franchises effective under prior law**

In the case of any franchise in effect on the effective date of this subchapter, the franchising authority may, subject to section 545 of this title, enforce requirements contained within the franchise for the provision of services, facilities, and equipment, whether or not related to the establishment or operation of a cable system.

**(d) Cable service unprotected by Constitution; blockage of premium channel upon request**

(1) Nothing in this subchapter shall be construed as prohibiting a franchising authority and a cable operator from specifying, in a franchise or renewal thereof, that certain cable services shall not be provided or shall be provided subject to conditions, if such cable services are obscene or are otherwise unprotected by the Constitution of the United States.

(2) In order to restrict the viewing of of programming which is obscene or indecent, upon the request of a subscriber, a cable operator shall provide (by sale or lease) a device by which the subscriber can prohibit viewing of a particular cable service during periods selected by that subscriber.

(3)(A) If a cable operator provides a premium channel without charge to cable subscribers who do not subscribe to such premium channel, the cable operator shall, not later than 30 days before such premium channel is provided without charge—

(i) notify all cable subscribers that the cable operator plans to provide a premium channel without charge;

(ii) notify all cable subscribers when the cable operator plans to offer a premium channel without charge;

(iii) notify all cable subscribers that they have a right to request that the channel carrying the premium channel be blocked; and

(iv) block the channel carrying the premium channel upon the request of a subscriber.

(B) For the purpose of this section, the term “premium channel” shall mean any pay service offered on a per channel or per program basis, which offers movies rated by the Motion Picture Association of America as X, NC-17, or R.

**(e) Technical standards**

Within one year after October 5, 1992, the Commission shall prescribe regulations which estab-

lish minimum technical standards relating to cable systems’ technical operation and signal quality. The Commission shall update such standards periodically to reflect improvements in technology. No State or franchising authority may prohibit, condition, or restrict a cable system’s use of any type of subscriber equipment or any transmission technology.

**(f) Limitation on regulatory powers of Federal agencies, States, or franchising authorities; exceptions**

(1) Any Federal agency, State, or franchising authority may not impose requirements regarding the provision or content of cable services, except as expressly provided in this subchapter.

(2) Paragraph (1) shall not apply to—

(A) any rule, regulation, or order issued under any Federal law, as such rule, regulation, or order (i) was in effect on September 21, 1983, or (ii) may be amended after such date if the rule, regulation, or order as amended is not inconsistent with the express provisions of this subchapter; and

(B) any rule, regulation, or order under title 17.

**(g) Access to emergency information**

Notwithstanding any such rule, regulation, or order, each cable operator shall comply with such standards as the Commission shall prescribe to ensure that viewers of video programming on cable systems are afforded the same emergency information as is afforded by the emergency broadcasting system pursuant to Commission regulations in subpart G of part 73, title 47, Code of Federal Regulations.

**(h) Notice of changes in and comments on services**

A franchising authority may require a cable operator to do any one or more of the following:

(1) Provide 30 days’ advance written notice of any change in channel assignment or in the video programming service provided over any such channel.

(2) Inform subscribers, via written notice, that comments on programming and channel position changes are being recorded by a designated office of the franchising authority.

**(i) Disposition of cable upon termination of service**

Within 120 days after October 5, 1992, the Commission shall prescribe rules concerning the disposition, after a subscriber to a cable system terminates service, of any cable installed by the cable operator within the premises of such subscriber.

(June 19, 1934, ch. 652, title VI, §624, as added Pub. L. 98-549, §2, Oct. 30, 1984, 98 Stat. 2789; amended Pub. L. 102-385, §§15, 16, Oct. 5, 1992, 106 Stat. 1490; Pub. L. 103-414, title III, §§303(a)(23), 304(a)(12), Oct. 25, 1994, 108 Stat. 4295, 4297; Pub. L. 104-104, title III, §301(e), Feb. 8, 1996, 110 Stat. 116.)

**Editorial Notes**

REFERENCES IN TEXT

For “the effective date of this subchapter”, referred to in subsecs. (b) and (c), as 60 days after Oct. 30, 1984,

<sup>1</sup> So in original.

except where otherwise expressly provided, see section 9(a) of Pub. L. 98-549, set out as an Effective Date note under section 521 of this title.

#### AMENDMENTS

1996—Subsec. (e). Pub. L. 104-104 substituted “No State or franchising authority may prohibit, condition, or restrict a cable system’s use of any type of subscriber equipment or any transmission technology.” for “A franchising authority may require as part of a franchise (including a modification, renewal, or transfer thereof) provisions for the enforcement of the standards prescribed under this subsection. A franchising authority may apply to the Commission for a waiver to impose standards that are more stringent than the standards prescribed by the Commission under this subsection.”

1994—Subsec. (d)(2). Pub. L. 103-414, § 304(a)(12), struck out designation “(A)”, inserted “of” after “restrict the viewing”, and struck out subpar. (B) which read as follows: “Subparagraph (A) shall take effect 180 days after the effective date of this subchapter.”

Pub. L. 103-414, § 303(a)(23), inserted “of” after “restrict the viewing” in subpar. (A).

1992—Subsec. (b)(1). Pub. L. 102-385, § 16(c)(1), inserted “, except as provided in subsection (h),” after “but may not”.

Subsec. (d)(3). Pub. L. 102-385, § 15, added par. (3).

Subsec. (e). Pub. L. 102-385, § 16(a), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “The Commission may establish technical standards relating to the facilities and equipment of cable systems which a franchising authority may require in the franchise.”

Subsec. (g). Pub. L. 102-385, § 16(b), added subsec. (g).

Subsec. (h). Pub. L. 102-385, § 16(c)(2), added subsec. (h).

Subsec. (i). Pub. L. 102-385, § 16(d), added subsec. (i).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-385 effective 60 days after Oct. 5, 1992, see section 28 of Pub. L. 102-385, set out as a note under section 325 of this title.

##### EFFECTIVE DATE

Section effective 60 days after Oct. 30, 1984, except where otherwise expressly provided, see section 9(a) of Pub. L. 98-549, set out as a note under section 521 of this title.

##### RESTORATION, RETIERMENT AND REPRICING OF SERVICE PREVIOUSLY ELIMINATED, RETIERED, OR REPRICED

Section not to be construed to allow a franchising authority, or a State or political subdivision thereof, to require a cable operator to restore, retier or reprice cable service previously eliminated, retiered, or repriced as of Sept. 26, 1984, see section 9(b) of Pub. L. 98-549, set out as a note under section 543 of this title.

#### § 544a. Consumer electronics equipment compatibility

##### (a) Findings

The Congress finds that—

(1) new and recent models of television receivers and video cassette recorders often contain premium features and functions that are disabled or inhibited because of cable scrambling, encoding, or encryption technologies and devices, including converter boxes and remote control devices required by cable operators to receive programming;

(2) if these problems are allowed to persist, consumers will be less likely to purchase, and electronics equipment manufacturers will be

less likely to develop, manufacture, or offer for sale, television receivers and video cassette recorders with new and innovative features and functions;

(3) cable operators should use technologies that will prevent signal thefts while permitting consumers to benefit from such features and functions in such receivers and recorders; and

(4) compatibility among televisions, video cassette recorders, and cable systems can be assured with narrow technical standards that mandate a minimum degree of common design and operation, leaving all features, functions, protocols, and other product and service options for selection through open competition in the market.

##### (b) Compatible interfaces

###### (1) Regulations

The Commission shall issue such regulations as are necessary to assure compatibility between televisions and video cassette recorders and cable systems, consistent with the need to prevent theft of cable service, so that cable subscribers will be able to enjoy the full benefit of both the programming available on cable systems and the functions available on their televisions and video cassette recorders.

###### (2) Scrambling and encryption

In issuing the regulations referred to in paragraph (1), the Commission shall determine whether and, if so, under what circumstances to permit cable systems to scramble or encrypt signals or to restrict cable systems in the manner in which they encrypt or scramble signals, except that the Commission shall not limit the use of scrambling or encryption technology where the use of such technology does not interfere with the functions of subscribers’ television receivers or video cassette recorders.

##### (c) Rulemaking requirements

###### (1) Factors to be considered

In prescribing the regulations required by this section, the Commission shall consider—

(A) the need to maximize open competition in the market for all features, functions, protocols, and other product and service options of converter boxes and other cable converters unrelated to the descrambling or decryption of cable television signals;

(B) the costs and benefits to consumers of imposing compatibility requirements on cable operators and television manufacturers in a manner that, while providing effective protection against theft or unauthorized reception of cable service, will minimize interference with or nullification of the special functions of subscribers’ television receivers or video cassette recorders, including functions that permit the subscriber—

(i) to watch a program on one channel while simultaneously using a video cassette recorder to tape a program on another channel;

(ii) to use a video cassette recorder to tape two consecutive programs that appear on different channels; and