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Late Sports Final



Papers shed light on cable late fees

BY DAVE MCKINNEY
SUN-TIMES SPRINGFIELD BUREAU

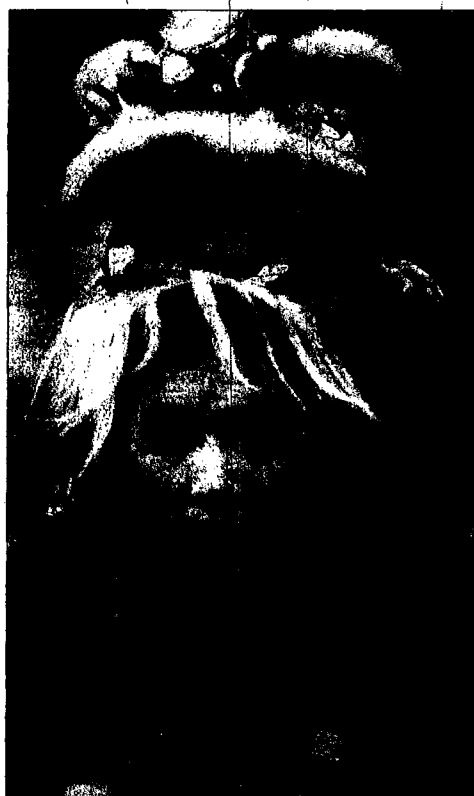
SPRINGFIELD, Illinois' cable industry made two claims when it rushed legislation through the House last fall establishing uniform \$5 late fees: "The initiative was "consumer-friendly," and it was not meant to undermine a class action lawsuit seeking lower late fines.

But court documents obtained by the Chicago Sun-Times bring both of those assertions into question, and offer a revealing look into how one of last year's most politically embarrassing votes in the Legislature took shape.

In a deposition for a lawsuit filed by consumer activists, a cable television lobbyist testified that lawsuits challenging cable late fees did play a role in seeking the legislation, and that no research had been done to justify the \$5 rate set forth in the measure.

Neither fact was made known to House members when they approved the industry-backed legislation last fall. Consumer groups say the deposition proves the bill was a "political fix."

■ Details, Page 8



ELLEN DONKE, SUN-TIMES

Chinese New Year cheer

Trevor Moy, 3, wearing a dragon costume, watches the Chinese New Year parade in Chinatown on Sunday from the shoulders of his dad, Kato. The parade, featuring a 100-foot-long dragon—a symbol of good luck—attracted 38,000 spectators to ring in 4696, the Year of the Tiger.

Clinton gains ground

Silence deflects scandal

BY ROBERT NOVAK
SUN-TIMES WASHINGTON

WASHINGTON By the end of last week, White House aides were passing this word to Democrats in Congress:

If you strongly support President Clinton, don't worry about him cutting the ground from under you by making revelations relating to the sex and perjury allegations against him. In the foreseeable future, there will be no explanation coming from the president about his relations with former intern Monica Lewinsky.

What's more, there is no danger of early revelations from independent counsel Kenneth Starr's probe of the situation. Starr has been stymied in his

efforts to cut a deal with Lewinsky exchanging immunity for testimony. Starr's lawyers were hoping she would fire her father's Beverly Hills lawyer, William Ginsburg, and hire some Washington criminal lawyers who would be more reasonable. Instead, Lewinsky and Ginsburg headed Sunday for California out of Starr's orbit.

William Jefferson Clinton has escaped at least temporarily from a predicament that a week earlier threatened to bring him down.

That escape was confirmed by the performance on Sunday's television talk shows of two widely dissimilar personalities: Ginsburg and Sen. Joseph Lieber-

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Retired computer pros on call to fix 'Year 2000'

BY HOWARD WOLANSKY
BUSINESS REPORTER

While many people his age are tending their retirement gardens, 67-year-old Khalil S. Hazziez is writing computer code to correct the

"Year 2000 problem" that is threatening to crash computers when the millennium arrives.

Hazziez, a senior consultant at Kanbay Inc., Chicago information technology consultants, has found his career extended because he is

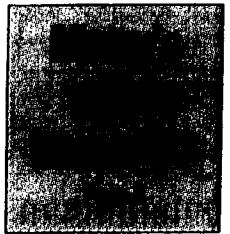
proficient in COBOL, an "ancient" computer language used on main frame computers.

COBOL, short for Common Business Oriented Language, was the first high-level programming language used in business. Many CO-

BOL applications written 35 years ago are still in use though the language is viewed as outdated.

Universities in this country stopped teaching COBOL five years ago, adding to the demand for CO-

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School vandals unleash fury

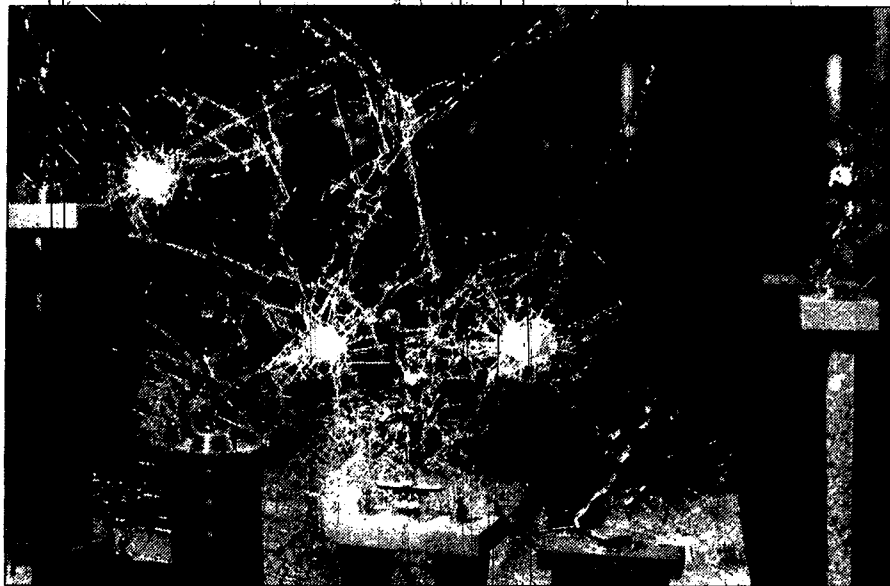
Damage to junior high set at \$200,000

BY SUSAN DORGE
SUN-TIMES REPORTER

Principal Jay Monier walked into Shepard Junior High School in Deerfield on Sunday to find more than 50 computers smashed, trophy cases broken, windows shattered, VCRs damaged, and musical instruments splintered.



"It was horrible," said Monier, who estimated the damage at \$200,000. Even clock faces were



ELLEN DOMKE SUN-TIMES PHOTOS

A smashed trophy case is among damage caused by vandals over the weekend at Shepard Junior High School in Deerfield. The school superintendent said he believes adults, not students, are to blame.

ers and administrators time to cope with what happened.

"We need time to deal with this," McGee said. "These people put their heart into this building. This is their home."

The school will have an assembly for students today to talk about the incident, which is by far the worst vandalism the school has seen, McGee said.

District 109 had just spent about \$7 million on an addition at Shepard, including a computer room now filled with shattered monitors. The district has insurance to cover the damage, but Monier said he did not have specific information about the district's financial status.



Jay Monier
Discovered the crime

Teachers who rely on computer for lessons will have to rework their plans for the week, McGee said.

Students volunteered Sunday to help in the cleanup, McGee said. "The kids I've talked to are really angry and upset. They're saying, 'We want to help, Dr. McGee. What can we do?'"

"It really makes me feel good that they feel that way. We've got a great bunch of kids."

building does not have a burglar alarm.

Monier said he didn't think anything had been stolen. No graffiti were found.

Shepard students received report cards Friday, but McGee said he doubted that any of the school's students were involved in the vandalism. "It was big folks that did this. This took some thought," he said.

A water fountain was pulled

from the wall. Pianos and cellos were hacked apart probably with pipes from a chime in a music room, school officials said. The clocks were stopped at 4 o'clock.

Maintenance crews were busy sweeping away shattered glass throughout the building Sunday night.

"Many people have called to offer to help with the cleanup, but we've had to turn them down because someone could injure

themselves with the broken glass," Monier said. Several teachers stopped by the school to try to straighten their classrooms.

Monier was at the building assisting with the cleanup from 8 a.m. when he discovered the vandalism, until well past 10 p.m. He went home once to change clothes.

The school, which has about 460 sixth-, seventh- and eighth-graders, plans to open three hours late today, at 11:15 a.m., to give teach-

Cable late-fee bill designed to thwart lawsuits

BY DAVE MCKINSEY
SUN-TIMES SPRINGFIELD REPORTER

SPRINGFIELD Illinois' cable industry did not conduct any research to justify the fairness of a \$5 late fee before it rushed legislation through the state House last fall, new court documents show.

The documents obtained by the Chicago Sun-Times also make clear that the industry pushed the initiative to better position itself against a class-action lawsuit seeking lower fees.

In December, one of cable television's top lobbyists testified in a deposition that is part of a two-year legal fight waged by consumer activists, who contend most cable late fees in Illinois are exorbitant.

Gary Maher, president of the Cable Television and Communications Association of Illinois, stated under oath that the lawsuits were one reason for the legislation. He also said no research had been done to justify the proposed \$5 fee.

Neither fact was made known to House members when they approved the industry-backed legislation last fall. The bill stalled in the Senate after the Sun-Times reported on the little-known measure.

In a transcript from the deposition, Maher confirmed that members of his association, when initially mulling legislation

last summer, discussed the financial ramifications of late-fee lawsuits and the industry's need to "get...out from under this consumer concern in the lawsuits."

"We discussed that there are lawsuits out there, and that one of the reasons that the lawsuits exist is the law must not be clear enough and our policies must need the force of the law moving forward in order to prevent future lawsuits," Maher said.

The class-action lawsuit, against cable giant TCI, challenges the firm's \$5 late charge as excessive and illegal. It seeks refunds for TCI's customers and seeks to knock down future fees.

Currently, Chicago cable operators charge a late fee that equals up to 45 percent of the bill for basic monthly service. TCI's \$5 late charge is almost 39 percent of its basic service bill in Chicago - \$12.91 a month. By contrast, utilities are limited to charging late fees not exceeding 1.5 percent of a total monthly bill.

The legislation that breezed through the House last November would have deemed cable's \$5 late fee "valid and reasonable." More importantly, critics say, it would have

derailed the lawsuit and an ongoing investigation into the validity of the fees by Attorney General Jim Ryan.

Peter Lubin, the attorney who pushed the late-fee lawsuit and who took the deposition from Maher, said his testimony reflected a "deceitful lobbying strategy."

"I believe the way legislation should be done is with an open debate with testimony and evidence," Lubin said. "But the strategy in Illinois was, 'let's sneak it through.'"

In the December deposition, Maher said he told the bill's lead sponsor, Rep. Joel Brunsvoild (D-Milan), about the industry's need to "clarify the law" because of lawsuits over late-fee billing practices. Brunsvoild denied the subject of lawsuits ever arose in talks with Maher.

"I told [Brunsvold] that, in my opinion, since the law was not uniform and since the law obviously had some problems with respect to lawyers being able to sue us, that one of the intents of the... legislation would be to clarify the law," Maher said.

Maher also said the industry had done no

research prior to the House vote to measure how close \$5 came to the true administrative costs of dealing with late-paying customers.

When pressed to explain how a late payee costs a cable company if a collection agency has not been asked to intervene, Maher said "I am not an expert on cable late fees and billing. I can't answer that question."

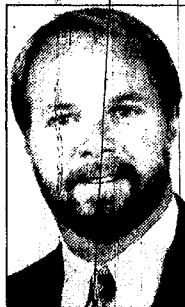
Brunsvold said he doesn't think cost analyses justifying a \$5 cap on late fees is relevant, and questioned why he or other lawmakers would have needed to know that information.

"I don't think research on a number whether it's \$5, \$4, or \$3, has much to do with anything. What would the research?" said Brunsvoild, an assistant House majority leader who had described the bill as pro-consumer. "I don't think you have to justify a late fee. This is a business."

But state Rep. Judy Erwin (D-Chicago) who voted for the measure but later tried to call another vote after learning more about the bill, said it would have been important information and expressed anger that lawmakers were not told lawsuits were a factor in the legislation.

"That would be contrary to what the sponsor of the bill indicated in floor debate," she said.

Maher refused to comment on his deposition.



Gary Maher
Cable lobbyist