

AN ACT

*Codification
District of
Columbia
Code
2001 Supp.*

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To approve the application for the transfer of the stock of District Cablevision, Inc., the general partner of District Cablevision Limited Partnership, a cable television system franchisee in the District of Columbia, to AT&T Corporation.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Approval of the Application for Transfer of Control of District Cablevision, Inc., to AT&T Corporation Act of 2000".

Sec. 2. Definitions.

For the purposes of this act, the term:

- (1) "AT&T" means AT&T Corporation, a New York corporation.
- (2) "AT&T Cable Merger Co." means AT&T Cable Merger Company, a District of Columbia corporation and a wholly owned subsidiary of AT&T.
- (3) "Cable Act" means the Cable Television Communications Act of 1981.
- (4) "CFA" means the Franchise Agreement, as amended, originally approved by the District of Columbia Cable Television Franchise Award Act of 1984.
- (5) "Change of Control Agreement" means the contractual agreement between the District of Columbia, DCI, AT&T Cable Merger Co., AT&T, and DCLP, setting forth terms and conditions for the transfer of control of DCI to AT&T.
- (6) "DCI" means District Cablevision, Inc., a District of Columbia corporation.
- (7) "DCLP" means District Cablevision Limited Partnership, a District of Columbia limited partnership.
- (8) "OCTT" means the Office of Cable Television and Telecommunications.
- (9) "Proposed Transaction" means the Agreement and Plan of Merger dated September 1, 1999, among AT&T, AT&T Cable Merger Co., DCI, and Robert Johnson, by which DCI would become a subsidiary of AT&T.
- (10) "System" means the cable television system of DCLP currently serving the District of Columbia.
- (11) "Transfer Application" means the completed Federal Communications Commission Form 394, together with all exhibits and supporting material, filed in connection

with the Proposed Transaction and complete as of September 9, 1999.

Sec. 3. Findings.

The Council finds that:

(1) DCLP holds a cable television franchise from the District, subject to the Cable Act, other applicable law, and the terms and conditions of the CFA.

(2) DCI is the general partner and controls 25% of DCLP and has approximately 100 shareholders, most of whom reside in the District and are individuals with long-term holdings.

(3) TCI of D.C., Inc., a subsidiary of AT&T, is the limited partner of DCLP, owns and controls 75% of DCLP, and exercises day-to-day operational control of the System.

(4) On June 22, 1999, AT&T and DCI filed materials with the District seeking the District's consent to the Proposed Transaction, whereby DCI's stock would be transferred from individual shareholders of DCI to AT&T and AT&T would become the 100% owner of DCLP.

(5) AT&T and DCI submitted additional information to complete the Transfer Application on September 3, 1999, and September 9, 1999.

(6) The Council has the legal authority to approve or deny the transfer of DCI's ownership interest in DCLP that would result from the Proposed Transaction pursuant to section 21 of the Cable Act and section 3.11.03 of the CFA.

(7) DCLP, DCI, and AT&T entered into a Change of Control Agreement with the District to establish the parties' rights and obligations in connection with the Proposed Transaction and to certify the District's consent to the Proposed Transaction.

(8) Pursuant to section 21(g) of the Cable Act and section 3.11.05 of the CFA, OCTT has reviewed the Transfer Application, the supplemental information submitted by AT&T and DCI, and the relevant qualifications of AT&T.

(9) Based on the available information, OCTT has recommended that the Council approve the Proposed Transaction.

Sec. 4. Approval of transaction.

The Council approves the Transfer Application and the Change of Control Agreement, allowing the transfer of control to AT&T of the general partnership interest of DCI in DCLP.

Sec. 5. Interpretation.

The approval of the Council shall constitute a "final decision" for purposes of section 617 of the Communications Act of 1934, approved October 5, 1992 (106 Stat. 1489; 47 U.S.C. § 537) and the consent of the Council for the purposes of the Cable Act.

Sec. 6. Authorization to sign.

The Chairman is authorized to sign the Change of Control Agreement on behalf of the Council.

Sec. 7. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(3)).

Sec. 8. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), approval by the Financial Responsibility and Management Assistance Authority as provided in section 203(a) of the District of Columbia Financial Responsibility Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 116; D.C. Code § 47-392.3(a)), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(1)), and publication in the District of Columbia Register.

Chairman

Council of the District of Columbia

Mayor

District of Columbia