

SOUTH CAROLINA CABLE TELEVISION ASSOCIATION NEWSLETTER

PREPARED BY
ROBINSON, MCFADDEN & MOORE, P.C.

1ST QUARTER 2010



FEDERAL BROADBAND ROUND 2

The American Recovery and Reinvestment Act of 2009 (“ARRA”) provided the National Telecommunications and Information Administration (“NTIA”) and the U.S. Department of Agriculture’s Rural Utilities Service (“RUS”) with \$7.2 billion to expand access to broadband services in the United States. The Act provides NTIA with \$4.7 billion to establish the Broadband Technologies Opportunities Program (“BTOP”) and RUS with \$2.5 billion for the Broadband Initiatives Program (“BIP”).

In the first round NTIA and RUS issued a joint BTOP/BIP Notice of Funds Availability to promote coordination between the programs. The agencies received almost 2200 applications in the first round requesting almost \$28 billion in funding. As of February 16, 2010, NTIA had announced \$228 million for investments in 19 broadband projects benefiting 15 states not including \$97 million awarded under the Broadband Mapping Program. \$5.9 million was awarded to the *SC Reach for Success* project submitted by the S.C. State Board for Technical and Comprehensive Education. Award information is available at

<http://www.ntia.doc.gov/broadbandgrants/projects.html>.

On January 15, 2010, NTIA and RUS issued separate but coordinated notices to better promote each agency’s distinct objectives. NTIA allocated approximately \$2.6 billion with approximately \$2.35 billion to be available for infrastructure projects. NTIA adopted a “comprehensive communities” approach as its top priority in awarding infrastructure grants focusing on middle mile broadband projects that connect key community anchor institutions such as hospitals, libraries, etc. NTIA removed the requirement that infrastructure projects connecting community anchor institutions must be located in un-served or underserved areas although projects in these areas (*continued on page 2....*)

INSIDE

News from Executive Director.....	4
National Broadband Plan.....	5
Hartsville Project.....	5
Member News.....	6
PSC News.....	7
Federal Cases.....	8
State Certificates.....	8
SC Legislative Update.....	10
FCC News.....	13

Federal Broadband – Round 2 (continued from page 1)

will receive additional consideration. NTIA plans to award at least \$150 million for Public Computer Center Projects and \$100 million for Sustainable Broadband Adoption projects.¹ The deadline for submission of BTOP applications was March 26, 2010.

RUS received a total of 776 BIP Last Mile and Middle Mile infrastructure applications requesting nearly \$11.2 billion during Round 2. On April 16, 2010, RUS posted a directory of BIP Infrastructure applications that included the following South Carolina applications. The link is http://www.broadbandusa.gov/files/BIP_Round2_Infrastructure_Application_Directory.pdf

APPLICANT	PROJECT TITLE	GRANT REQUEST	LOAN REQUEST	OTHER FUNDING	DESCRIPTION
Chesnee Cable, Inc.	<i>Chesnee Cable, Inc.</i>	\$644k	\$276k	0	Spartanburg County passing 533 households and businesses.
CommunityConnect, Inc.	<i>S.C. Appalachian Community Connect WiMAX Initiative</i>	\$6.8M	\$8.6M	\$1.7M	Provide broadband to Appalachian area.
City of Hartsville	<i>FTTP Broadband in Darlington County</i>	\$10.5M	\$4.5M	0	Hartsville (partial) and Lamar and a rural corridor between the two.
Digitalbridge Communications Corp.	<i>Round 2: SC-Chester Last Mile</i>	\$1.4M	\$1.4M	0	Bring 4 th generation broadband via WiMAX.
Digitalbridge Communications Corp.	<i>Round 2: SC-Darlington Last Mile</i>	\$5.9M	\$1.9M	0	Bring 4 th generation broadband via WiMAX.
Digitalbridge Communications Corp.	<i>Round 2: SC-Fairfield Last Mile</i>	\$1.1M	\$393K	0	Bring 4 th generation broadband via WiMAX.
Digitalbridge Communications Corp.	<i>Round 2: SC-Greenwood Last Mile</i>	\$3.5M	\$3.5M	0	Bring 4 th generation broadband via WiMAX.
Digitalbridge Communications Corp.	<i>Round 2: SC-Oconee Last Mile</i>	\$3.7M	\$3.7M	0	Bring 4 th generation broadband via WiMAX.
Digitalbridge Communications Corp.	<i>Round 2: SC-Orangeburg Last Mile</i>	\$6.7M	\$2.2M	0	Bring 4 th generation broadband via WiMAX.
Digitalbridge Communications Corp.	<i>Round 2: SC-Pickens Last Mile</i>	\$5.1M	\$5.1M	0	Bring 4 th generation broadband via WiMAX.
Home Telephone Co., Inc.	<i>Lowcountry Broadband Last Mile</i>	\$2.9M	\$1M	\$1M	Berkeley, Orangeburg and Dorchester Counties.
Jedai Networks, Inc.	<i>Building Community Through Commerce: Region 2 East Georgia</i>	\$2M	\$8.9M	\$3.7M	Collaborate with local communities to provide broadband infrastructure. Employ and train county utility workers.
Lynches River Electric Cooperative	<i>LREC Broadband Network</i>	\$25M	\$8.4M	0	Last mile infrastructure project.
Mid-Carolina Electric Cooperative	<i>Western S.C. Rural Economic Development Initiative</i>	\$16M	\$5.6M	0	Contract with PBT Communications to provide broadband and Smart Grid electrical technologies to western portion of its electric service territory.
National Rural Telecommunications Cooperative	<i>Lynches River E.C. &™ Lancaster County</i>	\$5.5M	\$2.3M	0	WiMAX to pass 22,052 households, 3550 businesses and 45 critical community facilities in Lancaster County.
NTCH, Inc.	<i>NTCH / ClearTalk ICN Last Mile SC Statewide \$20/Person Solution</i>	\$29M	\$29M	\$19M	Deploy an ICN network that can be shared by all carriers. The total coverage area will include 2.9M people, 1.3M households, 114,286 businesses and 16,924 critical community and public safety entities at a cost of \$30 per month.
Orangeburg County	<i>Southeastern Orangeburg County FTTP</i>	\$13.9M	\$4.6M	\$300k	Serve 3733 customers in Rowesville, Canaan, Homestead, Bethel Forest, McAlhany, Pea Ridge, Lambrick, Sixty Six, and Cattle Creek.
Techcore Consultants II, Inc.	<i>Techcore Consultants II, WiMax Project (SC)</i>	\$2.2M	\$2.3M	0	Blanket nearly 1300 square miles of rural and economically distressed communities.
Windstream Corp.	<i>Windstream SC, LLC</i>	\$3M	\$0	\$1M	Extend its broadband network to 3500 homes and 286 businesses.

¹ NTIA's BTOP Quarterly Program Status Report submitted to the Committees on Appropriations of the U.S. Senate and House of Representatives, the U.S. Senate's Committee on Commerce, Science Transportation, and the U.S. House of Representatives' Committee on Energy & Commerce, Feb. 2010.

Federal Broadband – Round 2 (continued from page 2)

The Governor’s Broadband Advisory Committee has reconvened to review Round 2 BTOP applications to provide recommendations to the NTIA. The Committee includes Representative Gilda Cobb-Hunter, Senate Attorney Nancy Coombs, Lt. Col. Mike Oliver of the S.C. Highway Patrol, Nanette Edwards of the S.C. Office of Regulatory Staff, and Jeff Schiltz, Governor’s Policy Advisor and Staff Attorney. BTOP South Carolina applications include the following:

Comprehensive Communities Infrastructure

APPLICANT	PROJECT TITLE	GRANT REQUEST
Clemson University	<i>Palmetto State Integrated Fiber Infrastructure: A Statewide Broadband Strategy for South Carolina</i>	\$45,349,696
City of Columbia	<i>Midlands Collaborative Broadband Infrastructure Project</i>	\$9,431,249
Oconee County	<i>Oconee FOCUS</i>	\$10,689,572

Public Computer Centers

APPLICANT	PROJECT TITLE	GRANT REQUEST
Beaufort County	<i>Access to Learning: Beaufort County Library System Public Computer Center Initiative</i>	\$771,943
City of Charleston	<i>Charleston Community Technology Centers</i>	\$1,938,268
Elauwit Community Enhancement Foundation, LLC	<i>S.C. Public Housing Computer Centers Project</i>	\$11,941,177
S.C. Research Foundation	<i>TelePresence Learning Communities - A Nodal Network for Knowledge Economy Development</i>	\$11,962,314
S.C. State Board for Technical & Comprehensive Education	<i>S.C. Reach Out for Success</i>	\$9,452,180

Sustainable Broadband Adoption

APPLICANT	PROJECT TITLE	GRANT REQUEST
Clemson University	<i>Advancing South Carolina’s Distressed Coastal Businesses and Communities through Development</i>	\$2,334,219
Elauwit Community Enhancement Foundation, LLC	<i>S.C. Public Housing Broadband Adoption Project</i>	\$23,158,698
Farmers Telephone Cooperative, Inc.	<i>Adopt a Laptop</i>	\$9,086,000
Judiciary Courts of the State of South Carolina	<i>Increasing Community Access to the South Carolina Courts</i>	\$10,504,979
S.C. Educational Television Commission	<i>Bringing Broadband Home</i>	\$6,853,719
V-Health	<i>V-Health Telehealth Services</i>	\$2,383,500
Williamsburg County Development Corp.	<i>Hedzup Technology Project</i>	\$6,000,000

Ray Sharpe is working with several members of the SCCTA to provide responses to these applications for the Committee to consider prior to the State sending its recommendations to the NTIA. The NTIA will announce awards on a rolling basis beginning in June 2010 and all awards must be made by September 30, 2010.



NEWS FROM THE EXECUTIVE DIRECTOR

The second year of this two-year SC legislative session commenced the second Tuesday of January and it has been quite busy. Here is an overview of certain issues we have followed:

H4551 – 911 Bill. SC AT&T informed the SC Cable Television Association early on that it planned to file a bill in 2010 to enhance 911 fees in our state. Our association and member companies had a say as this bill moved through the legislative processes. South Carolina’s pre-paid wireless phone customers will begin paying 911 service fees much like landline phone customers starting next year under this bill signed into law by Governor Mark Sanford in March. It is my understanding that all cable companies offering VoIP service have been collecting and remitting the 911 fees just like the landline carriers. This bill clarifies that other VoIP carriers are also required to pay 911 service fees. Starting July 2011, a 61 cents-per-month fee will be charged to support 911 services across the state. The fee for wireless customers is remitted to the state Department of Revenue and distributed according to a state formula. Wireless companies are allowed to keep 2 percent of the fee for administrative costs. Other states such as Maine, Texas, Louisiana and Indiana have recently passed similar laws.

H4261 and H4256 – SLED Subpoena Bills. SC Law Enforcement Division introduced two bills this session which addressed SLED’s ability to serve administrative subpoenas to a communications entity. SCCTA had a number of concerns regarding these bills. The law could create an administrative headache for our companies, is broader than federal requirements and had immunity issues. As the bills moved forward immunity language was added to address immunity concerns and to ensure that any administrative subpoenas complied with 18 USC § 2703(c)(2). The bills were assigned to a Senate Judiciary Subcommittee (4256–Hutto & 4261–Knotts).

S1068 – PUPS Bill Associated General Contractors prompted a bill filed in the Senate dealing with amending the Underground Utility Damage Prevention Act. AGC believes the State of SC is currently NOT in compliance with the federal PIPES Act and its 1976 law is outdated. Most utility groups agreed the SC law should be updated but each stakeholder should have input into the new law. Most believe the proposed bill adds difficult administrative processes for utilities. Senator Mike Rose (bill’s author), Chairman Rankin, and Senators Hutto and Campbell agreed that all interested parties get together to work on a timeline and plan to meet to work on a compromise bill. The subcommittee will review current statutes in other states and report to the working group. With the state budget heading to the Senate, there is little time to get 1068 passed this session. A similar bill will probably be prefiled December of this year for the new 2011 session.

S973 – Sex Offenders/Social Networking – Charleston Senator Chip Campsen has filed a bill that requires sex offenders to register with SLED and makes the registry available to “authorized internet entities” for use by those entities in prescreening or dropping sex offenders from the use of their services. A number of parties have expressed interest, particularly Internet providers. Interested parties met to redefine “authorized Internet entities” and offer immunity language. The bill recently passed second reading at the Senate with our preferred language which provides liability protection for Internet entities.

TRAC – The Tax Realignment Commission continues to meet to study the state’s complex tax system. Subcommittees have been formed out of TRAC to study particular issues and make recommendations. A joint resolution was filed by House Speaker Bobby Harrell, which gives TRAC a November 2010 date to report. The original legislation offered a reporting deadline of March 2010.

The SC Legislature had earlier plans to *sine die* in mid May, however recent reports have the SC Legislature adjourning June 3rd. I again thank each of you for all of your efforts in contributing to our successes this session.

Ray Sharpe



Registration opens in June!

**2010 Carolinas
Joint Summer Meeting
August 7 – 9, 2010
Charleston Place
Charleston, South Carolina**

*Hosted by
The South Carolina Cable Television Association*

National Broadband Plan

Connecting America: The National Broadband Plan was delivered to Congress on March 16, 2010, as mandated by the ARRA. On April 8, 2010, the FCC announced its 2010 agenda for implementing key recommendations of the Plan. The Action Agenda explains the purpose and timing of more than 60 rulemakings and other notice-and-comment proceedings. FCC actions taken to implement the Plan can be tracked at <http://www.broadband.gov/plan/broadband-action-agenda.html>. The 2010 Action Agenda focuses on four key goals: (1) promote world-leading mobile broadband infrastructure and innovation; (2) accelerate universal broadband access and adoption, and advance national purposes such as education and health care; (3) foster competition and maximize consumer benefits across the broadband ecosystem; and (4) advance robust and secure public safety communications networks. The National Broadband Plan can be downloaded at <http://download.broadband.gov/plan/national-broadband-plan.pdf>.

Hartsville Fiber Optic Project

The City of Hartsville submitted a Broadband Infrastructure Application to the U.S. Department of Agriculture's Rural Utilities Service ("RUS") in the second round of funding to be awarded pursuant to the American Recovery and Reinvestment Act of 2009. The application would extend broadband facilities within the towns of Hartsville (partial) and Lamar and a rural corridor between the two towns. According to the City's application, the total capital requirement for the project is \$15,117,831 which represents all capital required to design and build the system which would pass 5518 premises. This equates to a per premises investment of \$2740 per passing. The City would hire 9 employees with broadband/telecom experience. The City projects a 55% Year 5 connection penetration rate for any service with a 35% penetration rate for Internet, 46% for video and 19% for voice. The South Carolina Cable Television Association contacted the City pursuant to the Freedom of Information Act and requested a copy of the application and the feasibility study done by Uptown Services.

MEMBER NEWS



(L to R) – Justin Damiano, Comcast; Ronald A. Ravenell, Executive Director-Fetter Clinic; Anthony Douglas, Comcast; Paul G. Campbell, Jr., SC Senator; Clay Middleton, Lowcountry District Director-Congressman James Clyburn; Bill Watson, Comcast

COMCAST FOUNDATION'S GRANT FOR REACH-OUT AND READ INITIATIVE

On Monday, March 29th, Comcasters in Charleston, South Carolina, on behalf of the Comcast Foundation, presented the Franklin C. Fetter Family Health Center a \$10,000 grant to support the Reach-Out and Read literacy initiative in five Franklin C. Fetter locations in the Tri-County.

“We want to motivate young people to achieve their maximum potential and to be leaders and catalysts for positive change in their communities,” said Anthony Douglas, Senior Director of Operations. “We support the Reach-Out and Read program because it inspires young people to learn and lead by seizing educational opportunities.” Reach-Out a Read is a national program that promotes early literacy and school readiness in pediatric exam rooms nationwide by giving new books to children and advice to parents about the importance of reading aloud. “We are honored to receive this award. We believe Reading is the foundation of life, and should be cultivated in children at an early age.” Says Lorna Shelton Beck, Reach Out and Read Coordinator at Franklin C. Fetter Family Health Center. “In addition to the Comcast Foundation Grant, 350 Comcast employees donated 1,300 books for the Reach Out and Read program,” said Bill Watson, Charleston market Vice President and General Manager. “Last year, the Fetter Clinic handed out 4,450 books and Comcast is proud to support this program.”

COMCAST LAUNCHES WIDEBAND

Comcast recently launched its new “Wideband” high-speed Internet service for residential and business customers in the Charleston area. The new offering includes download speeds of up to 50 megabytes per second. “With this next generation of service, our customers' online experience has been dramatically enhanced,” said Bill Watson, vice president and general manager of Comcast's Charleston market. “Best of all, this service enables Comcast to double speeds for the majority of existing high-speed internet customers.” Wideband uses Comcast's existing fiber optic network. It includes two premium speed tiers: up to 50 megabytes per second for about \$100 per month and up to 22 megabytes per second for about \$63 per month for residential customers. With the higher tier a customer can download a high-definition movie in about 16 minutes, a standard movie in five minutes and a standard television show in seconds, according to Comcast officials.



GAGE PROMOTION

Tim Gage was named senior vice president of government and regulatory affairs for Comcast Southern Division in March. Mr. Gage also serves as Vice-Chairman of the South Carolina Cable Television Association. Tim Gage has built an impressive state government affairs and regulatory team for the Comcast Southern Division since assuming his role in September 2007. He developed Comcast's traditional government and community relations at the local level while managing the growth of an organization focused on statewide legislative activities and issues. Tim and his team supervise Comcast's philanthropic work through the Comcast Foundation and political contributions made through the Comcast PAC.

PSC NEWS

Commission Elections

Terms for Seats 2, 4, and 6 of the Public Service Commission expire at the end of June. The screening subcommittee for the State Regulation of Public Utilities Review Committee held public hearings on the candidates' qualifications on March 29, 2010. The full Committee is expected to issue a report to the General Assembly on May 3rd. The Committee's nominees are

Seat 2 –David Wright

Seat 4 –Philip Bradley

Elizabeth Fleming

Seat 6 – Nikiya M. Hall

Martin Huggins

The General Assembly will elect the Commissioners on May 19, 2010.

AT&T Complaints

In early January AT&T filed complaints against the following competitive local exchange carriers: Affordable Phone Services, Inc.; Dialtone & More, Inc.; Tennessee Telephone Service, LLC; OneTone Telecom, Inc.; dPi Teleconnect, LLC; and Image Access, Inc. These billing dispute complaints arose as a result of the CLECs' assertion that AT&T cannot apply the resale discount to the cashback component of various promotional offers that AT&T makes available for resale. The CLECs also contend that AT&T's

customer referral marketing promotions are subject to resale. The hearing is scheduled for June 21, 2010.

PSC and ORS Evaluations

On January 12, 2010, the State Regulation of Public Utilities Review Committee issued its evaluations of the Public Service Commission, Commissioners, the Office of Regulatory Staff, and the Executive Director of ORS which are available at www.scstatehouse.gov in the Senate Journal on January 14, 2010.

USF Bundles Decision

The Commission held a hearing on November 20, 2009, on whether unregulated bundles and contract service offerings were eligible for state universal service fund subsidies. Joe Gillan testified for the SCCTA who argued that the state fund should only support lines used to provide basic, regulated local service. The Office of Regulatory Staff and most of the incumbent carriers argued that the money should continue to be distributed as is has been without regard to how many lines are deregulated. On April 21st the Commissioner sided with the incumbents and voted to continue state USF support of non-regulated bundles and contract service offerings. The Commission has not yet issued its order.

FEDERAL CASES

Horry Telephone Cooperative v. City of Georgetown Update

Horry Telephone Cooperative (“HTC”) filed a case against the City of Georgetown, the Secretary of State and Southern Coastal Cable on November 4, 2008, in U.S. District Court in the Charleston Division. HTC alleges that Southern Coastal Cable and Georgetown have conspired to unlawfully stifle competition in the Georgetown cable market after the City Council refused to consent to HTC’s request for a state issued certificate of franchise authority in August 2008. HTC reapplied for a certificate in Georgetown in 2009. Georgetown again rejected the application. The parties are to complete mediation by July 27, 2010. The federal case is subject to being called for trial in late August/early September.

Comcast v FCC Decision

The U.S. Court of Appeals, D.C. Circuit, issued its opinion in the *Comcast Corp. v. FCC*, Opinion No. 08-128, on April 6, 2010, holding that the FCC did not have the authority to regulate

the network management practices of an Internet service provider. In 2007 several Comcast subscribers discovered that Comcast was interfering with their use of peer-to-peer networking applications which allow users to share large files directly with one another. Such programs consume significant amounts of bandwidth. Two non-profit advocacy organizations, Free Press and Public Knowledge, filed a complaint with the FCC. Comcast defended its interference with peer-to-peer programs as necessary to manage scarce network capacity. The FCC concluded that it had jurisdiction over Comcast’s network practices and that it could resolve the dispute through adjudication rather than through rulemaking. The FCC ruled that Comcast had significantly impeded consumers’ ability to access the content and use the applications of their choice. Comcast appealed the decision and the Court agreed with Comcast vacating the FCC decision. The Court ruled that FCC overstepped its authority when it tried to enforce a rule that required Internet providers to give broadband users equal access to all Internet content.

STATE-ISSUED CERTIFICATES OF FRANCHISE AUTHORITY

As of April 21, 2010, the South Carolina Secretary of State has issued the following certificates of franchise authority:

ATLANTIC BROADBAND.....	Aiken, Aiken County, Allendale, Bamberg, Bamberg County, Barnwell, Burnettown, Denmark, Fairfax, Jackson, New Ellenton, Snelling, Williston
BALDWIN COUNTY INTERNET/ DSSI SERVICE, LLC.....	Beaufort County, Charleston County, Greenville, Greenville County
BELLSOUTH..... TELECOMMUNICATIONS, INC. d/b/a AT&T SOUTH CAROLINA	Anderson, Anderson County, Arcadia Lakes, Blythewood, Calhoun County, Camden, Cayce, Central, Clemson, Columbia, Duncan, Easley, Elgin, Forest Acres, Greenville, Greenville County, Greer, Irmo, Kershaw County, Lexington County, Liberty, Lyman, Mauldin, McConnells, Oconee County, Pickens, Pickens County, Pine Ridge, Richland County, Seneca, Spartanburg, Spartanburg County, Springdale, West Columbia, York, York County
BERKELEY CABLE TV, INC.....	Harleyville, Jamestown, Moncks Corner, St. Stephens

State-Issued Certificates of Franchise Authority *continued...*

BROADBAND EXPERIENCE.....	Central, Clemson, Pickens County d/b/a FAMILY VIEW CABLEVISION
CAROLINA TELECOM SERVICES.....	Hickory Grove, Sharon
CATAWBA, INC.....	Rock Hill
CHARTER COMMUNICATIONS, LLC...	Abbeville, Clinton, Easley, Greer, Greenville, Greenville County, Honea Path, Laurens, Mauldin, Newberry County, Oconee County, Pelzer, Pickens County, Salem, Six Mile, Spartanburg, Starr, Travelers Rest, Union, West Pelzer, Whitmire, Woodruff
CHESNEE COMMUNICATIONS.....	Cherokee County, Chesnee, Spartanburg County
COMCAST OF CAROLINA.....	Edisto Beach, Goose Creek, Hampton County, Hanahan, Isle of Palms, James Island, Summerville
COMCAST OF GEORGIA/SC II.....	Beaufort County, Charleston, Edisto Beach, Hampton County, Hollywood, Meggett, Town of Seabrook Island
COMCAST OF GEORGIA/SC INC.....	Aiken County, Burnetown, Hampton County
COMCAST OF THE SOUTH.....	Calhoun Falls, Prosperity
ELK COMMUNICATIONS, LLC.....	Gaston, Lexington County, Swansea
FALCON VIDEO COMMUNICATIONS...	Beaufort, Beaufort County
FARMERS TELEPHONE.....	Andrews, Clarendon County, Coward, Florence County, Georgetown County, COOPERATIVE Greeleyville, Lane, Lee County, Lynchburg, Mayesville, Paxville, Pinewood, Scranton, Sumter, Sumter County, Turbeville, Williamsburg County
FTC DIVERSIFIED SERVICES, INC.....	Bishopville, Clarendon County, Florence County, Georgetown County, Kingstree, Lake City, Lee County, Manning, Olanta, Summerton, Sumter, Sumter County, Williamsburg County
HARGRAY CATV CO., INC.....	Estill, Hampton, Jasper County
HOME TELECOM.....	Charleston, Goose Creek, North Charleston
HORRY TELEPHONE COOPERATIVE...	Conway, Surfside Beach
HPI ACQUISITION CO., LLC.....	Anderson, Due West
MANAGED SERVICES INC.....	Berkeley County, Horry County, Jasper County, Richland County
METROCAST COMMUNICATIONS.....	Marlboro County, McColl OF MISSISSIPPI, LLC
NORTHLAND CABLE TELEVISION.....	Laurens County, Pendleton, Pickens County, Seneca, West Union
PALMETTO CABLE TV, LLC.....	Fort Mill, Lancaster County
PALMETTO RURAL TELEPHONE.....	Bamberg County, Colleton County, Cottageville, Lodge, Smoaks, Walterboro, COOPERATIVE, INC. Williams
PASSPORT COMMUNICATIONS.....	Fort Mill

State-Issued Certificates of Franchise Authority *continued...*

PINE TREE CABLEVISION.....	Aiken County, Bamberg County, Barnwell County, Bethune, Cottageville, Gaston, Jefferson, Kershaw County, Lamar, McBee, Orangeburg County, Perry, Salley, Wagener
PBT COMMUNICATIONS.....	Gilbert, Lexington, Lexington County, Pelion, Summit, Wagener
RST COMMUNICATIONS, INC.....	Gaffney
TECHCORE CONSULTANTS II.....	Bowman, Dorchester County, Earhardt, Eutawville, Holly Hill, Orangeburg County
TIME WARNER CABLE, LLC.....	Andrews, Charleston County, Georgetown County, Summerville
TIME WARNER ENTERTAINMENT.....	Cayce, Columbia, Conway, Florence County, Forest Acres, Georgetown County, ADVANCE/NEWHOUSE PRTSHP Lane, Lee County, Lexington, Lexington County, Myrtle Beach, Myrtle Beach Air Force Base, Orangeburg, Orangeburg County, Pamplico, Quinby, Richland County, Springdale, Surfside Beach, Sumter, Sumter County, West Columbia
TIME WARNER ENTERTAINMENT ADVANCE/NEWHOUSE PTRSHP.....	Clover, Fort Mill, York County
-CHARLOTTE DIVISION	
TIME WARNER NY CABLE, LLC.....	Bluffton, Dillon County, , Georgetown County, Goose Creek, Hardeeville, Hilton Head, Jasper County, Lakeview, Marion County, Nichols
VIDEO VISION, INC.....	Fort Lawn, Heath Springs, Kershaw, Lancaster County
YRT2, INC.....	Berkeley County, Columbia, Dorchester County, Greenville, Greenville County, Horry County, Myrtle Beach, Summerville

**SOUTH CAROLINA
LEGISLATIVE UPDATE**



The second session of the General Assembly convened on January 12, 2010. The following bills of interest have been enacted into law or filed since the last newsletter:

ACT 135 / House Bill 4551 / Senate Bill 1147 – 911

This Act adds specific provisions to 911 statutes requiring VoIP providers and prepaid wireless sellers to collect the 911 charge. 911 systems implemented in South Carolina must also now include routing and capabilities to receive and process CMRS service and VoIP service capable of making 911 calls.

Senate Bill 991 – Text Messaging

This bill prohibits using a cell phone or wireless communication device for text messaging or electronic mail communications while operating a motor vehicle in motion

Senate Bill 1034 / House Bills 4336, 4482, 4585 – Taxation Realignment Commission

These resolutions extend the deadline for TRAC to deliver its report to the General Assembly. H. 4585 extends the deadline to November 15, 2010, and provides that the report may extend to all constitutional and statutory

S.C. Legislative Update continued....

provisions pertinent to the imposition of ad valorem taxes. H. 4585 passed the House and the Senate Finance Committee issued a favorable report on March 24, 2010.

Senate Bill 1068 – Underground Utility Safety and Protection Act

This bill substantially rewrites the Underground Utility Damage Prevention Act. The Palmetto Utility Protection Service or PUPS was created to implement the provisions of the initial Act. The Senate Judiciary Public Utilities Subcommittee met in March and carried over the bill. The Committee agreed that current laws have to be updated. The current act has not been updated since the federal Pipeline Inspection, Protection, Enforcement and Safety Act (“PIPES”) was passed in 2006.

Senate Bill 1080 – Sales Tax Exemptions

This bill repeals the sales tax exemption for textbooks, magazines, newspapers and access to on-line information.

Senate Bill 1161- Taxation Realignment Commission

This bill provides that TRAC should consider all aspects of the assessment of local taxes levied and other provisions affecting local revenue to fund the operation and responsibilities of local government.

Senate Bill 1208 / House Bill 4703 – Income Tax Credit

This bill allows tax credits for the purchase and installation of solar energy systems to residential and commercial buildings. Referred to the Senate Finance Committee on February 23, 2010.

House Bill 4190 – Handheld Wireless Device

This bill makes it illegal to drive a motor vehicle while using a handheld wireless communications device.

House Bill 4191 – Wireless Communication Device

This bill makes it illegal to possess a mobile phone or another wireless communications device on the premises of a Department of Corrections facility and makes it illegal to give or sell a wireless device to an inmate.

House Bill 4209 – Public Service Commissioner

This bill prohibits Commissioners from being employed or retained by a public utility for 5 years following service as a Commissioner. Referred to the House Labor, Commerce & Industry Committee on January 12, 2010.

House Bill 4256 – Law Enforcement Directive to Telephone Co.

This bill enables SLED to issue an administrative subpoena to a telephone company, Internet service provider or other communications entity under certain circumstances. SCCTA proposed an amendment to clarify that an administrative subpoena issued pursuant to this section must comply with the provisions of 18 U.S.C.§2703(c)(2). It is currently in a Senate Judiciary subcommittee.

House Bill 4259 – Text Messages

This bill makes it illegal to operate a motor vehicle while text messaging or receiving messages or using any form of electronic reading device. Referred to the House Education & Public Works Committee on January 12, 2010.

S.C. Legislative Update continued....

House Bill 4261 – SLED Administrative Subpoena

SLED may issue an administrative subpoena for the production of customer records during the investigation of criminal cases involving financial crimes. SCCTA proposed an amendment to clarify that an administrative subpoena issued pursuant to this section must comply with the provisions of 18 U.S.C. §2703(c)(2). It is currently in a Senate Judiciary subcommittee.

House Bill 4282 – Cell Phones

This bill prohibits using a text messaging device to ready or to manually write or send a written communication, including a text message or electronic mail while operating a motor vehicle. It passed the House and was sent to the Senate Judiciary Committee on March 23, 2010.

House Bill 4287 – FOIA

This bill revises the Freedom of Information Act to exempt from public disclosure all homeland security related information provided by public or private entities to SLED.

House Bill 4439 – TRAC

This bill extends the date for the Commission to conclude its business to January 1, 2012, issue the report by January 1, 2011, and expands the scope of the study to include a review of all taxes imposed in the state.

House Bill 4478 – SC Economic Development Competitiveness Act of 2010

This bill implements numerous private sector recommendations for fostering an economic development climate in the State to attract global business and industry investment. It would gradually eliminate the corporate income tax. It passed the House and was referred to the Senate Finance Committee on March 9, 2010.

House Bill 4511 – S.C. Rural Infrastructure Act

The SC Rural Infrastructure Authority would provide loans and other financial assistance to a municipality, county, special purpose or public service district and a public works commission to finance rural infrastructure projects. The Senate returned it to the House with amendments on March 31, 2010.

House Bill 4703 – Solar Energy System

This bill increases the income tax credits for the purchase and installation of solar energy systems for residential and commercial buildings.

House Bill 4836 – Public Utility Rates

This bill provides that a rate increase or decrease ordered by the Public Service Commission for a public utility is not effective unless authorized by statutory law by the House and Senate. Referred to the House Labor, Commerce & Industry Committee on April 14, 2010.

FCC BRIEFS

The following documents can be downloaded from the FCC's website at <http://www.fcc.gov>

On April 2, 2010, issued reports on informal consumer complaints received by the Disability Rights Office during 3rd Quarter 2009, 2nd and 3rd Quarter 2009 reports on informal consumer inquiries and complaints. Cable and satellite service complaints increased 22% from the 2nd to the 3rd quarter. The reports on informal consumer inquiries/complaints can be viewed at <http://www.fcc.gov.cbg/quarter/welcome.html>.

On March 11, 2010, the FCC launched new digital tools—the Consumer Broadband Test and the Broadband Dead Zone Report—that allow consumers to test their broadband service and report areas where broadband is not available. The Consumer Broadband Test measures broadband quality indicators such as speed and latency and reports that information to consumers and the FCC. The mobile version is available through the Apple and Android app stores. The Broadband Dead Zone Reports enables Americans to submit the street address location of a “Dead Zone” where broadband is unavailable for purchase. The fixed version of the Test and the Dead Zone Report are available at www.broadband.gov.

On March 2, 2010, the FCC issued its 2nd Report and Order in the matter of *Exclusive Service Contracts for Provision of Video Services in Multiple Dwelling Units and Other Real Estate Developments*. The FCC held that any MVPD was not prohibited from using bulk billing arrangements or exclusive marketing arrangements. FCC 10-35.

On February 25, 2010, the FCC's Consumer and Governmental Affairs Bureau issued a declaratory ruling to reaffirm the FCC's rules and policies concerning Video Relay Service reimbursement and calling practices. The action emphasized that VRS calls made or arranged to generate per-minute fees for the providers are

not and have never been compensable from the TRS Fund. DA 10-314.

On February 24, 2010, the FCC released its latest report on telephone number utilization. The overall utilization report for ILECs was down, cellular and CLEC utilization rates were up. The report can be downloaded from www.fcc.gov/wcb/stats.

On February 12, 2010, the FCC released the *High-Speed Services for the Internet Access* report as of December 31, 2008. The report includes statistics for high-speed connections on the national level and substantially expanded state-by-state information and can be downloaded from www.fcc.gov/wcb/stats.

On February 2, 2010, the FCC released its latest report on telephone subscribership levels as of November 2009, indicating a U.S penetration rate of 95.7%. The report can be downloaded from www.fcc.gov/wcb/stats.

On January 26, 2010, the FCC released its annual *Telecommunications Provider Locator* report. 6493 companies are registered to provide interstate telecommunications as of October 2008. The report can be downloaded from www.fcc.gov/wcb/iatd/locator.html.

On January 20, 2010, the FCC issued an order establishing a process for considering complaints about the availability of terrestrially delivered, cable affiliated programming, addressing what is commonly referred to as the terrestrial loophole. FCC 10-17.

On January 20, 2010, the FCC proposed revisions to its Telephone Consumer Protection Act rules to restrict “robocalls.” FCC 10-18.