

HB 386 -- COMMUNICATION SERVICES

SPONSOR: Fitzwater

This bill modifies the definition of "gross revenues" as it applies to video service provider fees and modifies the video service provider fee that a franchise entity may collect from each customer. Currently, a franchise entity may collect a fee of 5% of gross revenues. Beginning August 28, 2023, the fee would be 4.5% of gross revenues. The fee would reduce of by half of one percent of gross revenues each year until it reaches a limit of 2.5% beginning August 28, 2027. The video service provider must also identify and collect the fee and other specified fees as separate line items on a customer's bill.

The bill also establishes the "Task Force on the Future of Right-of-Way Management and Taxation", which consists of 16 members, including three members of the House of Representatives and three members of the Senate, and eight additional members appointed by the Speaker of the House of Representatives or the President Pro Tem of the Senate to represent interested organizations as specified in the bill.

The Task Force will hold its first meeting within 30 days of its creation and study the best methods of right-of-way management, taxation of video services, and the future revenue needs of municipalities and political subdivisions as it relates to video services. Members serve without compensation but will be reimbursed for actual and necessary expenses while attending meetings of the task force. The Task Force must submit a report with recommendations to the General Assembly before December 31, 2023 and terminates at that time.