| 1 | State of Arkansas | As Engrossed: H3/13/15 | |
|----|---|---|--------------------------|
| 2 | 90th General Assembly | A Bill | |
| 3 | Regular Session, 2015 | | HOUSE BILL 1875 |
| 4 | | | |
| 5 | By: Representative Johnson | 1 | |
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| 7 | | For An Act To Be Entitled | |
| 8 | AN ACT T | O AMEND THE LAW CONCERNING MUNICIPAL | |
| 9 | AUTHORIT | Y OVER INTERNET, CABLE TELEVISION, AND | |
| 10 | TELEPHON | E PROVIDERS; AND FOR OTHER PURPOSES. | |
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| 13 | | Subtitle | |
| 14 | ТО | AMEND THE LAW CONCERNING MUNICIPAL | |
| 15 | AUT | HORITY OVER CERTAIN PROVIDERS. | |
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| 18 | BE IT ENACTED BY THE | GENERAL ASSEMBLY OF THE STATE OF ARKAN | SAS: |
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| 20 | SECTION 1. Arkansas Code § 14-200-101(a), concerning municipal | | |
| 21 | authority and powers over utilities, is amended to read as follows: | | |
| 22 | (a) As used i | n this section, "public utility" means | any electric |
| 23 | <u>company</u> , <u>cable telev</u> | <u>ision provider,</u> gas <u>company</u> , sewer <u>comp</u> | <u>any, Internet</u> |
| 24 | <u>service provider,</u> or | telephone company, and any company pro | viding similar |
| 25 | services, except a c | ompany excluded from the definition of | "public utility" |
| 26 | under § 23-1-101(9)(| B)(ii), a consolidated utility district | under the General |
| 27 | Consolidated Public | Utility System Improvement District Law | , § 14-217-101 et |
| 28 | seq., and <u>or</u> a water | or light commission under § 14-201-101 | et seq. |
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| 30 | SECTION 2. Ar | kansas Code § 14-200-101(b)(1)(A)(iii), | concerning |
| 31 | franchise fees, is a | mended to read as follows: | |
| 32 | | (iii) A franchise fee for a utilit | y, including a |
| 33 | telephone company, <u>c</u> | able television provider, or Internet s | <u>ervice provider</u> |
| 34 | providing services o | ther than basic local exchange service, | shall not exceed |
| 35 | the higher of the am | ount in effect on January 1, 1997, or f | our and one- |
| 36 | quarter percent (4.2 | 5%) <u>five percent (5%)</u> , unless agreed to | by the affected |



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| 1 | utility or approved by the voters of the municipality; | | |
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| 3 | SECTION 3. Arkansas Code § 14-200-101(b)(1)(B), concerning franchise | | |
| 4 | fees, is amended to read as follows: | | |
| 5 | (B) Require a telephone company, cable television | | |
| 6 | provider, or Internet service provider providing basic local exchange service | | |
| 7 | to pay a reasonable franchise fee not to exceed the higher of the amount of | | |
| 8 | the telephone company's franchise fee <u>in effect</u> on January 1, 1997, or a fee | | |
| 9 | equal to four and one quarter percent (4.25%) five percent (5%) of the | | |
| 10 | revenues received by the telephone company, cable television provider, or | | |
| 11 | <u>Internet service provider</u> from providing basic local exchange services, | | |
| 12 | unless: | | |
| 13 | (i) A higher rate or franchise fee is approved by | | |
| 14 | the voters of the municipality; or | | |
| 15 | (ii) The telephone company <u>, cable television</u> | | |
| 16 | provider, or Internet service provider agrees to pay a higher percentage on | | |
| 17 | services offered in addition to basic local exchange services; | | |
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| 19 | /s/Johnson | | |
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