



Posted on Mon, Feb. 04, 2008

New laws aim to help TV customers get good service

Providers face competition, fines

BY LAURA GIRRESCH
News-Democrat

Under two state laws passed last summer, companies can get a statewide license to provide television service -- creating competition for local cable companies -- and metro-east communities now can use the threat of fines to ensure customers are treated right.

Hoping to make protecting television customers easy, Belleville passed an ordinance last month that gave the city direct power to enforce good customer service, in accordance with the state laws.

One state law, the Cable and Video Customer Protection Law, says local governments and the Illinois attorney general can fine television companies for not telling customers how their rates will change after a promotion, disconnecting service for repairs for more than 24 hours, and only providing service where they can make the most money.

"It gives us an extra avenue to enforce or review or have some leverage to get customers the service they deserve," Belleville Mayor Mark Eckert said.

Before the state legislation passed, companies offering television service had to get permission from the local government to sell it in a community. Now, under the Cable and Video Competition Law, they can get statewide permission.

AT&T has been the first company to take advantage of the new competition law. AT&T started offering a television service called Internet Protocol Television through phone lines, though you don't have to be a phone customer to get it, a spokesman said.

Eckert said he doesn't know whether AT&T has television customers already in Belleville. AT&T spokeswoman Meghan Roskopf said several communities throughout the metro-east currently have it available, but she wouldn't say how many television customers the company has in the metro-east for competitive reasons.

State Rep. Tom Holbrook, D-Belleville, said that the metro-east is one of the first areas in the state to receive a massive infrastructure upgrade -- put in place by AT&T -- to allow for television provider competition.

"We hope with the competition it will stabilize these price increases or help them drop, one of the two," Holbrook said.

Holbrook said several other states, including Missouri, Indiana and Michigan have similar laws.

"We hope that the law sparks cable competition, but what is most important about this law is the groundbreaking consumer protections that were passed," said Jim Chilsen, a spokesman for the Chicago-based Citizens Utility Board. "Illinois stands at the top of the nation for cable consumer protections because of this law, and that's a really good thing."

Another ordinance passed by the Belleville City Council last month outlines operating fees that statewide-licensed companies will have to pay. Because Charter, through a local franchise, pays fees to the city for operating there, companies with statewide licenses also must pay those same fees, the law says. In order to collect the fees, the city has to pass an ordinance allowing them to.

Swansea Mayor Charles "Chip" Gray said AT&T has been installing equipment to provide television in the village, and he's glad there will be some competition for Charter Communications, which is the dominant cable provider in the metro-east.

He doesn't like, however, that the state gave AT&T a blanket deal.

"It kind of bypassed the municipalities when they did that," Gray said.

He said the village hasn't pursued any local laws to enforce what the state has passed.

Sharifah Williams, a Charter spokeswoman, said the new competition is healthy for business and for the customers, because both companies are forced to do more to satisfy the customers.

However, she thinks the marketplace -- not the local government -- should handle customer service issues. She said the new Illinois law is, "...a little heavy-handed on the side of the government."

"...We know that to keep our customers, we're going to give service ... It's not in our best interest to do anything less," she said, adding that Charter will allow local franchise agreements to expire in Illinois before deciding whether to apply for a statewide license.

"This is an important victory for both Illinois consumers and the Illinois economy," AT&T spokesman Andrew Ross said about the statewide licensing law. "This is going to finally give customers throughout the state more video choices, improved service and competitive prices, while spurring hundreds of millions of dollars in investment and creating good new Illinois jobs."

Ross said he doesn't know how many jobs will be created by U-Verse, what the company has branded its television service, because it's still being expanded throughout the state.

When asked whether the company approves of local government policing its customer service, he said: "The bottom line is that we always put the consumer first."

Contact reporter Laura Girresch at lgirresch@bnd.com or 239-2507.