

FIRST REGULAR SESSION

# SENATE BILL NO. 604

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR MCCREERY.

2303S.01H

KRISTINA MARTIN, Secretary

## AN ACT

To repeal sections 67.2689 and 67.2720, RSMo, and to enact in lieu thereof two new sections relating to video services.

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

Section A. Sections 67.2689 and 67.2720, RSMo, are  
2 repealed and two new sections enacted in lieu thereof, to be  
3 known as sections 67.2689 and 67.2720, to read as follows:

67.2689. 1. A franchise entity may collect a video  
2 service provider fee equal to not more than five percent of  
3 the gross revenues charged to each customer of a video  
4 service provider that is providing video service in the  
5 geographic area of such franchise entity. The video service  
6 provider fee shall apply equally to all video service  
7 providers within the geographic area of a franchise entity.

8 2. Beginning August 28, [2023] **2026**, franchise  
9 entities are prohibited from collecting a video service  
10 provider fee in excess of four and one-half percent of such  
11 gross revenues. Beginning August 28, [2024] **2027**, franchise  
12 entities are prohibited from collecting a video service  
13 provider fee in excess of four percent of such gross  
14 revenues. Beginning August 28, [2025] **2028**, franchise  
15 entities are prohibited from collecting a video service  
16 provider fee in excess of three and one-half percent of such  
17 gross revenues. Beginning August 28, [2026] **2029**, franchise  
18 entities are prohibited from collecting a video service

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

19 provider fee in excess of three percent of such gross  
20 revenues. Beginning August 28, [2027] 2030, and continuing  
21 thereafter, franchise entities are prohibited from  
22 collecting a video service provider fee in excess of two and  
23 one-half percent of such gross revenues.

24 3. Except as otherwise expressly provided in sections  
25 67.2675 to 67.2714, neither a franchise entity nor any other  
26 political subdivision shall demand any additional fees,  
27 licenses, gross receipt taxes, or charges on the provision  
28 of video services by a video service provider and shall not  
29 demand the use of any other calculation method.

30 4. Not more than once per calendar year after the date  
31 that the incumbent cable operator's franchise existing on  
32 August 28, 2007, expires or would have expired if it had not  
33 been terminated pursuant to sections 67.2675 to 67.2714, or  
34 in any political subdivision where no franchise applied on  
35 the date of enactment of sections 67.2675 to 67.2714, no  
36 more than once per calendar year after the video service  
37 provider fee was initially imposed, a franchise entity may,  
38 upon ninety days notice to all video service providers,  
39 elect to adjust the amount of the video service provider fee  
40 subject to state and federal law, but in no event shall such  
41 fee exceed the calculation defined in subsections 1 and 2 of  
42 this section.

43 5. The video service provider fee shall be paid to  
44 each franchise entity requiring such fee on or before the  
45 last day of the month following the end of each calendar  
46 quarter. Any payment made pursuant to subsection 8 of  
47 section 67.2703 shall be made at the same time as the  
48 payment of the video service provider fee.

49 6. Any video service provider shall identify and  
50 collect the amount of the video service provider fee and

51 collect any support under subsection 8 of section 67.2703 as  
52 separate line items on subscriber bills.

67.2720. 1. There is hereby established the "Task  
2 Force on the Future of Right-of-Way Management and  
3 Taxation", which shall be composed of the following members:

4 (1) Two members of the senate to be appointed by the  
5 president pro tempore of the senate;

6 (2) One member of the senate to be appointed by the  
7 minority floor leader of the senate;

8 (3) Two members of the house of representatives to be  
9 appointed by the speaker of the house of representatives;

10 (4) One member of the house of representatives to be  
11 appointed by the minority floor leader of the house of  
12 representatives;

13 (5) Four members that are municipal officials or other  
14 political subdivision officials, two to be appointed by the  
15 president pro tempore of the senate and two to be appointed  
16 by the speaker of the house of representatives;

17 (6) Four experts in the telecommunications industry,  
18 two to be appointed by the president pro tempore of the  
19 senate and two to be appointed by the speaker of the house  
20 of representatives;

21 (7) A member of the municipal league of metro St.  
22 Louis appointed by the speaker of the house of  
23 representatives; and

24 (8) A member of the Missouri municipal league  
25 appointed by the president pro tempore of the senate.

26 2. A majority of the members of the task force shall  
27 constitute a quorum, but the concurrence of a majority of  
28 the members shall be required for the determination of any  
29 matter within the task force's duties.

30           3. The task force shall meet within thirty days after  
31 its creation and organize by selecting a chair and a vice  
32 chair, one of whom shall be a member of the senate and the  
33 other a member of the house of representatives.

34           4. The task force shall study best methods for right-  
35 of-way management, taxation of video services, and the  
36 future revenue needs of municipalities and political  
37 subdivisions as such revenue relates to video services.

38           5. The task force shall compile a full report of its  
39 activities for submission to the general assembly. The  
40 report shall be submitted not later than December 31, [2023]  
41 **2024**, and shall include any recommendations which the task  
42 force may have for legislative action.

43           6. The task force shall be staffed by legislative  
44 personnel as is deemed necessary to assist the task force in  
45 the performance of its duties.

46           7. The members of the task force shall serve without  
47 compensation, but any actual and necessary expenses incurred  
48 in the performance of the task force's official duties by  
49 the task force, its members, and any staff assigned to the  
50 task force shall be paid from the joint contingent fund.

51           8. This section shall expire on December 31, [2023]  
52 **2026**.

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