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A Bill

SENATE BILL 101

5 By: Senators Files, Bookout, J. Dismang, Elliott, J. Key, Rapert, D. Sanders, J. Woods
6 By: Representatives Wright, D. Altes, Branscum, Cozart, Gillam, Linck, Perry, Ratliff, Slinkard, Steel,
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8

For An Act To Be Entitled

9 AN ACT TO ESTABLISH THE ARKANSAS VIDEO SERVICE ACT;
10 TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
11
12

Subtitle

13 TO ESTABLISH THE ARKANSAS VIDEO SERVICE
14 ACT; AND TO DECLARE AN EMERGENCY.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
20

21 19-6-8. Arkansas Video Service Fund.

22 (a) There is created on the books of the Treasurer of State, Auditor
23 of State, and Chief Fiscal Officer of the State a special revenue fund to be
24 known as the "Arkansas Video Service Fund".

25 (b)(1) All moneys collected under § 23-19-204 shall be deposited into
26 the State Treasury to the credit of the fund as special revenues.

27 (2) The fund shall also consist of any other revenues as may be
28 authorized by law.

29 (c) The fund shall be used by the Secretary of State to review and
30 issue certificates of franchise authority.
31

32 SECTION 2. Arkansas Code Title 23 is amended to add an additional
33 chapter to read as follows:
34

CHAPTER 19

CABLE AND VIDEO COMMUNICATIONS



Subchapter 1 – General Provisions

[Reserved]

Subchapter 2 – Arkansas Video Service Act

23-19-201. Title.

This subchapter shall be known and may be cited as the "Arkansas Video Service Act".

23-19-202. Definitions.

As used in this subchapter:

(1) "Access to video service" means the capability of a video service provider to provide video service at a household address irrespective of whether a subscriber has ordered the service or the service is provided at the address;

(2) "Books and records" includes without limitation:

(A) Records kept in the regular course of business and that are not limited to accounting records;

(B) Billing detail records; and

(C) Tax billing detail records;

(3) "Cable service" means the same as defined in 47 U.S.C. § 522, as it existed on January 1, 2013;

(4) "Certificate of franchise authority" means a certificate issued by the Secretary of State to a video service provider under this subchapter;

(5)(A)(i) "Franchise" means the same as defined in 47 U.S.C. § 522, as it existed on January 1, 2013.

(ii) A certificate of franchise issued under § 23-19-203 shall constitute a franchise for the purpose of 47 U.S.C. § 542, as it existed on January 1, 2013.

(B) "Franchise" also means any agreement between a video service provider and a political subdivision under which a video service provider is authorized or otherwise permitted to provide video service in the political subdivision;

(6) "Franchising entity" means this state or a city or county in this state authorized by state or federal law to grant a franchise;

1 (7) "Governing body" means the city council or the county quorum
2 court of a political subdivision;

3 (8) "Incumbent video service provider" means a person that
4 provides cable or video service and holds a franchise issued by a political
5 subdivision before July 1, 2013;

6 (9) "Nonincumbent video service provider" means:

7 (A) A person authorized under this subchapter to provide
8 video service in an area in which video service is being provided by an
9 incumbent video service provider;

10 (B) A person authorized under this subchapter to provide
11 service in a geographical area in which on July 1, 2013, there was no
12 incumbent video service provider providing video service; or

13 (C) Any other person that provides video service after the
14 effective date of this act that is not an incumbent video service provider;

15 (10) "Political subdivision" means a city, county, or other
16 governmental entity of the state having maintenance and operation
17 responsibility over the public rights-of-way in a geographical area for which
18 a franchise or certificate of franchise authority has been issued by a
19 franchising entity;

20 (11) "Public rights-of-way" means the area on, below, or above a
21 public roadway, highway, street, public sidewalk, alley, waterway, or utility
22 easement dedicated for compatible uses;

23 (12) "Service area" means contiguous geographical territory in
24 the state where a video service provider may provide video service under a
25 certificate of franchise authority;

26 (13) "Service tier" means a category of video service provided
27 by a video service provider to a subscriber and for which a separate rate is
28 charged by the video service provider;

29 (14)(A) "Subscriber" means a person in this state that buys
30 video service.

31 (B) "Subscriber" does not include a person that buys video
32 service for resale and who, on resale, is required to pay a video service
33 provider fee under this subchapter or under the terms of a franchise with a
34 political subdivision;

35 (15)(A) "Video service" means the delivery of video programming
36 to subscribers in which:

1 (i) The video programming is generally considered
2 comparable to video programming delivered to viewers by a television
3 broadcast station, cable service, or digital television service, without
4 regard to the technology used to deliver the video service, including
5 internet protocol technologies; and

6 (ii) The service is provided primarily through
7 equipment or facilities located in whole or in part in, on, under, or over
8 any public right-of-way.

9 (B) "Video service" includes cable service and video
10 service delivered by a community antenna television system but excludes video
11 programming:

12 (i) Provided to persons in their capacity as
13 subscribers to commercial mobile service as defined in 47 U.S.C. § 332(d), as
14 it existed on January 1, 2013; or

15 (ii) Provided as part of and via a service that
16 enables end users to access content, information, electronic mail, or other
17 services offered over the public Internet;

18 (16) "Video service provider" means a provider of video service,
19 including without limitation a cable service provider, an incumbent video
20 service provider, and a nonincumbent video service provider; and

21 (17) "Video service provider fee" means the amount paid by a
22 video service provider to a political subdivision under § 23-19-206.

23
24 23-19-203. Franchising authority – Application for certificate of
25 franchise authority – Modification of service areas – Term of certificate of
26 franchise authority and termination of certificate of franchise authority.

27 (a) After June 30, 2013, a person shall not act as a video service
28 provider within the state unless the person:

29 (1) Is providing video service under a franchise from a
30 political subdivision in effect on the effective date of this act or a
31 subsequent renewal of the franchise;

32 (2) Elects to:

33 (A) Negotiate a franchise with a political subdivision
34 that establishes the terms and conditions applicable to that person to
35 provide video service within the jurisdictional boundaries of the political
36 subdivision and has been issued a franchise from the political subdivision

1 for such a purpose; or

2 (B) Adopt the terms and conditions of an existing
3 franchise issued by a political subdivision to an incumbent video service
4 provider providing video service within the same service area and that has
5 been issued a franchise from the political subdivision authorizing the video
6 service provider to provide video services within the political subdivision
7 under the same terms and conditions as the franchise issued to an incumbent
8 video service provider in the political subdivision; or

9 (3) Has been granted a certificate of franchise authority to do
10 business in the state by the Secretary of State as authorized in this
11 subchapter.

12 (b)(1)(A) This subchapter does not prohibit a person from holding a
13 franchise issued by a political subdivision and holding a certificate of
14 franchise authority issued by the Secretary of State for a different service
15 area.

16 (B) Except as permitted under this section, a video
17 service provider shall not hold a franchise issued by a political subdivision
18 and a certificate of franchise authority issued by the Secretary of State for
19 the same service area.

20 (2) An incumbent video service provider may submit an
21 application for a certificate of franchise authority for a service area in
22 which the incumbent video service provider has an existing franchise from a
23 political subdivision for the service area, and upon the granting of a
24 certificate of franchise authority to the incumbent video service provider,
25 the incumbent video service provider's franchise from the political
26 subdivision shall no longer be of any force or effect.

27 (3) In each service area in which an incumbent video service
28 provider provides video service, the incumbent video service provider has
29 sole discretion to determine whether or not to apply for a certificate of
30 franchise authority or continue to provide service under an existing
31 franchise issued by a political subdivision.

32 (c) An applicant seeking a certificate of franchise authority shall:

33 (1) Submit an application to the Secretary of State that
34 provides:

35 (A) The name of the applicant;

36 (B) The address of the applicant's principal place of

1 business in the state;

2 (C) The names of the applicant's principal executive
3 officers;

4 (D) The designated Arkansas representative for the
5 applicant;

6 (E) Identification of the political subdivisions, or parts
7 of political subdivisions, constituting the service areas in which the
8 applicant intends to provide video service; and

9 (F) The date on which the applicant intends to begin
10 providing video service in the service area described in the application;

11 (2) Provide verification from an officer, general partner, or
12 managing member of the applicant that:

13 (A) The applicant has filed with the Federal
14 Communications Commission the applicable forms needed by the Federal
15 Communications Commission in advance of offering video service in this state;

16 (B) The applicant is legally, financially, and technically
17 qualified to provide video service; and

18 (C)(i) The applicant has and maintains with one (1) or
19 more companies licensed to do business in the state comprehensive general
20 liability insurance coverage and automobile liability insurance coverage.

21 (ii) The insurance policy shall require that the
22 insurance carrier pay on behalf of the applicant, to a limit of not less than
23 five hundred thousand dollars (\$500,000) for bodily or personal injury,
24 death, or property damage or loss as a result of any one (1) occurrence or
25 accident, regardless of the number of persons injured or the number of
26 claimants, arising out of the negligent or otherwise wrongful act or omission
27 of the applicant, or the applicant's employees or agents.

28 (iii) A certificate of automobile liability self-
29 insurance issued to the applicant and maintained under § 27-19-207 satisfies
30 the liability insurance coverage requirements of this subsection; and

31 (3) Submit the filing fee required under § 23-19-204.

32 (d) Upon receipt of an application for a certificate of franchise
33 authority under this section, the Secretary of State shall:

34 (1) Notify the applicant within thirty (30) days after receipt
35 of the application whether the application needs additional information or is
36 complete;

1 (2) Issue a certificate of franchise authority within fifteen
2 (15) days after the application is complete; and

3 (3) Provide written notice of a certificate of franchise
4 authority within fifteen (15) days after issuance of a certificate of
5 franchise authority to the governing body of each political subdivision
6 located in the service area designated in the application for a certificate
7 of franchise authority.

8 (e)(1) A holder of a certificate of franchise authority may change the
9 boundaries of an existing service area authorized under the certificate of
10 franchise authority by filing written notice of the modification with the
11 Secretary of State with the filing fee required under § 23-19-204.

12 (2) The boundary modifications are effective on the date the
13 written notice is filed with the Secretary of State.

14 (3) Such modifications shall not extend the term of the
15 certificate of franchise authority as established in subsection (h) of this
16 section.

17 (f)(1) A certificate of franchise authority is transferrable.

18 (2) To transfer a certificate of franchise authority, the
19 successor shall:

20 (A) File an application containing the information
21 required in subsection (c) of this section; and

22 (B) Acknowledge with the Secretary of State that the
23 successor shall provide notice to the political subdivision with jurisdiction
24 concerning the public rights-of-way to be used to undertake operation and
25 maintenance of video facilities under an approved certificate of franchise
26 authority.

27 (3) A notice of transfer is approved once received by the
28 Secretary of State.

29 (g) The holder of a certificate of franchise authority may terminate
30 the certificate of franchise authority by submitting a written notice to the
31 Secretary of State and an affected political subdivision.

32 (h) A certificate of franchise authority is:

33 (1) Nonexclusive;

34 (2) Valid for an initial term of ten (10) years, subject to
35 changes in federal law; and

36 (3) Renewable for additional ten-year periods for video service

1 providers in compliance with the requirements of subsection (c) of this
2 section.

3 (i) To the extent required for the purposes of 47 U.S.C. §§ 521 – 561,
4 as it existed on January 1, 2013, the state shall constitute the franchising
5 authority for video service providers in the state.

6 (j) The duties of the Secretary of State under this subchapter are
7 ministerial. The Secretary of State shall not condition or limit a
8 certificate of franchise authority by imposing on the holder of a certificate
9 of franchise authority any obligations or requirements that are not
10 authorized by this subchapter.

11
12 23-19-204. Certificate of franchise authority – Fees.

13 The fees for a certificate of franchise authority to be collected by
14 the Secretary of State include:

15 (1) An application filing fee of one thousand five hundred
16 dollars (\$1,500) that includes the cost of issuance of a certificate of
17 franchise authority by the Secretary of State; and

18 (2) A fee of one hundred dollars (\$100) for accepting an
19 amendment to a certificate of franchise authority or providing a notice
20 required by this subchapter.

21
22 23-19-205. Use of public rights-of-way by holder of certificate of
23 franchise authority.

24 (a) A video service provider has the rights, powers, and duties
25 provided for telephone and telegraph companies under §§ 23-17-101 -- 23-17-
26 105.

27 (b) To enable the provision of video service, a political subdivision
28 shall allow the holder of a certificate of franchise authority to install,
29 construct, and maintain facilities in the public rights-of-way over which the
30 political subdivision has jurisdiction.

31 (c) A political subdivision shall provide the holder of a certificate
32 of franchise authority with open, comparable, nondiscriminatory, and
33 competitively neutral access to the public rights-of-way in its jurisdiction.

34 (d) A political subdivision shall not impose requirements that
35 discriminate against the holder of a certificate of franchise authority in
36 any manner, including:

- 1 (1) The authorization or placement of facilities in public
- 2 rights-of-way for the provision of video services;
- 3 (2) Access to a public building; or
- 4 (3) The terms or conditions for access to any utility pole
- 5 within the control of the political subdivision.

6

7 23-19-206. Video service provider fee -- Definitions.

8 (a) As used in this section:

9 (1) "City subscribers" means a subscriber whose service address

10 is in the jurisdictional limits of a city;

11 (2) "County subscribers" means a subscriber whose service

12 address is outside the jurisdictional limits of a city; and

13 (3)(A) "Gross revenue" means all revenue, calculated in

14 accordance with generally accepted accounting principles, that is received by

15 the video service provider from subscribers for the provision of video

16 service to subscribers within the jurisdictional limits of the political

17 subdivision. Gross revenue includes:

18 (i) All recurring charges and fees paid by

19 subscribers for the provision of video service, including equipment rental

20 and fees attributable to video service when sold individually or as part of a

21 package or bundle, or functionally integrated with services other than video

22 services;

23 (ii) Event-based charges for video service,

24 including pay-per-view and video-on-demand;

25 (iii) Any other consideration a video service

26 provider receives from its subscribers for providing video service if it is

27 received in a transaction that would evade imposition of a franchise fee if

28 the consideration is not included in revenue; and

29 (iv) Revenue of an affiliate to the extent the

30 treatment of the revenue as revenue of the affiliate would have the effect of

31 evading the payment of the video service provider fee.

32 (B) "Gross revenue" does not include any charges resulting

33 from action by a federal agency or taxes or surcharges, including the video

34 service provider fee, imposed by a governmental body that are separately

35 itemized and billed by a video service provider to its subscribers; and

36 (C) If a video service is packaged, bundled, or integrated

1 functionally with other services, capabilities, or applications, the part of
2 the video service provider's revenue attributable to the other services,
3 capabilities, or applications shall be included in gross revenue unless the
4 video service provider can reasonably identify the division or exclusion of
5 the revenue from its books and records.

6 (b) A video service provider offering video service in a political
7 subdivision under a certificate of franchise authority shall pay to the
8 political subdivision where it provides video service a video service
9 provider fee as may be required by the political subdivision under this
10 section.

11 (c) The video service provider's fee is:

12 (1) Paid to the political subdivision where video service is
13 provided quarterly, forty-five (45) days after the close of each calendar
14 quarter; and

15 (2) Computed as a percentage of gross revenue.

16 (d) The political subdivision shall not require:

17 (1) Any additional fee or charge from the video service
18 provider; or

19 (2) The use of a different calculation method.

20 (e)(1) The video service provider fee is a percentage of gross revenue
21 and determined by the political subdivision.

22 (2)(A) If there is an incumbent video service provider providing
23 video service in the political subdivision, the video service provider shall
24 pay an amount equal to the percentage of gross revenue paid by an incumbent
25 video service provider or five percent (5%), whichever is less.

26 (B) If there is not an incumbent video service provider
27 having a franchise agreement with the political subdivision, or if a
28 political subdivision has not previously established and assessed a fee to an
29 incumbent video service provider the political subdivision may establish the
30 video service provider fee in an amount not in excess of five percent (5%) of
31 the gross revenue.

32 (C) The video service provider fee shall apply equally to
33 all video service providers in the political subdivision, regardless of
34 whether they provide video service under a local franchise or a certificate
35 of franchise authority. However, a fee shall not be imposed on any video
36 service customer except pursuant to a valid franchise or pursuant to a

1 certificate of franchise authority.

2 (f)(1) A political subdivision shall provide ninety-days' notice to a
3 video service provider operating in the political subdivision before
4 establishing, increasing, or lowering a video service provider fee.

5 (2) A video service provider fee or a change to the percentage
6 level of an existing fee is not effective until ninety (90) days after the
7 notice required in this subsection is given to the video service provider.

8 (g) Payment of the fees required in this section shall accompany a
9 written report that:

10 (1) Identifies the amount of gross revenues received from
11 subscribers for the provision of video service to subscribers; and

12 (2) Allows for a proper compliance review by the political
13 subdivision.

14 (h)(1) A political subdivision may conduct an audit of a video service
15 provider to ensure proper and accurate payment of the video service provider
16 fee.

17 (2) To conduct an audit, the political subdivision shall:

18 (A) Provide reasonable advance written notice;

19 (B) Audit the video service provider not more than one (1)
20 time in a calendar year; and

21 (C) At its discretion, review the books and records at the
22 location in the jurisdiction where the books and records are kept or consent
23 to review copies of the books and records provided electronically.

24 (3) The political subdivision and the video service provider are
25 responsible for their respective costs of the audit.

26 (i) Payment of an undisputed amount or refund due to the political
27 subdivision or the video service provider is required within sixty (60) days
28 after it is recognized, plus the interest as computed on civil judgments.

29 (j) The video service provider shall keep business records showing any
30 gross revenue, even if there is a change in ownership, for at least three (3)
31 years after the revenue is recognized by the video service provider in its
32 books and records.

33 (k) A video service provider may identify and collect the amount of
34 the video service provider fee as a separate line item on the regular bill of
35 each subscriber.

36 (l)(1) Any city annexing lands shall notify a video service provider

1 in writing of any such annexation, including a description of the territory
 2 annexed.

3 (2) Beginning the first day of the calendar quarter occurring
 4 after the video service provider has received at least ninety-days' notice of
 5 annexation of customers into the city's corporate limits, subscribers within
 6 the annexed territory shall be considered city subscribers for purposes of
 7 this section.

8
 9 23-19-207. Prohibited activity – Remedies for noncompliance.

10 (a) A video service provider shall not deny access to video service to
 11 any group of potential residential subscribers based on the income of the
 12 residents in the local area in which such a group resides.

13 (b) A franchising authority or political subdivision shall not impose
 14 on a video service provider any build-out or other requirements for the
 15 construction, placement, or installation of facilities used to provide video
 16 services.

17 (c)(1) If a court of competent jurisdiction finds that the holder of a
 18 certificate of franchise authority is not in compliance with this subchapter,
 19 the court shall order the holder of the certificate of franchise authority to
 20 cure the noncompliance within a reasonable time.

21 (2) If the holder of a certificate of franchise authority fails
 22 to cure the noncompliance as ordered by a court under subdivision (c)(1) of
 23 this section, the court may remedy the noncompliance.

24
 25 23-19-208. Customer service standards.

26 (a) A video service provider shall comply with the customer service
 27 requirements under 47 C.F.R. § 76.309(c), as it existed on January 1, 2013,
 28 until there are two (2) or more video service providers in a political
 29 subdivision.

30 (b) A video service provider shall maintain a local or toll-free
 31 telephone number for customer service contact.

32
 33 23-19-209. Designation and use of channel capacity for public,
 34 educational, or governmental use.

35 (a) As used in this section:

36 (1) "Public, education, and government access channels", also

1 known as "PEG channels", means channels used for noncommercial local interest
2 programming; and

3 (2) "Substantially used" means a PEG channel has twelve (12)
4 continuous hours of content programmed each calendar day and at least
5 seventy-five percent (75%) of the twelve (12) hours of programming for each
6 business day over each calendar quarter, on average, is nonduplicative
7 programming.

8 (b)(1) Upon written request of the political subdivision, a video
9 service provider, on the date that it first provides video service to a
10 subscriber in the service area of a political subdivision or within a
11 reasonable time, shall:

12 (A) Designate a sufficient amount of capacity on its video
13 service network to allow PEG channels for noncommercial programming; and

14 (B) Designate a sufficient amount of capacity on its
15 network to allow up to three (3) PEG channels or channels equal in number to
16 those that have been activated by an incumbent video service provider, if
17 any, on the date that the video service provider first provides video service
18 to a subscriber in a political subdivision, whichever is less.

19 (2)(A) A political subdivision served by an incumbent video
20 service provider that opts to provide service under a certificate of
21 franchise authority issued under § 23-19-203 is entitled to PEG channels
22 under this section.

23 (B) If the political subdivision was not served by an
24 incumbent video service provider, the video service provider shall provide
25 one (1) PEG channel for the use of the political subdivision.

26 (3) To qualify for the PEG channel, the political subdivision
27 shall certify that:

28 (A) It has produced at least fifteen (15) hours of
29 nonduplicative original programming for production in the first month of
30 operation; and

31 (B) It shall continue to produce at least fifteen (15)
32 hours of nonduplicative original programming for each month that the channel
33 is provided.

34 (4) A political subdivision with a population of at least fifty
35 thousand (50,000) that is substantially utilizing its initial PEG channel may
36 request one (1) additional PEG channel that the video service provider shall

1 provide if the political subdivision certifies that the first channel is
2 being substantially used and that on activation the second PEG channel shall
3 also be substantially used.

4 (5) A political subdivision may waive its rights to a PEG
5 channel.

6 (6) If a political subdivision does not comply with the usage
7 criteria of a PEG channel under subdivision (b)(3) of this section and is not
8 substantially using the PEG channel, the PEG channel shall no longer be made
9 available by the video service provider after reasonable notice is provided
10 to the political subdivision.

11 (c) A PEG channel no longer made available under subdivision (b)(6) of
12 this section may be programmed at the video service provider's discretion.

13 (d) The number of PEG channels under subsection (b) of this section is
14 the maximum number of PEG channels that a video service provider may be
15 required to designate on a single head-end or hub office, or on commonly
16 owned video service networks that share a common head-end or hub office,
17 regardless of the number of political subdivisions served from that head-end
18 or hub office.

19 (e)(1) A video service provider is responsible for:

20 (A) The transmission of the programming on each channel to
21 subscribers; and

22 (B) Providing one (1) point of connectivity to each PEG
23 channel distribution point in the political subdivision to be served.

24 (2) A video service provider may:

25 (A) Provide PEG channels on a service tier subscribed to
26 by more than fifty percent (50%) of a video service provider's subscribers;

27 (B) Consolidate PEG channels to a single channel location;
28 and

29 (C) Provide PEG channels through an application on a menu
30 or as a choice on an assigned channel.

31 (3) A video service provider shall not:

32 (A) Change a channel location assigned to a PEG channel
33 without providing written notice to the affected political subdivision at
34 least thirty (30) days before the date on which the change is to become
35 effective; or

36 (B) Be required to provide an institutional network or

1 equivalent capacity on its video service network.

2 (4) When technically and economically possible, a video service
3 provider shall:

4 (A) Use reasonable efforts to interconnect its video
5 network to share PEG channel programming with other video service providers
6 through direct cable, microwave link, satellite, or other reasonable method
7 of connection;

8 (B) Negotiate in good faith to provide interconnection of
9 PEG channels; and

10 (C) If requesting to interconnect its video network to
11 share PEG channel programming with another video service provider, pay for
12 the cost of the interconnection.

13 (f)(1) The operation, production, and content of any programming aired
14 on a PEG channel is solely the responsibility of the public, educational, and
15 governmental agencies receiving the benefit of the capacity.

16 (2) The entity producing the PEG channel programming and sending
17 it to the video service provider shall ensure that transmissions, content, or
18 programming to be sent to the video service provider is:

19 (A) Provided in a manner that is capable of being accepted
20 and sent by the video service provider over its video service network without
21 alteration or change in the content or transmission signal; and

22 (B) Compatible with the technology or protocol used by the
23 video service provider to deliver its video service.

24 (3) Governmental entities utilizing PEG channels shall make the
25 programming available to video service providers providing service in the
26 governmental entity's jurisdiction in a nondiscriminatory manner.

27 (4) The governmental entity providing programming for use on a
28 channel designated for public, education, and government access use may
29 request a change of the point of connectivity but shall pay the video service
30 provider for costs associated with the change of the point of connectivity.

31
32 23-19-210. Applicability of other laws.

33 (a) The General Assembly intends that this subchapter be consistent
34 with the Cable Communications Policy Act of 1984, 47 U.S.C. §§ 521 et seq.,
35 as it existed on January 1, 2013.

36 (b) Except as otherwise stated in this subchapter, this subchapter

1 shall not be interpreted to prevent a video service provider, a political
2 subdivision, or a franchising entity from entering into a negotiated
3 franchise agreement with a political subdivision or seeking clarification of
4 its rights and obligations under federal or state law or to exercise a right
5 or authority under federal or state law.

6 (c) This subchapter does not limit, abrogate, or supersede Title 23,
7 Chapter 17, regarding telecommunications service in the state, and does not
8 require a telephone corporation to get a certificate of franchise authority
9 or local authorization under this subchapter to permit the telephone
10 corporation to construct, upgrade, operate, or maintain its
11 telecommunications system to provide telecommunications service.

12 (d) The regulation of a person holding a certificate of franchise
13 authority issued under this subchapter shall be exclusive to the Secretary of
14 State as provided under this subchapter.

15 (e) A person holding a certificate of franchise, with respect to any
16 political subdivision identified by the video service provider in its
17 application or modifications filed under § 23-19-203, shall not be required
18 to obtain any authorization, permit, franchise, or license from, or pay
19 another fee or franchise tax to, or post bond in any political subdivision of
20 this state to engage in the business or perform any service authorized under
21 this subchapter.

22
23 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
24 General Assembly of the State of Arkansas that perhaps the lack of uniformity
25 in the laws governing video service providers is inequitable to certain
26 citizens and government entities; that this act establishes uniform
27 regulation of video service providers and a simplified process for the
28 issuance of a state franchise that will encourage entry of new video service
29 providers to the state marketplace; and that this act is immediately
30 necessary because it ensures uniform regulation of video service providers,
31 assures equality of treatment of video service providers, and encourages new
32 video service providers to enter the state. Therefore, an emergency is
33 declared to exist, and this act being immediately necessary for the
34 preservation of the public peace, health, and safety shall become effective
35 on:

36 (1) The date of its approval by the Governor;

1 (2) If the bill is neither approved nor vetoed by the Governor,
2 the expiration of the period of time during which the Governor may veto the
3 bill; or

4 (3) If the bill is vetoed by the Governor and the veto is
5 overridden, the date the last house overrides the veto.

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