

Dept./Agy.: Secretary of State								
Subject: Audit and Dispute Re	Analyst: Kimberly Fruge							
TELECOMMUNICATIONS	OR INCREASE GF EX See Note		Page 1 of 1					

Provides relative to franchise fee audits and dispute resolution of certain video service providers

<u>Present law</u> requires local governmental subdivisions to conduct franchise fee audits of cable or video service providers. The local governmental subdivision is required to give written notice of any dispute prior to filing suit, and requires both parties to meet within 30 days to attempt to settle the dispute. <u>Present law</u> authorizes the local governmental subdivision to pursue nonbinding mediation if the dispute is not resolved within 60 days.

<u>Proposed law</u> would require the Secretary of State, not the local governmental subdivision, to perform the audits, file suits, and resolve disputes relating to franchise fee payments.

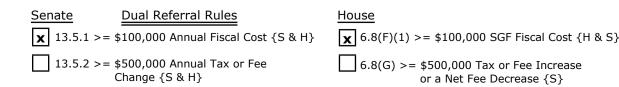
EXPENDITURES State Gen. Fd.	<u>2022-23</u> INCREASE	2023-24 INCREASE	2024-25 INCREASE	2025-26 INCREASE	2026-27 INCREASE	<u>5 -YEAR TOTAL</u>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will likely result in an indeterminable but potentially significant workload increase for the Department of State associated with auditing and resolving disputes over cable and video service provider franchise fees. As these activities would be new for the Department of State, any increase in costs are speculative and cannot be estimated at this time. However, the department is likely to realize a potentially significant increase in expenditures and will potentially require additional recurring personnel to process the audits of franchise fees and resolve any disputes over franchise fees. Until the department is able to establish rules and procedures to process audits and resolve disputes the costs associated with this measure will remain indeterminable.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.



Ein Brasseaus

Evan Brasseaux Interim Deputy Fiscal Officer