

SENATE BILL NO. 803

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR TRENT.

3190S.01H

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 67.2677, RSMo, and to enact in lieu thereof one new section relating to municipal franchise fees for video service providers.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 67.2677, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 67.2677,
3 to read as follows:

67.2677. [1.] For purposes of sections 67.2675 to
2 67.2714, the following terms mean:

3 (1) "Cable operator", as defined in 47 U.S.C. Section
4 522(5);

5 (2) "Cable system", as defined in 47 U.S.C. Section
6 522(7);

7 (3) "Franchise", an initial authorization, or renewal
8 of an authorization, issued by a franchising entity,
9 regardless of whether the authorization is designated as a
10 franchise, permit, license, resolution, contract,
11 certificate, agreement, or otherwise, that authorizes the
12 provision of video service and any affiliated or subsidiary
13 agreements related to such authorization;

14 (4) "Franchise area", the total geographic area
15 authorized to be served by an incumbent cable operator in a
16 political subdivision as of August 28, 2007, or, in the case
17 of an incumbent local exchange carrier, as such term is
18 defined in 47 U.S.C. Section 251(h), or affiliate thereof,

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 the area within such political subdivision in which such
20 carrier provides telephone exchange service;

21 (5) "Franchise entity", a political subdivision that
22 was entitled to require franchises and impose fees on cable
23 operators on the day before the effective date of sections
24 67.2675 to 67.2714, provided that only one political
25 subdivision may be a franchise entity with regard to a
26 geographic area;

27 (6) (a) "Gross revenues", limited to amounts billed
28 to video service subscribers for the following:

29 a. Recurring charges for video service; and
30 b. Event-based charges for video service, including
31 but not limited to pay-per-view and video-on-demand charges;

32 (b) "Gross revenues" do not include:

33 a. Discounts, refunds, and other price adjustments
34 that reduce the amount of compensation received by an entity
35 holding a video service authorization;

36 b. Uncollectibles;

37 c. Late payment fees;

38 d. Amounts billed to video service subscribers to
39 recover taxes, fees, or surcharges imposed on video service
40 subscribers or video service providers in connection with
41 the provision of video services, including the video service
42 provider fee authorized by this section;

43 e. Fees or other contributions for PEG or I-Net
44 support;

45 f. Charges for services other than video service that
46 are aggregated or bundled with amounts billed to video
47 service subscribers, if the entity holding a video service
48 authorization reasonably can identify such charges on books
49 and records kept in the regular course of business or by
50 other reasonable means;

51 g. Rental of set top boxes, modems, or other equipment
52 used to provide or facilitate the provision of video service;

53 h. Service charges related to the provision of video
54 service including, but not limited to, activation,
55 installation, repair, and maintenance charges;

56 i. Administrative charges related to the provision of
57 video service including, but not limited to, service order
58 and service termination charges; or

59 j. A pro rata portion of all revenue derived from
60 advertising, less refunds, rebates, or discounts;

61 (c) Except with respect to the exclusion of the video
62 service provider fee, gross revenues shall be computed in
63 accordance with generally accepted accounting principles;

64 (7) "Household", an apartment, a house, a mobile home,
65 or any other structure or part of a structure intended for
66 residential occupancy as separate living quarters;

67 (8) "Incumbent cable operator", the cable service
68 provider serving cable subscribers in a particular franchise
69 area on September 1, 2007;

70 (9) "Low-income household", a household with an
71 average annual household income of less than thirty-five
72 thousand dollars;

73 (10) "Person", an individual, partnership,
74 association, organization, corporation, trust, or government
75 entity;

76 (11) "Political subdivision", a city, town, village,
77 county;

78 (12) "Public right-of-way", the area of real property
79 in which a political subdivision has a dedicated or acquired
80 right-of-way interest in the real property, including the
81 area on, below, or above the present and future streets,
82 alleys, avenues, roads, highways, parkways, or boulevards

83 dedicated or acquired as right-of-way and utility easements
84 dedicated for compatible uses. The term does not include
85 the airwaves above a right-of-way with regard to wireless
86 telecommunications or other nonwire telecommunications or
87 broadcast service;

88 (13) "Video programming", programming provided by, or
89 generally considered comparable to programming provided by,
90 a television broadcast station, as set forth in 47 U.S.C.
91 Section 522(20);

92 (14) "Video service", the provision of video
93 programming **by a video service provider** provided through
94 wireline facilities located at least in part in the public
95 right-of-way without regard to delivery technology,
96 including internet protocol technology whether provided as
97 part of a tier, on demand, or **on** a per-channel basis. This
98 definition includes cable service as defined by 47 U.S.C.
99 Section 522(6), but does not include any video programming
100 provided by a commercial mobile service provider defined in
101 47 U.S.C. Section 332(d), or any video programming [provided
102 solely as part of and] **accessed** via a service that enables
103 users to access content, information, electronic mail, or
104 other services offered over the [public] internet, **including**
105 **streaming content**;

106 (15) "Video service authorization", the right of a
107 video service provider or an incumbent cable operator that
108 secures permission from the public service commission
109 pursuant to sections 67.2675 to 67.2714, to offer video
110 service to subscribers in a political subdivision;

111 (16) "Video service network", wireline facilities, or
112 any component thereof, located at least in part in the
113 public right-of-way that deliver video service, without
114 regard to delivery technology, including internet protocol

115 technology or any successor technology. The term video
116 service network shall include cable systems;

117 (17) "Video service provider", any person that
118 distributes video service through a video service network
119 pursuant to a video service authorization;

120 (18) "Video service provider fee", the fee imposed
121 under section 67.2689.

122 [2. The repeal and reenactment of this section shall
123 become effective August 28, 2023.]

✓