



JOSH STEIN
ATTORNEY GENERAL

STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE
PO Box 629
RALEIGH, NORTH CAROLINA 27602

SETH DEARMIN
CHIEF OF STAFF

September 24, 2020

North Carolina Senate President Pro Tempore Phil Berger
North Carolina House of Representatives Speaker Tim Moore
Co-Chairs, Joint Legislative Commission on Governmental Operations

Senator Paul Newton
Representative Julia C. Howard
Co-Chairs, Revenue Study Laws Committee

North Carolina General Assembly
Raleigh, North Carolina 27601-1096

Re: Video Services Competition Act

Dear Members:

Pursuant to Session Law 2006-151, Section 18, titled the "Video Services Competition Act", please find the enclosed report concerning cable service complaints the Consumer Protection Division has received from cable customers under NC Gen. Stat. §66-356(e) from March 11, 2019 to March 10, 2020.

If you have any questions or I can be of further assistance, please feel free to contact me at (919) 716-6400.

Very truly yours,

Seth Dearmin
Chief of Staff

SD/ml

**NORTH CAROLINA DEPARTMENT OF JUSTICE
CONSUMER PROTECTION DIVISION
2019–20 CABLE TV COMPLAINTS REPORT**

The Video Services Competition Act, codified in 2006 as Article 42 in Chapter 66 of the North Carolina General Statutes, enacted a number of changes that impact cable television companies, video service providers, and consumers. Among other things, the law allows such companies and providers to obtain State-issued franchises from the Secretary of State’s office to provide cable TV service, rather than local franchises from local units of government. *See* N.C.G.S. §§ 66-351, 66-355 (2019). It also designates the Consumer Protection Division (“the CPD”) of the North Carolina Attorney General’s Office as the agency to “receive and respond to customer complaints concerning cable services.” N.C.G.S. § 66-356(c) (2019).

Section (e) of North Carolina General Statute 66-356 requires the CPD to report to the Revenue Laws Study Committee on or before April 1 of each year regarding the following information concerning cable service complaints received by the CPD: (1) the number of customer complaints; (2) the types of customer complaints; and (3) the means of resolving those complaints. *See* N.C.G.S. § 66-356(e). Pursuant to this provision, the Attorney General’s Office makes the following report.

For the time period of March 11, 2019 to March 10, 2020, the CPD received six hundred and thirty-one (631) written complaints against companies with a State-issued franchise. Out of those complaints:

- One hundred and forty-three (143) involved allegations of unsatisfactory service;
- Three hundred and ninety-eight (398) involved allegations of billing errors;
- Thirty (30) involved pricing of goods and services;
- Five (5) involved allegations related to failure to complete installations;

- Eight (8) involved allegations of unsatisfactory sales and advertising practices;
- Nine (9) involved allegations of property damage;
- Eight (8) involved allegations related to refund issues; and
- The remaining complaints involved discrete or miscellaneous issues.

For the same time period, the CPD received thirteen (13) written complaints against companies with a local franchise from consumers who incorrectly believed that the 2006 law directed the CPD to handle all consumer complaints against all cable companies as of January 1, 2007. CPD referred these complaints to the locality still holding local franchise agreements with the company.

The CPD treats cable complaints like other consumer complaints it receives and attempts to mediate resolutions by sending the complaints to the cable company for a response. The CPD tracks responses to see if consumers are satisfied and to determine if the complaints show patterns that may warrant further investigation.