Federal Communications Commission

§ 76.503 National subscriber limits.

(a) No cable operator shall serve more than 30 percent of all multi-channel-video programming subscribers nationwide through multi-channel video programming distributors owned by such operator or in which such cable operator holds an attributable interest.

(b)–(d) [Reserved]

(e) “Multichannel video-programming subscribers” means subscribers who receive multichannel video-programming from cable systems, direct broadcast satellite services, direct-to-home satellite services, BRS/EBS, local multipoint distribution services, satellite master antenna television services (as defined in §76.5(a)(2)), and open video systems.

(f) “Cable operator” means any person or entity that owns or has an attributable interest in an incumbent cable franchise.

(g) Prior to acquiring additional multichannel video-programming providers, any cable operator that serves 20% or more of multichannel video-programming subscribers nationwide shall certify to the Commission, concurrent with its applications to the Commission for transfer of licenses at issue in the acquisition, that no violation of the national subscriber limits prescribed in this section will occur as a result of such acquisition.

Note 1 to §76.503: Certifications made under this section shall be sent to the attention of the Media Bureau, Federal Communications Commission, 445 12th Street, SW., Washington, DC 20554.

§ 76.502 Time limits applicable to franchise authority consideration of transfer applications.

(a) A franchise authority shall have 120 days from the date of submission of a completed FCC Form 394, together with all exhibits, and any additional information required by the terms of the franchise agreement or applicable state or local law to act upon an application to sell, assign, or otherwise transfer controlling ownership of a cable system.

(b) A franchise authority that questions the accuracy of the information provided under paragraph (a) must notify the cable operator within 30 days of the filing of such information, or such information shall be deemed accepted, unless the cable operator has failed to provide any additional information reasonably requested by the franchise authority within 10 days of such request.

(c) If the franchise authority fails to act upon such transfer request within 120 days, such request shall be deemed granted unless the franchise authority and the requesting party otherwise agree to an extension of time.

[61 FR 15388, Apr. 8, 1996]

Federal Communications Commission

Note 3 to §76.501: In cases where record and beneficial ownership of voting stock is not identical (e.g., bank nominees holding stock as record owners for the benefit of mutual funds, brokerage houses holding stock in street names for benefit of customers, investment advisors holding stock in their own names for the benefit of clients, and insurance companies holding stock), the party having the right to determine how the stock will be voted will be considered to own it for purposes of this subpart.

Note 4 to §76.501: Paragraph (a) of this section will not be applied so as to require the divestiture of ownership interests proscribed herein solely because of the transfer of such interests to heirs or legatees by will or intestacy, provided that the degree or extent of the proscribed cross-ownership is not increased by such transfer.

Note 5 to §76.501: Certifications pursuant to this section and these notes shall be sent to the attention of the Media Bureau, Federal Communications Commission, 445 12th Street, SW., Washington, DC 20554.

Note 6 to §76.501: In applying paragraph (a) of §76.501, for purposes of paragraph note 2(1) of this section, attribution of ownership interests in an entity covered by this rule that are held indirectly by any party through one or more intervening organizations will be determined by successive multiplication of the ownership percentages for each link in the vertical ownership chain and application of the relevant attribution benchmark to the resulting product. The ownership percentage for any link in the chain that exceeds 50% shall be included. (For example, if A owns 10% of company X, which owns 60% of company Y, which owns 25% of “Licensee,” then X’s interest in “Licensee” would be 15% (0.6 × 0.25), and A’s interest in “Licensee” would be 1.5% (0.1 × 0.6 × 0.25).]