

SECOND REGULAR SESSION

# HOUSE BILL NO. 2616

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE RHOADS.

6595H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 67.2689, RSMo, and to enact in lieu thereof one new section relating to video service providers.

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

Section A. Section 67.2689, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 67.2689, to read as follows:

67.2689. 1. A franchise entity may collect a video service provider fee equal to not more than five percent of the gross revenues from each video service provider providing video service in the geographic area of such franchise entity. The video service provider fee shall apply equally to all video service providers within the geographic area of a franchise entity.

**2. Notwithstanding subsection 1 of this section, on and after August 28, 2019, in any city or county with a population of two hundred fifty thousand or more inhabitants, the percentage of gross revenues used to calculate the video service provider fee shall be four and one-half percent, and reduced annually thereafter by one-half percent until the video service provider fee is equal to one percent of the gross revenues from each video service provider providing video service in the geographic area of such franchise entity. The video service provider fee shall apply equally to all video service providers within the geographic area of a franchise entity.**

**3. Notwithstanding subsection 1 of this section, on and after August 28, 2020, in any city or county with a population of at least thirty thousand but less than two hundred fifty thousand inhabitants, the percentage of gross revenues used to calculate the video service provider fee shall be four and one-half percent, and reduced annually thereafter by one-half percent until the video service provider fee is equal to one percent of the gross**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 revenues from each video service provider providing video service in the geographic area  
19 of such franchise entity. The video service provider fee shall apply equally to all video  
20 service providers within the geographic area of a franchise entity.

21 **4. Notwithstanding subsection 1 of this section, on and after August 28, 2021, in any**  
22 **city or county with a population of less than thirty thousand inhabitants, the percentage**  
23 **of gross revenues used to calculate the video service provider fee shall be four and one-half**  
24 **percent, and reduced annually thereafter by one-half percent until the video service**  
25 **provider fee is equal to one percent of the gross revenues from each video service provider**  
26 **providing video service in the geographic area of such franchise entity. The video service**  
27 **provider fee shall apply equally to all video service providers within the geographic area**  
28 **of a franchise entity.**

29 ~~[2-]~~ 5. Except as otherwise expressly provided in sections 67.2675 to 67.2714, neither  
30 a franchise entity nor any other political subdivision shall demand any additional fees, licenses,  
31 gross receipt taxes, or charges on the provision of video services by a video service provider and  
32 shall not demand the use of any other calculation method.

33 ~~[3-]~~ 6. All video service providers providing service in the geographic area of a franchise  
34 entity shall pay the video service provider fee at the same percent of gross revenues as had been  
35 assessed on the incumbent cable operator by the franchise entity immediately prior to the date  
36 of enactment of sections 67.2675 to 67.2714, and such percentage shall continue to apply until  
37 the date that the incumbent cable operator's franchise existing at that time expires or would have  
38 expired if it had not been terminated pursuant to sections 67.2675 to 67.2714. The franchise  
39 entity shall notify the applicant for a video service authorization of the applicable gross revenue  
40 fee percentage within thirty days of the date notice of the applicant is provided.

41 ~~[4-]~~ 7. Not more than once per calendar year after the date that the incumbent cable  
42 operator's franchise existing on August 28, 2007, expires or would have expired if it had not been  
43 terminated pursuant to sections 67.2675 to 67.2714, or in any political subdivision where no  
44 franchise applied on the date of enactment of sections 67.2675 to 67.2714, no more than once  
45 per calendar year after the video service provider fee was initially imposed, a franchise entity,  
46 may, upon ninety days notice to all video service providers, elect to adjust the amount of the  
47 video service provider fee subject to state and federal law, but in no event shall such fee exceed  
48 five percent of a video service provider's gross revenue.

49 ~~[5-]~~ 8. The video service provider fee shall be paid to each franchise entity requiring such  
50 fee on or before the last day of the month following the end of each calendar quarter and shall  
51 be calculated as a percentage of gross revenues, as defined under section 67.2677. Any payment  
52 made pursuant to subsection 8 of section 67.2703 shall be made at the same time as the payment  
53 of the video service provider fee.

54            ~~[6.]~~ **9.** Any video service provider may identify and collect the amount of the video  
55 service provider fee and collect any support under subsection 8 of section 67.2703 as separate  
56 line items on subscriber bills.

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