AMENDED IN ASSEMBLY MARCH 28, 2016 AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2867

Introduced by Assembly Member Gatto

February 19, 2016

An act to add Chapter 6 (commencing with Section 8390) to Division 4.1 of the Public Utilities Code, Section 1726 to the Civil Code, relating to public utilities contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2867, as amended, Gatto. Public utilities: consumer protection. Cable and Internet service providers: contracts.

Existing law states the intent of the Legislature to establish certain reasonable minimum standards with respect to consumer cable television contracts. Existing law imposes certain requirements on the imposition of late fees and sale or collection of delinquent cable television accounts.

This bill would require a cable or Internet service provider that enables an individual to subscribe to its services through an Internet Web site to also enable those customers to cancel their subscriptions through the Internet Web site.

Under existing law, the Public Utilities Commission has regulatory authority over privately owned public utilities, including electrical corporations, gas corporations, telephone corporations, and water corporations.

Existing law authorizes the furnishing of utility services by local publicly owned public utilities, including municipal corporations, which are subject to control by their governing bodies, and municipal utility

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districts, public utility districts, and irrigation districts, which are subject to control by their boards of directors.

This bill would require a privately owned or local publicly owned public utility that enables an individual to subscribe to its services through an Internet Web site to also enable all of its customers to cancel their subscriptions through the site. To the extent this bill would require a local publicly owned public utility to change the options available on its Internet Web site, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: <u>yes-no</u>. State-mandated local program: <u>yes-no</u>.

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

SECTION 1. Section 1726 is added to the Civil Code, to read: 1726. If a cable or Internet service provider enables an individual to subscribe to its services through an Internet Web site, it shall also enable all of its customers to cancel their subscriptions through the Internet Web site.

SECTION 1. Chapter 6 (commencing with Section 8390) is added to Division 4.1 of the Public Utilities Code, to read:

CHAPTER 6. CONSUMER PROTECTION

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8390. If a privately owned or local publicly owned public utility enables an individual to subscribe to its services through an Internet Web site, it shall also enable all of its customers to cancel their subscriptions through the Internet Web site.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or

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- level of service mandated by this act, within the meaning of Section 17556 of the Government Code.