

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

SENATE COMMITTEE ON
TELECOMMUNICATIONS AND CONSUMER AFFAIRS

March 12, 1991Hearing Room B
1:00 p.m.Tapes 25 - 26

MEMBERS PRESENT:Senator Jolin, Chair
Senator Otto, Vice-Chair
Senator Bunn
Senator Shoemaker

MEMBER EXCUSED: Senator Kennemer

STAFF PRESENT: Cherie Copeland, Committee Administrator
Apryl Poff, Committee Assistant

MEASURES HEARD: SB 648 Cable television licensing exemptions PUB.
SB 670 Interim rate refund PUB.

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

PUBLIC HEARING.
TAPE 25, SIDE A

005 CHAIR JOLIN: Calls the meeting to order at 1:08 p.m.

011 SENATOR OTTO: Declares conflict of interest on SB 648 due to being retired from the electrical industry and also on the board of directors of a cable television organization.

015 SB 648 CABLE TELEVISION LICENSING EXEMPTIONS, PUB.

Witnesses: Mike Dewey, Oregon Cable Television Association.
Harlan Cook, Columbia Cable.
Etta Hepner, Falcon Cable.
Don Woodley, Marion County building official.
Solan Stone, Retired professor of engineering, Oregon State University.
John Gervais, National Electrical Contractors Association.
Greg Teeple, International Brotherhood of El
Junior Owings, Chief Electrical Inspector, Building Codes Agency.

020 MIKE DEWEY: Gives testimony in favor of SB 648. Gives background of Oregon Cable TV Association and regulations at the local level. Cable television installation isn't electrical and carries no current as believed by many people. These are not electrical installations they are communication installations. The cable carries radio frequency, not electrical current. It would be my preference to put the issue of cable TV not being electrical in the statute.

165 HARLAN COOK: Submits and summarizes written testimony in favor of SB 648 (EXHIBIT A). The Electrical Board has proposed administrative rules requiring any person (s) installing cable services to have a permit and be licensed prior to performing the work under a new classification of Low Voltage Wiring. These actions are unwarranted because cable television services are communications services and not "low voltage" electrical circuits. This is due to our use of radio frequency energy that is the same as that already in the air from TV and radio stations. This makes cable television intrinsically safe and unique from all other types of utility services provided into the home. We only use coaxial cables since we duplicate channels and frequencies now in use by over-the-air services. If these new rules are adopted, normal permitting process will lead to excessive installation delays beyond the industry's normal 3-5 day average. In addition, multiple visits will create scheduling conflicts and frustrations for our prospective customers. The added cost of the permits will prevent most companies from offering discounted or free installations to prospective customers. For these reasons, I ask for your support in the passage of SB 648.

215 SENATOR SHOEMAKER: How do you feel about the proposed amendments?

218 HARLAN COOK: I haven't had a chance to look them over.

245 SENATOR SHOEMAKER: Do you feel it is important that installation that is unregulated be limited to those who have an installation certificate or installation training?

250 HARLAN COOK: I believe that specialized training is an important part of any safe and properly installed service to residential or commercial facilities.

256 SENATOR SHOEMAKER: Is there an element of danger in the installation of cable TV?

259 HARLAN COOK: If the National Electrical Codes are not followed then there is potential danger.

384 SOLAN STONE: Submits and summarizes written testimony in favor of SB 648 (EXHIBIT B).

There are various types of communications. The following are ones we usually think about:

- >Voice (telephone)
- >Video (television)
- >Data (computers)

The cable television industry is involved in communications, video communications very similar to the way in which the telephone industry is involved in voice communications. There is no safety or health reason why the cable television industry shouldn't be treated the same under the Electrical Safety Law as is the telephone industry.
TAPE 26 SIDE A

066 DON WOODLEY: Submits and summarizes written testimony and proposed amendments to SB

648 (EXHIBIT C). The Oregon building officials would like to request the following amendment to SB

648 : Page 3, line 19 of the printed SB 648, insert a "period" after the word "installation" and delete the remainder of the sentence. The sentence would then read: (17) No permit is required for a cable television installation. Under the present mandated electrical permit application, there is a requirement for a \$36 permit for each "Signal circuit (s) or a limited energy panel alteration or extension." In a single family home the following limited energy and signal systems may exist:

- >Garage door opener.
- >Doorbell.
- >Vacuum cleaner system.
- >Inter-com.
- >Stereo speaker system.
- >Security system.
- >Cable TV system.
- >Lawn sprinkler system.
- >Computer system.
- >Fire/smoke detector system.

Since permits are not transferable from one applicant to another, as many as 10 permits could be required for the electrical installation on a single family home at \$36 each. Please consider our amendment to SB 648 , and also consider exempting those other systems that I have mentioned, at least in residential occupancies. An exemption from permit requirements doesn't mean an exception to code requirements.

230 Senator Bunn and Senator Shoemaker debate whether or not just anyone should be able to install cable television or whether installation should be limited to franchised cable companies only. Senator Shoemaker is concerned that if we exempt cable television installation from the electrical safety statutes then that will mean that cable TV installation is an electrical installation.

TAPE 25 SIDE B

030 Senator Shoemaker and Senator Bunn continue on with discussion.

136 CHAIR JOLIN: Asks each member if they would like to limit installation to franchise companies or broaden this focus.

142 SENATOR BUNN: I would like to take the status quo and put it into the statute and that necessitates broadening the focus. The status quo as I understand it is that anyone can install cable television without a permit and without a license. We have now demonstrated testimony that this isn't a hazard to the public and since this isn't hazardous to the public, then I'm not willing to give the right to a select few while taking it away from some that have it now.

151 SENATOR OTTO: I think that installation should be limited to franchise companies and not broaden to other people.

157 SENATOR SHOEMAKER: I also agree with Senator Bunn. Things should remain status quo.

177 SENATOR SHOEMAKER: The effect of the bill as written is to exempt cable companies from the present requirements and make everyone else get a permit.

192 CHERIE COPELAND: At a meeting where this concept was discussed the electrical people and the cable people agreed that cable installation is not a electrical installation but some of the counties are requiring permits and that's the reason the cable companies are requesting an exemption from the electrical code statute. I think that the question before you is whether it's just the cable TV companies who are exempted or whether it is everyone that is exempted.

202 SENATOR BUNN: I understand this, but I also agree with Senator Shoemaker that by putting this into the statute, we make it an electrical installation.

213 CHAIR JOLIN: Asks Cherie Copeland to discuss this with some electrical inspectors.

209 ETTA HEPNER: Submits and summarizes written testimony in support of SB 648 (EXHIBIT D).
Relates an anecdote about what's happening in Hood River. The county is requiring permits for cable TV installations. There are nearly 400 potential customers who would like a quick resolution to this problem. Unfortunately we can't hook up the customers as each one would require a permit and a licensed electrician to do the work. Cable television is a service not a utility so we are therefore not exempt under the current law. Telephone has been exempt all these years and more power goes through their lines than through cable television lines. We ask you to support SB 648 which will exempt franchised cable television operators and their employees from these unnecessary rules.

300 JOHN GERVAIS: We are not opposed to the concept of the bill and it's our opinion that by recognizing one group as being exempt then you pull everyone else in. I would like subsections 17 and 18 of the bill to include electrical contractors in the exemption or have the statute state that cable TV isn't an electrical installation to clear up the confusion.

373 SENATOR BUNN: Wouldn't it work better to state in line 17 that no permit is required for anyone and in line 18, no license is required for anyone.

383 JOHN GERVAIS: I agree. This would work.

388 SENATOR SHOEMAKER: I believe that it might be more appropriate to refer this to the Electrical Board.

446 GREG TEEPLE: The installation of wiring wouldn't come under the product category for the board's activity for exemption. Cable installation isn't an electrical installation and it isn't a hazard.

TAPE 26 SIDE B

055 SENATOR OTTO: What do you think of the first amendment suggested by the Marion County building official?

058 GREG TEEPLE: I share the same concern about including this into the list of exemptions. You do make people believe that it is an electrical installation.

095 JUNIOR OWINGS: We have a hard time trying to determine if a license or a permit is required. I think the bill should clarify whether cable installation is or isn't an electrical installation. I think that the bill needs to address that if you exempt permit and license requirements, that the installation must still meet the code requirements.

129 CHAIR JOLIN: Closes hearing on SB 648.

155 CHAIR JOLIN: States that due to lack of time, we will reschedule the public hearing on SB 670 at a later date.

191 CHAIR JOLIN: Adjourns hearing at 2:50 p.m.

Submitted by: Reviewed by:

Apryl Poff Cherie Copeland
Assistant Committee Administrator

EXHIBIT LOG:

- A - Written testimony submitted by Harlan Cook, 2 pages.
- B - Written testimony submitted by Solan Stone, 1 page.
- C - Written testimony and proposed amendments submitted by Don Woodley, 3 pages.
- D - Written testimony submitted by Etta Hepner, 3 pages.