

AN ACT

relating to the payment of certain fees to municipalities by entities that provide telecommunications and cable or video services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 283.051, Local Government Code, is amended by adding Subsections (d), (e), and (f) to read as follows:

(d) In this subsection, "affiliated group" has the meaning assigned by Section 171.0001, Tax Code. A certificated telecommunications provider is not required to pay any compensation under Subsection (a) for a given calendar year if the provider determines that the sum of the compensation due from the provider and any member of the provider's affiliated group to all municipalities in this state under Subsection (a) is less than the sum of the fees due from the provider and any member of the provider's affiliated group to all municipalities in this state under Section 66.005, Utilities Code. The determination under this subsection for a given year must be based on amounts actually paid, or amounts that would have been paid notwithstanding this subsection, during the 12-month period ending June 30 of the immediately preceding calendar year by the provider and any member of the provider's affiliated group. In the case of a conflict between this subsection and Section 283.055, this subsection prevails.

1 (e) Notwithstanding the aggregate amount of compensation or
2 fees paid in this state calculated under Subsection (d), Subsection
3 (d) does not exempt a certificated telecommunications provider from
4 paying compensation under Subsection (a) to a municipality if the
5 provider is not required to pay a fee authorized by Section 66.005,
6 Utilities Code, or another fee described in 47 U.S.C. Section
7 542(g), to that municipality. This subsection applies only to a
8 municipality described in this subsection and does not limit the
9 application of Subsection (d) to any other municipality.

10 (f) A certificated telecommunications provider shall file,
11 not later than October 1 of each year, an annual written
12 notification with each municipality in which the provider provides
13 telecommunications services of the provider's requirement to pay
14 compensation under Subsection (a) or exemption from the requirement
15 to pay compensation under Subsection (d) for the following calendar
16 year.

17 SECTION 2. Section 66.005, Utilities Code, is amended by
18 adding Subsections (d), (e), and (f) to read as follows:

19 (d) In this subsection, "affiliated group" has the meaning
20 assigned by Section 171.0001, Tax Code. A holder of a state-issued
21 certificate of franchise authority is not subject to the fee
22 imposed under Subsection (a) for a given calendar year if the holder
23 determines that the sum of fees due from the holder and any member
24 of the holder's affiliated group to all municipalities in this
25 state under Subsection (a) is less than the sum of the compensation
26 due from the holder and any member of the holder's affiliated group
27 to all municipalities in this state under Section 283.051, Local

1 Government Code. The determination under this subsection for a
2 given year must be based on amounts actually paid, or amounts that
3 would have been paid notwithstanding this subsection, during the
4 12-month period ending June 30 of the immediately preceding
5 calendar year by the holder and any member of the holder's
6 affiliated group. In the case of a conflict between this subsection
7 and Section 283.055, Local Government Code, this subsection
8 prevails.

9 (e) Notwithstanding the aggregate amount of compensation or
10 fees paid in this state calculated under Subsection (d), Subsection
11 (d) does not exempt a holder of a state-issued certificate of
12 franchise authority from paying the fee imposed under Subsection
13 (a) to a municipality if the holder is not required to pay
14 compensation under Section 283.051, Local Government Code, to that
15 municipality. This subsection applies only to a municipality
16 described in this subsection and does not limit the application of
17 Subsection (d) to any other municipality. Nothing in this
18 subsection affects the application of Section 66.006 or 66.009 to
19 any holder of a state-issued certificate of franchise authority.

20 (f) A holder of a state-issued certificate of franchise
21 authority shall file, not later than October 1 of each year, an
22 annual written notification with each municipality in which the
23 holder provides cable or video services of the holder's requirement
24 to pay the fee under Subsection (a) or exemption from the
25 requirement to pay the fee under Subsection (d) for the following
26 calendar year.

27 SECTION 3. (a) The change in law made by this Act applies

1 only to a payment made on or after January 1, 2020. A payment made
2 before January 1, 2020, is governed by the law in effect on the date
3 the payment was made, and the former law is continued in effect for
4 that purpose.

5 (b) A determination of compensation or fees described by
6 Section 283.051(d), Local Government Code, as added by this Act, or
7 Section 66.005(d), Utilities Code, as added by this Act, for the
8 year 2020 must be based on amounts actually paid between July 1,
9 2018, and June 30, 2019.

10 SECTION 4. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1152 passed the Senate on April 4, 2019, by the following vote: Yeas 26, Nays 5; and that the Senate concurred in House amendment on May 21, 2019, by the following vote: Yeas 28, Nays 3.

Secretary of the Senate

I hereby certify that S.B. No. 1152 passed the House, with amendment, on May 9, 2019, by the following vote: Yeas 92, Nays 50, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor