

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 276** HLS 22RS 721

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 23, 2022	1:11 PM	<b>Author:</b> BISHOP, S.
<b>Dept./Agy.:</b> Secretary of State		
<b>Subject:</b> Audit and Dispute Resolution of Video Service Franchise Fees		<b>Analyst:</b> Kimberly Fruge

TELECOMMUNICATIONS

EN NO IMPACT See Note

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

Present Law establishes a franchise fee, of up to 5% of gross revenues, be imposed by local governments for licensees of cable services and video programming provided through wireline facilities located at least in part in the public rights of way. Present law excludes certain video programming from the local franchise tax. Proposed law adds to the list of exclusions streaming services and direct broadcast satellite services.

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

  

<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
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Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

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

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure. Proposed law clarifies present law by explicitly stating that streaming services and direct broadcast satellite services are not to be included in the definition of cable service and video programming and thus these service providers cannot be assessed a franchise fee. According to committee testimony, franchise fees have never been assessed on streaming services and direct broadcast satellites.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*

**Evan Brasseaux**  
**Interim Deputy Fiscal Officer**