

Subject Broadband Franchising

Authors Freiberg

Analyst Bob Eleff

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## Overview

House File 4182, as amended by the H4182A3 amendment, allows cities and towns to require broadband providers and other users of public rights-of-way to obtain franchise agreements or other municipal authorizations, and to pay fees, as a condition of operating within that jurisdiction.

## Summary

Section	Description
1	<b>[116J.39] Office of Broadband Development.</b> <b>Subd. 1. Definitions.</b> Amends the definition of “broadband.”
2	<b>[116J.394] Definitions.</b> Provides that the amendments in this section also apply to section 116J.399, and amends the definition of “broadband infrastructure.”
3	<b>[116J.399] Broadband easements.</b> <b>Subd. 1. Definitions.</b> Excludes from the definition of “provider” broadband services exclusively provided through personal wireless or satellite. Adds a definition of “local franchising authority.”
4	<b>[116J.399] Broadband easements.</b> <b>Subd. 8. Local governmental right-of-way management preserved.</b> Strikes language making the placement of broadband infrastructure subject to section 237.163 and provides that it is regulated under section 5 of this act.
5	<b>[116J.399] Broadband easements.</b> <b>Subd. 10. Franchise or municipal authorization.</b> Authorizes a local franchising authority to require a broadband service provider within its jurisdiction to obtain a franchise or other authorization and pay fees that raise revenue, defray a municipality’s costs resulting from right-of-way occupation, or both. The franchise fee may be up to five percent of a provider’s gross revenues, plus up to

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	an additional three percent of gross revenues dedicated to support local cable programming if the franchising authority operates a cable access channel.
6	<p><b>[222.37] Public road; use; restriction.</b></p> <p><b>Subd. 1. Use requirements.</b> Specifies that a broadband provider may use the public roads in its operations, and, along with other service providers identified in this subdivision, is subject to municipal franchising or other municipal authorization requirements under section 5. Requires municipal authorization before a service can be provided.</p>
7	<p><b>[237.162] Public right-of-way; definitions.</b></p> <p><b>Subd. 4. Telecommunications right-of-way user.</b> Excludes the provision of broadband or cable service from the definition of telecommunications service, and excludes an entity that solely provides broadband service from the definition of telecommunications right-of-way user, making these entities not subject to the provisions of section 237.163 with respect to right-of-way regulation.</p>
8	<p><b>[237.163] Use and regulation of public right-of-way.</b></p> <p><b>Subd. 2. Generally.</b> Authorizes a local government unit to franchise its public rights-of-way and to receive compensation for use and occupancy.</p>
9	<p><b>[237.163] Use and regulation of public right-of-way.</b></p> <p><b>Subd. 6. Fees.</b> Authorizes a local government unit to franchise its public rights-of-way and to receive compensation for use and occupancy.</p>
10	<p><b>[237.163] Use and regulation of public right-of-way.</b></p> <p><b>Subd. 7. Additional right-of-way provisions.</b> Strikes language prohibiting a local government unit from:</p> <ul style="list-style-type: none"><li>▪ requiring a telecommunications right-of-way user to obtain a franchise or pay for use of the right-of-way;</li><li>▪ collecting in-kind service fees in exchange for issuing a small wireless facility permit; or</li><li>▪ imposing right-of-way regulations on entities previously authorized to operate in the right-of-way.</li></ul>
11	<p><b>[412.221] Specific powers of council.</b></p> <p><b>Subd. 6. Public ways and grounds.</b> Authorizes a city council to franchise occupants and users of the right-of-way and to receive compensation.</p>



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