

Municipal Broadband Service Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: Ryan D. Wilcox

LONG TITLE

General Description:

This bill addresses a municipality's provision of a broadband service.

Highlighted Provisions:

This bill:

- defines terms;
- establishes requirements and limitations in relation to a municipality providing a broadband service;
- addresses bonding, reporting, and public disclosure relating to the provision of a broadband service by a municipality; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-8-14, as last amended by Laws of Utah 2019, Chapter 99

10-18-101, as enacted by Laws of Utah 2001, Chapter 83

10-18-102, as last amended by Laws of Utah 2016, Chapter 419

10-18-103, as last amended by Laws of Utah 2013, Chapter 187

10-18-104, as last amended by Laws of Utah 2014, Chapter 189

10-18-105, as last amended by Laws of Utah 2016, Chapter 419

10-18-201, as enacted by Laws of Utah 2001, Chapter 83

10-18-202, as enacted by Laws of Utah 2001, Chapter 83

10-18-203, as last amended by Laws of Utah 2023, Chapter 435
 10-18-204, as last amended by Laws of Utah 2016, Chapter 419
 10-18-301, as enacted by Laws of Utah 2001, Chapter 83
 10-18-302, as last amended by Laws of Utah 2023, Chapter 435
 10-18-303, as last amended by Laws of Utah 2023, Chapter 435
 10-18-304, as enacted by Laws of Utah 2001, Chapter 83
 10-18-305, as enacted by Laws of Utah 2001, Chapter 83
 10-18-306, as enacted by Laws of Utah 2001, Chapter 83
 11-13-201, as last amended by Laws of Utah 2015, Chapter 265
 20A-1-203, as last amended by Laws of Utah 2024, Third Special Session, Chapter 3

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **10-8-14** is amended to read:

10-8-14 . Utility and telecommunications services -- Service beyond municipal limits -- Retainage -- Notice of service and agreement.

(1) As used in this section, "[~~public telecommunications~~] communications service [~~facilities~~] facility" means the same as that term is defined in Section 10-18-102.

(2)(a) A municipality may:

- [(a)] (i) construct, maintain, and operate waterworks, sewer collection, sewer treatment systems, gas works, electric light works, broadband services, telecommunications lines, cable television lines, public transportation systems, or [~~public telecommunications~~] communications service facilities;
- [(b)] (ii) authorize the construction, maintenance, and operation of the works or systems [~~listed~~] described in Subsection [(2)(a)] (2)(a)(i) by others;
- [(c)] (iii) purchase or lease the works or systems [~~listed~~] described in Subsection [(2)(a)] (2)(a)(i) from any person or corporation; and
- [(d)] (iv) subject to Subsection (2)(b), sell and deliver the surplus product or service capacity of any works or [system-listed] systems described in Subsection [(2)(a)] (2)(a)(i), not required by the municipality or the municipality's inhabitants, to others beyond the limits of the municipality[~~, except the sale and delivery of:~~] .

(b) The sale and delivery of the surplus product or service capacity described in Subsection (2)(a)(iv) in relation to:

- (i) retail electricity beyond the municipal boundary is governed by Subsections (3) through [(8)] (7);

(ii) broadband services, cable television services, or public telecommunications services is governed by Subsection [(12)] (11); and

(iii) water is governed by Sections 10-7-14 and 10-8-22.

(3) If any payment on a contract with a private person, firm, or corporation to construct waterworks, sewer collection, sewer treatment systems, gas works, electric works, broadband services, telecommunications lines, cable television lines, public transportation systems, or [public telecommunications] communications service facilities [-] is retained or withheld, it shall be retained or withheld and released as provided in Section 13-8-5.

(4)(a) Except as provided in [Subsection (4)(b), (6), or (10)] Subsection (4)(b), (5), or (9), a municipality may not sell or deliver the electricity produced or distributed by the municipality's electric works constructed, maintained, or operated in accordance with Subsection (2) to a retail customer located beyond the municipality's municipal boundary.

(b) A municipality that [provides] provided retail electric service to a customer beyond the municipality's municipal boundary on or before June 15, 2013, may continue to serve that customer if:

(i) on or before December 15, 2013, the municipality [provides] provided the electrical corporation, as defined in Section 54-2-1, that is obligated by the municipality's certificate of public convenience and necessity to serve the customer with an accurate and complete verified written notice [described in Subsection (4)(e) that identifies] identifying each customer served by the municipality beyond the municipality's municipal boundary;

(ii) no later than June 15, 2014, the municipality [enters] entered into a written filing agreement for the provision of electric service with the electrical corporation; and

(iii) the Public Service Commission [approves] approved the written filing agreement in accordance with Section 54-4-40.

[(e) The municipality shall include in the written notice required in Subsection (4)(b)(i) for each customer:]

[(i) the customer's meter number;]

[(ii) the location of the customer's meter by street address, global positioning system coordinates, metes and bounds description, or other similar method of meter location;]

[(iii) the customer's class of service; and]

96 ~~[(iv) a representation that the customer was receiving service from the municipality~~
97 ~~on or before June 15, 2013.]~~

98 ~~[(5) The written filing agreement entered into in accordance with Subsection (4)(b)(ii) shall~~
99 ~~require the following:]~~

100 ~~[(a) The municipality shall provide electric service to a customer identified in~~
101 ~~accordance with Subsection (4)(b)(i) unless the municipality and the electrical~~
102 ~~corporation subsequently agree in writing that the electrical corporation will provide~~
103 ~~electric service to the customer.]~~

104 ~~[(b) If a customer who is located outside the municipal boundary and who is not~~
105 ~~identified in accordance with Subsection (4)(b)(i) requests service from the~~
106 ~~municipality after June 15, 2013, the municipality may not provide that customer~~
107 ~~electric service unless the municipality submits a request to and enters into a written~~
108 ~~agreement with the electric corporation in accordance with Subsection (6).]~~

109 ~~[(6)]~~ (5)(a) A municipality may submit to the electrical corporation a request to provide
110 electric service to an electric customer ~~[described in Subsection (5)(b)]~~ who is located
111 outside the municipal boundary and who was not identified in accordance with
112 Subsection (4)(b)(i).

113 (b) If a municipality submits a request described in Subsection (5)(a), the electrical
114 corporation shall respond to the request within 60 days.

115 (c) If the electrical corporation agrees to allow the municipality to provide electric
116 service to the customer:

117 (i) the electrical corporation and the municipality shall enter into a written agreement;

118 (ii) the municipality shall agree in the written agreement to subsequently transfer
119 service to the customer described in Subsection ~~[(5)(b)]~~ (5)(a) if the electrical
120 corporation notifies, in writing, the municipality that the electrical corporation has
121 installed a facility capable of providing electric service to the customer; and

122 (iii) the municipality may provide the service if:

123 (A) except as provided in Subsection ~~[(6)(e)(iii)(B)]~~ (5)(c)(iii)(B), the Public
124 Service Commission approves the agreement in accordance with Section
125 54-4-40; or

126 (B) for an electrical cooperative that meets the requirements of Subsection
127 54-7-12(7), the governing board of the electrical cooperative approves the
128 agreement.

129 (d) The municipality or the electrical corporation may terminate the agreement for the

provision of electric service if the Public Service Commission imposes a condition authorized in Section 54-4-40 that is a material change to the agreement.

~~[(7)]~~ (6) If the municipality and electrical corporation make a transfer described in Subsection ~~[(6)(e)(ii)]~~ (5)(c)(ii):

(a)(i) the municipality shall transfer the electric service customer to the electrical corporation; and

(ii) the electrical corporation shall provide electric service to the customer; and

(b) the municipality shall transfer a facility in accordance with and for the value as provided in Section 10-2-421.

~~[(8)]~~ (7)(a) In accordance with Subsection ~~[(8)(b)]~~ (7)(b), the municipality shall establish a reasonable mechanism for resolving potential future complaints by an electric customer located outside the municipality's municipal boundary.

(b) The mechanism shall require:

(i) that the rates and conditions of service for a customer outside the municipality's boundary are at least as favorable as the rates and conditions of service for a similarly situated customer within the municipality's boundary; and

(ii) if the municipality provides a general rebate, refund, or other payment to a customer located within the municipality's boundary, that the municipality also provide the same general rebate, refund, or other payment to a similarly situated customer located outside the municipality's boundary.

~~[(9)]~~ (8) The municipality is relieved of any obligation to transfer a customer described in Subsection ~~[(5)(b)]~~ (5)(a) or facility used to serve the customer in accordance with Subsection ~~[(6)(e)(ii)]~~ (5)(c)(ii) if the municipality annexes the property on which the customer is being served.

~~[(10)]~~ (9)(a) A municipality may provide electric service outside of the municipality's municipal boundary to a facility that is solely owned and operated by the municipality for municipal service.

(b) A municipality's provision of electric service to a facility that is solely owned and operated by the municipality does not expand the municipality's electric service area.

~~[(11)]~~ (10) Nothing in this section expands or diminishes the ability of a municipality to enter into a wholesale electrical sales contract with another municipality that serves electric customers to sell and deliver wholesale electricity to the other municipality.

~~[(12)]~~ (11) A municipality's actions under this section related to works or systems involving broadband services, public telecommunications services, or cable television services are

subject to the requirements of [~~Chapter 18, Municipal Cable Television and Public Telecommunications Services Act~~] Chapter 18, Municipal Cable Television and Communications Services Act.

Section 2. Section **10-18-101** is amended to read:

CHAPTER 18. MUNICIPAL CABLE TELEVISION AND COMMUNICATIONS

SERVICES ACT

10-18-101 . Title -- Policy statement.

~~[(1) This chapter is known as the "Municipal Cable Television and Public Telecommunications Services Act."]~~

~~[(2)]~~ The Legislature finds that it is the policy of this state to:

~~[(a)]~~ (1) ensure that broadband services, cable television services, and public telecommunications services are provided through fair competition consistent with the federal [~~Telecommunications Act of 1996, Pub. L. 104-104~~] Communications Act of 1934, as amended, in order to provide the widest possible diversity of information and news sources to the general public;

~~[(b)]~~ (2) advance the exercise of rights under the First Amendment of the Constitution of the United States;

~~[(c)]~~ (3) enhance the development and widespread use of technological advances in providing broadband services, cable television services, and public telecommunications services;

~~[(d)]~~ (4) encourage improved customer service of broadband services, cable television services, and public telecommunications services at competitive rates;

~~[(e)]~~ (5) ensure that broadband services, cable television services, and public telecommunications services are each provided within a consistent, comprehensive, and nondiscriminatory federal, state, and local government framework; and

~~[(f)]~~ (6) ensure that when a municipality provides to ~~[its]~~ the municipality's inhabitants broadband services, cable television services, public telecommunications services, or ~~[both]~~ any combination of those services, and competes with private providers whose activities are regulated by the municipality, the municipality does not discriminate against the competing providers of the same services.

Section 3. Section **10-18-102** is amended to read:

10-18-102 . Definitions.

As used in this chapter:

- (1)(a) "Broadband service" means a mass-market retail or wholesale service that provides, via wire or radio, the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the service.
- (b) "Broadband service" does not include dial-up Internet access service.
- [(4)] (2) "Cable television service" means:
- (a) the one-way transmission to subscribers of:
- (i) video programming; or
- (ii) other programming service; and
- (b) subscriber interaction, if any, that is required for the selection or use of:
- (i) the video programming; or
- (ii) other programming service.
- [(2)] (3) "Capital [eosts] cost" means [all-costs] the cost of providing a service that [are] is capitalized in accordance with generally accepted accounting principles.
- (4) "Communications service facility" means a facility described in Subsection 10-18-105(2).
- [(3)] (5) "Cross subsidize" means to pay a cost included in the direct costs or indirect costs of providing a service that is not accounted for in the full cost of accounting of providing the service.
- [(4)] (6) "Direct [eosts] cost" means [those-expenses] an expense of a municipality that:
- (a) [are] is directly attributable to providing:
- (i) a broadband service;
- [(i)] (ii) a cable television service; or
- [(ii)] (iii) a public telecommunications service; and
- (b) would be eliminated if the service described in Subsection [(4)(a)] (6)(a) were not provided by the municipality.
- [(5)] (7) "Feasibility consultant" means an individual or entity with expertise in the processes and economics of providing:
- (a) a broadband service;
- [(a)] (b) a cable television service; and
- [(b)] (c) a public telecommunications service.
- [(6)] (8)(a) "Full-cost accounting" means the accounting of all costs incurred by a municipality in providing:

(i) a broadband service;

~~[(+)]~~ (ii) a cable television service; or

~~[(+)]~~ (iii) a public telecommunications service.

(b) The costs included in a full-cost accounting include all:

(i) capital costs;

(ii) direct costs; and

(iii) indirect costs.

~~[(7)]~~ (9)(a) "Indirect ~~[costs]~~ cost" means ~~[any costs:]~~ a cost identified with two or more services or other functions that is not directly identified with a single service or function.

~~[(i) identified with two or more services or other functions; and]~~

~~[(ii) that are not directly identified with a single service or function.]~~

(b) "Indirect ~~[costs]~~ cost" may include cost factors for:

(i) administration;

(ii) accounting;

(iii) personnel;

(iv) purchasing;

(v) legal support; and

(vi) other staff or departmental support.

~~[(8)]~~ (10) "Private provider" means a person that:

(a) provides:

(i) a broadband service;

~~[(+)]~~ (ii) a cable television ~~[services]~~ service; or

~~[(+)]~~ (iii) a public telecommunications ~~[services]~~ service; and

(b) is a private entity.

~~[(9)]~~ (11)(a) "Public telecommunications service" means the two-way transmission of signs, signals, writing, images, sounds, messages, data, or other information of any nature by wire, radio, lightwaves, or other electromagnetic means offered to the public generally.

(b) "Public telecommunications service" does not include broadband service.

~~[(10)]~~ "Public telecommunications service facilities" means a facility described in Subsection 10-18-105(2).]

~~[(11)]~~ (12) ~~["Subscribers"]~~ "Subscriber" means a person that lawfully receives:

(a) a broadband service;

(b) a cable television [services] service; or
[(b)] (c) a public telecommunications [services] service.

Section 4. Section **10-18-103** is amended to read:

10-18-103 . Antitrust immunity.

(1) When a municipality [is offering] offers or [providing] provides a broadband service, cable television service, or public telecommunications service, the immunity from antitrust liability afforded to political subdivisions of the state under Section 76-10-3109 does not apply to the municipality providing those services.

(2) A municipality that provides a broadband service, cable television service, or a public telecommunications service is subject to applicable antitrust liabilities under the federal Local Government Antitrust Act of 1984, 15 U.S.C. Secs. 34 to 36.

Section 5. Section **10-18-104** is amended to read:

10-18-104 . Application to existing contracts.

(1)(a) If, before~~[the sooner of]~~ March 1~~[or the effective date of the chapter]~~, 2001, the legislative body of a municipality authorized the municipality to offer or provide a cable television [services] service or public telecommunications [services] service, each authorized [service] cable television service or public telecommunications service:

- (i) is exempt from Part 2, Conditions for Providing Services; and
- (ii) is subject to Part 3, Operational Requirements and Limitations.

(b) The exemption described in Subsection (1)(a)(i) ~~[may]~~ does not apply to any cable television service or public telecommunications service authorized by the legislative body of a municipality on or after~~[the sooner of]~~ March 1~~[or the effective date of this chapter]~~, 2001.

(2)(a) If, before March 1, 2025, the legislative body of a municipality authorized the municipality to offer or provide a broadband service, each authorized broadband service:

- (i) is exempt from Part 2, Conditions for Providing Services; and
- (ii) is subject to Part 3, Operational Requirements and Limitations.

(b) The exemption described in Subsection (2)(a)(i) does not apply to any broadband service authorized by the legislative body of a municipality on or after March 1, 2025.

~~[(2)]~~ (3) This chapter does not:

(a) invalidate any contract for cable television service or public telecommunications service entered into by a municipality before [the sooner of] March 1[or the effective date of this chapter], 2001, or any contract for broadband service entered into by a

municipality before March 1, 2025:

(i) for the design, construction, equipping, operation, or maintenance of ~~[facilities]~~ a facility used or to be used by the municipality, or by a private provider under a contract with the municipality for the purpose of providing:

~~(A) a broadband service;~~

~~[(A)] (B) a cable television [services] service;~~ or

~~[(B)] (C) a public telecommunications [services] service;~~

(ii) with a private provider for the use of the ~~[facilities]~~ facility described in Subsection ~~[(2)(a)(i)] (3)(a)(i)~~ in connection with the private provider offering:

~~(A) a broadband service;~~

~~[(A)] (B) a cable television [services] service;~~ or

~~[(B)] (C) a public telecommunications [services] service;~~

(iii) with a subscriber for providing:

~~(A) a broadband service;~~

~~[(A)] (B) a cable television service;~~ or

~~[(B)] (C) a public telecommunications service;~~ or

(iv) to obtain or secure financing for the acquisition or operation of the municipality's facilities or equipment used in connection with providing:

~~(A) a broadband service;~~

~~[(A)] (B) a cable television service;~~ or

~~[(B)] (C) a public telecommunications service;~~ or

(b) impair any security interest granted by a municipality as collateral for the municipality's obligations under a contract described in Subsection ~~[(2)(a)] (3)(a)~~.

~~[(3)(a) A municipality meeting the one or more of the following conditions is exempt from this chapter as provided in Subsection (3)(b):]~~

~~[(i) a municipality that adopts or enacts a bond resolution on or before January 1, 2001, to fund facilities or equipment that the municipality uses to provide:]~~

~~[(A) cable television services; or]~~

~~[(B) public telecommunications services; or]~~

~~[(ii) a municipality that has operated for at least three years consecutively before the sooner of March 1 or the effective date of this chapter:]~~

~~[(A) a cable television service; or]~~

~~[(B) a public telecommunications service.]~~

~~[(b) A municipality described in Subsection (3)(a) is exempt from this chapter except for:]~~

332 ~~[(i) Subsection 10-18-303(4);]~~

333 ~~[(ii) Subsection 10-18-303(7);]~~

334 ~~[(iii) Subsection 10-18-303(9);]~~

335 ~~[(iv) Section 10-18-304; and]~~

336 ~~[(v) Section 10-18-305.]~~

337 (4)(a) A municipality that, on or before January 1, 2001, enacts a bond resolution to fund
338 a facility or equipment that the municipality uses to provide a cable television service
339 or public telecommunications service is exempt from certain provisions of this
340 chapter, as described in Subsection (5), in relation to the specific service funded by
341 that bond resolution.

342 (b) A municipality that, on or before January 1, 2025, enacts a bond resolution to fund a
343 facility or equipment that the municipality uses to provide a broadband service is
344 exempt from certain provisions of this chapter, as described in Subsection (5), in
345 relation to the specific service funded by that bond resolution.

346 (c) A municipality that, before March 1, 2001, operates a cable television service or a
347 public telecommunications service for at least three consecutive years, is exempt
348 from certain provisions of this chapter, as described in Subsection (5), in relation to
349 the specific service operated during that time period.

350 (d) A municipality that, before March 1, 2025, operates a broadband service for at least
351 three consecutive years, is exempt from certain provisions of this chapter, as
352 described in Subsection (5), in relation to the specific service operated during that
353 time period.

354 (5) In accordance with Subsection (4), a municipality described in Subsection (4) is exempt
355 from this chapter except for:

356 (a) Subsection 10-18-303(6);

357 (b) Subsection 10-18-303(9);

358 (c) Subsection 10-18-303(12);

359 (d) Section 10-18-304; and

360 (e) Section 10-18-305.

361 ~~[(4) For the time period beginning on the effective date of this chapter and ending on~~
362 ~~December 31, 2001, a municipality that operated a cable television service as of January~~
363 ~~1, 2001, is exempt from Subsection 10-18-301(1)(d).]~~

364 Section 6. Section **10-18-105** is amended to read:

365 **10-18-105 . Scope of chapter.**

- (1) Nothing in this chapter authorizes any county or other political subdivision of this state other than a municipality to:
- (a) provide:
- (i) a broadband service;
- [(+)] (ii) a cable television service; or
- [(+)] (iii) a public telecommunications service; or
- (b) purchase, lease, construct, maintain, or operate a facility for the purpose of providing:
- (i) a broadband service;
- (ii) a cable television service; or
- [(+)] (iii) a public telecommunications service.
- (2) Except as provided in Subsections (3) and (4), this chapter does not apply to a municipality [-]purchasing, leasing, constructing, or equipping [facilities] a facility:
- (a) that [are] is designed to provide [services] a service within the municipality[-]; and
- (b) that the municipality:
- (i) uses for internal municipal government purposes; or
- (ii) by written contract, leases, sells capacity in, or grants other similar rights to a private provider to use the [facilities] facility in connection with a private provider offering:
- (A) a broadband service;
- [(A)] (B) a cable television [services] service; or
- [(B)] (C) a public telecommunications [services] service.
- (3)(a) As used in this Subsection (3), "municipal entity" means:
- (i) a municipality; or
- (ii) an entity created pursuant to an agreement:
- (A) under Title 11, Chapter 13, Interlocal Cooperation Act; and
- (B) to which a municipality is a party.
- (b) ~~[Notwithstanding Subsection (2), a]~~ A municipal entity shall comply with Subsection (3)(c) if the municipal entity purchases, leases, constructs, or equips [facilities] a facility that the municipal entity by written contract leases, sells capacity in, or grants other similar rights to a private provider to use the [facilities] facility in connection with a private provider offering:
- (i) a broadband service;
- [(+)] (ii) a cable television [services] service; or
- [(+)] (iii) a public telecommunications [services] service.

(c) A municipal entity described in Subsection (3)(b) shall, with respect to an action described in Subsection (3)(b), comply with the obligations imposed on a municipality pursuant to:

(i) Section 10-18-302; and

(ii) Subsections [~~10-18-303(3)~~] 10-18-303(5) and [~~(4)~~] (6).

(4) A municipality described in Subsection [~~10-18-105(2)~~] (2) may call an election under Section 10-18-204 with respect to the provision of [~~public telecommunications~~] a communications service [~~facilities~~] facility.

Section 7. Section **10-18-201** is amended to read:

10-18-201 . Limitations on providing broadband, cable television, and public telecommunications services.

(1) Except as provided in this chapter, a municipality may not:

(a) provide to one or more subscribers:

(i) a broadband service;

[~~(i)~~] (ii) a cable television service; or

[~~(ii)~~] (iii) a public telecommunications service; or

(b) for the purpose of providing a broadband service, a cable television service, or a public telecommunications service to one or more subscribers, purchase, lease, construct, maintain, or operate any facility.

(2) For purposes of this chapter, a municipality provides a broadband service, cable television service, or public telecommunications service if the municipality provides the service:

(a) directly or indirectly, including through an authority or instrumentality:

(i) acting on behalf of the municipality; or

(ii) for the benefit of the municipality;

(b) by itself;

(c) through:

(i) an entity created pursuant to an agreement under Title 11, Chapter 13, Interlocal Cooperation Act, to which the municipality is a party;

(ii) a partnership; or

[~~(ii)~~] (iii) a joint venture; or

(d) by contract, resale, or otherwise.

Section 8. Section **10-18-202** is amended to read:

10-18-202 . Required steps before a municipality may provide broadband, cable

television, or public telecommunications services.

Before a municipality may engage or offer to engage in an activity described in Subsection 10-18-201(1), the legislative body of the municipality shall:

- (1) hold a preliminary public hearing;
- (2) if the legislative body elects to proceed after holding the preliminary public hearing required by Subsection (1), approve the hiring of a feasibility consultant to conduct a feasibility study in accordance with Section 10-18-203;
- (3) determine whether under the feasibility study conducted under Section 10-18-203, the average annual revenues under Subsection 10-18-203(2)(f) exceed the average annual costs under Subsection 10-18-203(2)(e) by at least the amount necessary to meet the bond obligations of any bonds issued to fund the proposed broadband service, cable television [services] service, or public telecommunications [services] service:
 - (a) based on the feasibility study's analysis:
 - (i) for the first year of the study; and
 - (ii) the five-year projection; and
 - (b) separately stated with respect to:
 - (i) the proposed broadband service;
 - [(i)] (ii) the proposed cable television [services] service; or
 - [(ii)] (iii) the proposed public telecommunications [services] service;
- (4) if the conditions of Subsection (3) are met, hold the public hearings required by Section 10-18-203; and
- (5) after holding the public hearings required by Section 10-18-203, if the legislative body of the municipality elects to proceed, adopt by resolution the feasibility study.

Section 9. Section **10-18-203** is amended to read:

10-18-203 . Feasibility study on providing broadband, cable television, or public telecommunications services -- Public hearings -- Notice.

- (1) If a feasibility consultant is hired under Section 10-18-202, the legislative body of the municipality shall require the feasibility consultant to:
 - (a) complete the feasibility study in accordance with this section;
 - (b) submit to the legislative body by no later than 180 days from the date the feasibility consultant is hired to conduct the feasibility study:
 - (i) the full written results of the feasibility study; and
 - (ii) a summary of the results that is no longer than one page in length; and
 - (c) attend the public hearings described in Subsection (4) to:

- 468 (i) present the feasibility study results; and
469 (ii) respond to questions from the public.
- 470 (2) The feasibility study described in Subsection (1) shall at a minimum consider:
- 471 ~~[(a)(i) if the municipality is proposing to provide cable television services to~~
472 ~~subscribers, whether the municipality providing cable television services in the~~
473 ~~manner proposed by the municipality will hinder or advance competition for cable~~
474 ~~television services in the municipality; or]~~
475 ~~[(ii) if the municipality is proposing to provide public telecommunications services to~~
476 ~~subscribers, whether the municipality providing public telecommunications~~
477 ~~services in the manner proposed by the municipality will hinder or advance~~
478 ~~competition for public telecommunications services in the municipality;]~~
- 479 (a) whether the municipality providing a broadband service, a cable television service, or
480 a public telecommunications service in the manner proposed by the municipality will
481 hinder or advance competition for the same service in the municipality;
- 482 (b) whether but for the municipality any person would provide the proposed:
- 483 (i) broadband service;
- 484 ~~[(i)]~~ (ii) cable television [services] service; or
- 485 ~~[(ii)]~~ (iii) public telecommunications [services] service;
- 486 (c) the fiscal impact on the municipality of:
- 487 (i) the capital investment in facilities that will be used to provide the proposed:
- 488 (A) broadband service;
- 489 ~~[(A)]~~ (B) cable television [services] service; or
- 490 ~~[(B)]~~ (C) public telecommunications [services] service; and
- 491 (ii) the expenditure of funds for labor, financing, and administering the proposed:
- 492 (A) broadband service;
- 493 ~~[(A)]~~ (B) cable television [services] service; or
- 494 ~~[(B)]~~ (C) public telecommunications [services] service;
- 495 (d) the projected growth in demand in the municipality for the proposed:
- 496 (i) broadband service;
- 497 ~~[(i)]~~ (ii) cable television [services] service; or
- 498 ~~[(ii)]~~ (iii) public telecommunications [services] service;
- 499 (e) the projections~~[-at]~~ , from the time of the feasibility study~~[-and]~~ , for the next ~~[five]~~ 10
500 years, of a full-cost accounting for a municipality to purchase, lease, construct,
501 maintain, or operate the facilities necessary to provide the proposed:

- (i) broadband service;
 [(†)] (ii) cable television [~~services~~] service; or
 [(††)] (iii) public telecommunications [~~services~~] service; and
 (f) the projections~~[-at]~~ , from the time of the feasibility study~~[-and]~~ , for the next [~~five~~] 10
 years of the revenues to be generated from the proposed:

- (i) broadband service;
 [(†)] (ii) cable television [~~services~~] service; or
 [(††)] (iii) public telecommunications [~~services~~] service.

(3) For purposes of the financial projections required under Subsections (2)(e) and (f), the feasibility consultant shall assume that the municipality will price the proposed broadband service, cable television [~~services~~] service, or public telecommunications [~~services~~] service consistent with Subsection [~~10-18-303(5)~~] 10-18-303(7).

(4) If the results of the feasibility study satisfy the revenue requirement of Subsection 10-18-202(3), the legislative body, at the next regular meeting after the legislative body receives the results of the feasibility study, shall schedule at least two public hearings to be held:

- (a) within [~~60~~] 90 days after the day of the meeting at which the public hearings are scheduled;
 (b) at least [~~seven days~~] three weeks apart; and
 (c) for the purpose of allowing:
 (i) the feasibility consultant to present the results of the feasibility study; and
 (ii) the public to:
 (A) become informed about the feasibility study results; and
 (B) ask questions of the feasibility consultant about the results of the feasibility study.

(5) The municipality shall provide notice of the public hearings required under Subsection (4) for the municipality, as a class A notice under Section 63G-30-102, for at least three weeks before the day on which the first public hearing required under Subsection (4) is held.

Section 10. Section **10-18-204** is amended to read:

10-18-204 . Vote permissible -- Referendum.

(1)(a)[(†)] A legislative body [-]of a municipality may, [-]by a majority vote, call an election on whether the municipality shall provide a proposed:

- (i) broadband service;

- 536 ~~[(A)]~~ (ii) cable television ~~[services]~~ service; or
- 537 ~~[(B)]~~ (iii) public telecommunications ~~[services]~~ service.
- 538 ~~[(ii)]~~ (b) A municipal legislative body that, before July 1, 2016, approves the provision of
- 539 public telecommunications service facilities may, by a majority vote, call an election
- 540 on whether the municipality shall provide proposed public telecommunications
- 541 service facilities.
- 542 ~~[(b)]~~ (c) If under Subsection (1)(a) the legislative body calls an election, the election shall
- 543 be held:
- 544 (i)(A) at the next municipal general election; or
- 545 (B) as provided in Subsection 20A-1-203(1), at a local special election the
- 546 purpose of which is authorized by this section; and
- 547 (ii) in accordance with Title 20A, Election Code, except as provided in this section.
- 548 ~~[(e)]~~ (d)(i) The notice of ~~[the]~~ an election ~~[-]called under Subsection ~~[(1)(a)(i)]~~ (1)(a)~~
- 549 shall include with any other information required by law:
- 550 (A) a summary of the broadband service, cable television ~~[services]~~ service, or
- 551 public telecommunications ~~[services]~~ service that the legislative body of the
- 552 municipality proposes to provide to subscribers residing within the boundaries
- 553 of the municipality;
- 554 (B) the feasibility study summary under Section 10-18-203;
- 555 (C) a statement that a full copy of the feasibility study is available for inspection
- 556 and copying;~~[-and]~~
- 557 (D) the location in the municipality where the feasibility study may be inspected
- 558 or copied~~[-]~~ ; and
- 559 (E) a hyperlink on the municipality's website where the feasibility study may be
- 560 accessed.
- 561 (ii) The notice of an election called under Subsection ~~[(1)(a)(ii)]~~ (1)(b) shall include a
- 562 summary prepared by the municipality describing the proposed~~[-public]~~
- 563 communications service ~~[facilities]~~ facility.
- 564 ~~[(d)]~~ (e)(i) For an election called under Subsection ~~[(1)(a)(i)]~~ (1)(a), the ballot for ~~[-]the~~ election
- 565 shall pose the question substantially as follows:
- 566 "Shall the [name of the municipality] provide [broadband service, cable television
- 567 service, or public telecommunications service] to the inhabitants of the [municipality]?".
- 568 (ii) For an election called under Subsection ~~[(1)(a)(ii)]~~ (1)(b), the ballot for the election shall
- 569 pose the question substantially as follows:

"Shall the [name of the municipality] provide [~~public telecommunications~~] a communications service [facilities] facility within [name of the municipality] by [brief description of the method or means and financing terms, including total principal and interest costs, by which the [~~public~~] communications service [facilities] facility will be provided]?".

~~[(e)]~~ (f) The ballot proposition may not take effect until submitted to the electors and approved by the majority of those voting on the ballot.

(2) In accordance with Title 20A, Chapter 7, Issues Submitted to the Voters, a municipal legislative body's action to have the municipality [-]over which the legislative body presides[-] provide a broadband service, cable television [services] service, or public telecommunications [~~services~~] service is subject to local referenda.

(3)(a) The results of an election called under Subsection ~~[(1)(a)(ii)]~~ (1)(b) are not binding and do not:

(i) require the municipality that called the election to take, or refrain from taking, any action; or

(ii) limit the municipality that called the election from taking any action authorized under Section 10-8-14 or 10-18-105.

(b) An election called under Subsection ~~[(1)(a)(ii)]~~ (1)(b) does not exempt a municipality from the applicable requirements of this [~~Title 10, Chapter 18, Municipal Cable Television and Public Telecommunications Services Act~~] chapter.

Section 11. Section **10-18-301** is amended to read:

10-18-301 . Enterprise funds for broadband, cable television, or public telecommunications services.

(1) A municipality that provides a broadband service, a cable television service, or a public telecommunications service under this chapter:

(a) shall establish [~~an~~] separate enterprise [~~fund~~] funds to account for the municipality's operations of a broadband service, cable television service, or public telecommunications service;

(b) may fund the services through:

(i) revenues earned from operation of the broadband, cable television, or public telecommunications service; or

(ii) revenue bonds or government obligation bonds authorized in Section 10-18-302;

~~[(b)]~~ (c) may, for accounting purposes only, [~~may~~]account for [~~its~~] the municipality's broadband services, cable television services, and [~~its~~]public telecommunications services in a single enterprise fund under Chapter 6, Uniform Fiscal Procedures Act

for Utah Cities;

~~[(e)]~~ ~~(d)~~ shall, consistent with the requirements of Section 10-6-135, adopt separate operating and capital budgets for the municipality's:

~~(i)~~ broadband services;

~~[(+)]~~ ~~(ii)~~ cable television services; and

~~[(+)]~~ ~~(iii)~~ public telecommunications services;

~~[(+)]~~ ~~(e)~~ may not transfer any appropriation or other balance in any enterprise fund

established by the municipality under this section to another enterprise fund;~~[-and]~~

~~[(e)]~~ ~~(f)~~ may not transfer any appropriation or other balance in any other enterprise fund

established by the municipality under Chapter 6, Uniform Fiscal Procedures Act for

Utah Cities, to any enterprise fund established by the municipality under this section~~[-]~~ ;

~~(g)~~ shall maintain separation between the municipality's role as a competitive provider of

a broadband service, cable television service, or public telecommunications service,

and the municipality's role as a regulator over private providers that offer a service in

competition with the service offered by the municipality, including with respect to

the personnel, real property, operational capabilities, and other resources between

these separate functions; and

~~(h)~~ may not share any non-public information between employees or contractors

responsible for executing the municipality's role as a competitive provider of a

broadband service, cable television service, or public telecommunications service,

and employees or contractors responsible for executing the municipality's role as a

regulator over private providers that offer a service in competition with a service

offered by the municipality.

- (2) The restrictions on transfers described in Subsections ~~[(+)]~~~~(d)~~ ~~(1)~~~~(e)~~ and ~~[(e)]~~ ~~(f)~~ do not apply to transfers made by a municipality between other enterprise funds established by the municipality.

Section 12. Section **10-18-302** is amended to read:

10-18-302 . Bonding authority.

- (1) In accordance with Title 11, Chapter 14, Local Government Bonding Act, the legislative body of a municipality may by resolution determine to issue one or more revenue bonds or general obligation bonds to finance the capital costs for facilities necessary to provide to subscribers:

~~(a)~~ a broadband service;

~~[(a)]~~ ~~(b)~~ a cable television service; or

638 ~~[(b)]~~ (c) a public telecommunications service.

639 (2) The resolution described in Subsection (1) shall:

640 (a) describe the purpose for which the indebtedness is to be created; and

641 (b) specify the dollar amount of the one or more bonds proposed to be issued.

642 (3)(a) A revenue bond issued under this section shall be secured and paid for:

643 (i) from the revenues generated by the municipality from providing:

644 (A) subject to Subsection (4), a broadband service, if the revenue bond is issued to
 645 finance a facility for that broadband service;

646 ~~[(A)]~~ (B) a cable television [services with respect to revenue bonds] service, if the
 647 revenue bond is issued to finance [facilities] a facility for [the municipality's] that
 648 cable television [services] service; and

649 ~~[(B)]~~ (C) a public telecommunications [services with respect to revenue bonds]
 650 service, if the revenue bond is issued to finance [facilities] a facility for [the
 651 municipality's] that public telecommunications [services] service; and

652 (ii) notwithstanding Subsection (3)(b) and Subsection ~~[10-18-303(3)(a)]~~
 653 10-18-303(5)(a), and subject to the requirements of Subsection (5), from revenues
 654 generated under Title 59, Chapter 12, Sales and Use Tax Act[-if:] .

655 ~~[(A) notwithstanding Subsection 11-14-201(3) and except as provided in~~
 656 ~~Subsections (4) and (5), the revenue bond is approved by the registered voters~~
 657 ~~in an election held:]~~

658 ~~[(I) except as provided in Subsection (3)(a)(ii)(A)(II), pursuant to the~~
 659 ~~provisions of Title 11, Chapter 14, Local Government Bonding Act, that~~
 660 ~~govern bond elections; and]~~

661 ~~[(H) notwithstanding Subsection 11-14-203(2), at a regular general election;]~~

662 ~~[(B) the revenues described in this Subsection (3)(a)(ii) are pledged as security for~~
 663 ~~the revenue bond; and]~~

664 ~~[(C) the municipality or municipalities annually appropriate the revenues~~
 665 ~~described in this Subsection (3)(a)(ii) to secure and pay the revenue bond~~
 666 ~~issued under this section.]~~

667 (b) Except as provided in Subsection (3)(a)(ii), a municipality may not pay the
 668 origination, financing, or other carrying costs associated with ~~[the]~~one or more
 669 revenue bonds issued under this section from the ~~[town or city, respectively,]~~
 670 municipality's general funds or other enterprise funds[-of the municipality].

671 (4) A municipality may only issue a revenue bond described in Subsection (3)(a)(i)(A) if

672 the legislative body of the municipality obtains the approval of registered voters at an
673 election held in accordance with Title 11, Chapter 14, Local Government Bonding Act.

674 (5) A municipality may only issue a revenue bond described in Subsection (3)(a)(ii) if:

675 (a) notwithstanding Subsection 11-14-201(3) and except as provided in Subsection (6),
676 the revenue bond is approved by the registered voters in an election held:

677 (i) except as provided in Subsection (5)(a)(ii), pursuant to the provisions of Title 11,
678 Chapter 14, Local Government Bonding Act, that govern bond elections; and

679 (ii) notwithstanding Subsection 11-14-203(2), at a regular general election;

680 (b) the revenues described in Subsection (3)(a)(ii) are pledged as security for the revenue
681 bond; and

682 (c) the municipality annually appropriates the revenues described in Subsection (3)(a)(ii)
683 to secure and pay the revenue bond issued under this section.

684 [(4)(a) As used in this Subsection (4), "municipal entity" means an entity created
685 pursuant to an agreement:]

686 [(i) under Title 11, Chapter 13, Interlocal Cooperation Act; and]

687 [(ii) to which a municipality is a party.]

688 [(b) The requirements of Subsection (3)(a)(ii)(A) do not apply to a municipality or
689 municipal entity that issues revenue bonds, or to a municipality that is a member of a
690 municipal entity that issues revenue bonds, if:]

691 [(i) on or before March 2, 2004, the municipality that is issuing revenue bonds or that
692 is a member of a municipal entity that is issuing revenue bonds has published the
693 first notice described in Subsection (4)(b)(iii);]

694 [(ii) on or before April 15, 2004, the municipality that is issuing revenue bonds or
695 that is a member of a municipal entity that is issuing revenue bonds makes the
696 decision to pledge the revenues described in Subsection (3)(a)(ii) as security for
697 the revenue bonds described in this Subsection (4)(b)(ii);]

698 [(iii)(A) the municipality that is issuing the revenue bonds or the municipality
699 that is a member of the municipal entity that is issuing the revenue bonds has
700 held a public hearing for which public notice was given by publication of the
701 notice for the municipality, as a class A notice under Section 63G-30-102, for
702 two weeks before the day of the public hearing; and]

703 [(B) the notice identifies:]

704 [(I) that the notice is given pursuant to Title 11, Chapter 14, Local Government
705 Bonding Act;]

706 ~~[(H) the purpose for the bonds to be issued;]~~
 707 ~~[(H) the maximum amount of the revenues described in Subsection (3)(a)(ii)~~
 708 ~~that will be pledged in any fiscal year;]~~
 709 ~~[(IV) the maximum number of years that the pledge will be in effect; and]~~
 710 ~~[(V) the time, place, and location for the public hearing;]~~
 711 ~~[(iv) the municipal entity that issues revenue bonds:]~~
 712 ~~[(A) adopts a final financing plan; and]~~
 713 ~~[(B) in accordance with Title 63G, Chapter 2, Government Records Access and~~
 714 ~~Management Act, makes available to the public at the time the municipal entity~~
 715 ~~adopts the final financing plan:]~~
 716 ~~[(I) the final financing plan; and]~~
 717 ~~[(H) all contracts entered into by the municipal entity, except as protected by~~
 718 ~~Title 63G, Chapter 2, Government Records Access and Management Act;]~~
 719 ~~[(v) any municipality that is a member of a municipal entity described in Subsection~~
 720 ~~(4)(b)(iv):]~~
 721 ~~[(A) not less than 30 calendar days after the municipal entity complies with~~
 722 ~~Subsection (4)(b)(iv)(B), holds a final public hearing;]~~
 723 ~~[(B) provides notice, at the time the municipality schedules the final public~~
 724 ~~hearing, to any person who has provided to the municipality a written request~~
 725 ~~for notice; and]~~
 726 ~~[(C) makes all reasonable efforts to provide fair opportunity for oral testimony by~~
 727 ~~all interested parties; and]~~
 728 ~~[(vi) except with respect to a municipality that issued bonds prior to March 1, 2004,~~
 729 ~~not more than 50% of the average annual debt service of all revenue bonds~~
 730 ~~described in this section to provide service throughout the municipality or~~
 731 ~~municipal entity may be paid from the revenues described in Subsection (3)(a)(ii).]~~
 732 ~~[(5)]~~ (6) ~~[On or after July 1, 2007, the requirements of Subsection (3)(a)(ii)(A) do]~~ The voter
 733 approval requirement described in Subsection (5) does not apply to a municipality that
 734 issues a revenue [bonds] bond described in Subsection (3)(a)(ii), if:
 735 (a) the bond is issued to finance a cable television service or a public
 736 telecommunications service;
 737 ~~[(a)]~~ (b)(i) the municipality that is issuing the revenue ~~[bonds has held]~~ bond holds a
 738 public hearing for which public notice was given by publication of the notice for
 739 the municipality, as a class A notice under Section 63G-30-102, for 14 days

before the day of the public hearing; and

(ii) the notice identifies:

(A) that the notice is given pursuant to Title 11, Chapter 14, Local Government

Bonding Act;

(B) the purpose for the ~~[bonds]~~ bond to be issued;

(C) the maximum amount of the revenues described in Subsection (3)(a)(ii) that will be pledged in any fiscal year;

(D) the maximum number of years that the pledge will be in effect; and

(E) the time, place, and location for the public hearing; and

~~[(b)] (c) [except with respect to a municipality that issued bonds prior to March 1, 2004,]~~

not more than 50% of the average annual debt service of all revenue bonds described

in this section to provide service throughout the municipality or municipal entity may

be paid from the revenues described in Subsection (3)(a)(ii).

~~[(6)] (7)~~ A municipality that issues ~~[bonds]~~ a bond pursuant to this section may not make or grant any undue or unreasonable preference or advantage to ~~[itself]~~ the municipality or to any private provider of:

~~(a) a broadband service;~~

~~[(a)] (b)~~ a cable television [services] service; or

~~[(b)] (c)~~ a public telecommunications [services] service.

(8) A municipality that issues a bond pursuant to this section shall timely disclose to the general public all matters material to the municipality's issuance of a bond to fund the service, including:

(a) debt service delinquencies and defaults;

(b) non-payment covenant defaults;

(c) unscheduled reserve fund draws;

(d) adverse tax opinions;

(e) credit rating changes;

(f) bond calls;

(g) tender offers; and

(h) private debt placements.

Section 13. Section **10-18-303** is amended to read:

10-18-303 . General operating limitations -- Notice of change to price list.

[~~A municipality that provides a cable television service or a public~~

~~telecommunications service under this chapter is subject to the operating limitations of this~~

section.]

(1) A municipality that provides a broadband service, a cable television service, or a public telecommunications service under this chapter is subject to the operating limitations of this section.

(2) A municipality that provides a broadband service shall comply with:

(a) the Communications Act of 1934, as amended; and

(b) the regulations issued by the Federal Communications Commission under the Communications Act of 1934, as amended.

~~[(1)]~~ (3) A municipality that provides a cable television service shall comply with:

(a) the Cable Communications Policy Act of 1984, 47 U.S.C. 521, et seq.; and

(b) the regulations issued by the Federal Communications Commission under the Cable Communications Policy Act of 1984, 47 U.S.C. 521, et seq.

~~[(2)]~~ (4) A municipality that provides a public telecommunications service shall comply with:

(a) the ~~[Telecommunications Act of 1996, Pub. L. 104-104]~~ Communications Act of 1934, as amended;

(b) the regulations issued by the Federal Communications Commission under the ~~[Telecommunications Act of 1996, Pub. L. 104-104]~~ Communications Act of 1934, as amended;

(c) Section 54-8b-2.2 relating to:

(i) the interconnection of essential facilities; and

(ii) the purchase and sale of essential services; and

(d) the rules made by the Public Service Commission of Utah under Section 54-8b-2.2.

~~[(3)]~~ (5) A municipality may not cross subsidize ~~[its]~~ a broadband service, cable television ~~[services]~~ service, or ~~[its-]~~public telecommunications ~~[services]~~ service with:

(a) tax dollars;

(b) income from other municipal or utility services;

(c) below-market rate loans from the municipality; or

(d) any other means.

~~[(4)]~~ (6)(a) A municipality may not make or grant any undue or unreasonable preference or advantage to ~~[itself]~~ the municipality or to any private provider of:

(i) a broadband service;

~~[(i)]~~ (ii) a cable television ~~[services]~~ service; or

~~[(ii)]~~ (iii) a public telecommunications ~~[services]~~ service.

(b) A municipality shall apply, without discrimination as to ~~[itself and to any]~~ the municipality or a private provider, the municipality's ordinances, rules, ~~[and]~~ policies, and practices, including those relating to:

(i) obligation to serve;

(ii) access to and use of public rights of way;

(iii) access to and use of municipally owned or controlled conduit, towers, and utility poles;

~~[(iii)]~~ (iv) permitting;

~~[(iv)]~~ (v) performance bonding;

~~[(v)]~~ (vi) reporting;~~[-and]~~

~~[(vi)]~~ (vii) quality of service; and

(viii) administration of or participation in federal, state, or local funding opportunities for broadband deployment.

(c) Subsections ~~[(4)(a)]~~ (6)(a) and (b) do not supersede the exception for a rural telephone company in ~~[Section 251 of the Telecommunications Act of 1996, Pub. L. 104-104]~~ 47 U.S.C. Sec. 251.

~~[(5)]~~ (7) In calculating the rates charged by a municipality for a broadband service, a cable television service, or a public telecommunications service, the municipality:

(a) shall include within its rates an amount equal to all taxes, fees, and other assessments that would be applicable to a similarly situated private provider of the same services, including:

(i) federal, state, and local taxes;

(ii) franchise fees;

(iii) permit fees;

(iv) pole attachment fees; and

(v) fees similar to those described in Subsections ~~[(5)(a)(i)]~~ (7)(a)(i) through (iv); and

(b) may not price ~~[any]~~ a broadband service, cable television service, or public telecommunications service at a level that is less than the sum of:

(i) the actual direct costs of providing the service;

(ii) the actual indirect costs of providing the service; and

(iii) the amount determined under Subsection ~~[(5)(a)]~~ (7)(a).

~~[(6)]~~ (8)(a) A municipality that provides a broadband service, cable television ~~[services]~~ service, or public telecommunications ~~[services]~~ service shall establish and maintain a comprehensive price list of all broadband services, cable television services, or public

telecommunications services offered by the municipality.

(b) The price list [~~required by~~] described in Subsection [~~(6)(a)~~] (8)(a) shall:

(i) include all terms and conditions relating to the municipality providing each broadband service, cable television service, or public telecommunications service offered by the municipality;

(ii) be posted on the Utah Public Notice Website created in Section 63A-16-601; and

(iii) be available for inspection:

(A) at a designated office of the municipality; and

(B) during normal business hours.

(c) At least five days before the date a change to a municipality's price list becomes effective, the municipality shall provide notice of the change:

(i) for the municipality, as a class A notice under Section 63G-30-102, for at least five days; and

(ii) to any other persons requesting notification of any changes to the municipality's price list.

(d) A municipality may not offer a broadband service, a cable television service, or a public telecommunications service except in accordance with the prices, terms, and conditions set forth in the municipality's price list.

[~~(7)~~] (9) A municipality may not offer to provide or provide a broadband service, cable television [~~services~~] service, or public telecommunications [~~services~~] service to a subscriber that does not reside within the geographic boundaries of the municipality.

[~~(8)~~] (10)(a) A municipality shall keep accurate books and records of the municipality's:

(i) broadband services;

[~~(i)~~] (ii) cable television services; and

[~~(ii)~~] (iii) public telecommunications services.

(b) The books and records required to be kept under Subsection [~~(8)(a)~~] (10)(a) are subject to legislative audit to verify the municipality's compliance with the requirements of this chapter including:

(i) pricing;

(ii) recordkeeping; and

(iii) antidiscrimination.

(11)(a) A municipality shall annually produce a report of the municipality's provision of broadband services, cable television services, and public telecommunications services.

- (b) The report described in Subsection (11)(a) shall include, for each broadband service, cable television service, or public telecommunications service provided by the municipality:
- (i) the price list described in Subsection (8) that is effective at the time of the report;
 - (ii) the number of households and businesses within the coverage area of the municipality's network;
 - (iii) the number of subscribers to the service, including net additions or losses, for the prior fiscal year;
 - (iv) the revenues generated from the service for the prior fiscal year;
 - (v) a full-cost accounting for the prior fiscal year regarding:
 - (A) the municipality's purchase, lease, construction, maintenance, and operation of the facilities necessary to provide the service; and
 - (B) the municipality's expenditure of funds for labor, financing, and administering the service;
 - (vi) the projected growth in demand in the municipality for the service for the next 10 years;
 - (vii) the projections, from the time of the report for the next 10 years, of a full-cost accounting for a municipality to purchase, lease, construct, maintain, or operate the facilities necessary to provide the service;
 - (viii) the projections, from the time of the report for the next 10 years, of the revenues to be generated from the service;
 - (ix) with respect to the information described in Subsections (11)(b)(iv) through (viii), a comparison to the results of the feasibility study for the service adopted by the municipality under Section 10-18-202;
 - (x) a determination as to whether the revenues described in Subsection (11)(b)(iv) exceed the costs described in Subsection (11)(b)(v) by the amount necessary to meet the bond obligations of any bonds issued to fund the service; and
 - (xi) a disclosure of events in the prior fiscal year that are material to the municipality's issuance of bonds to fund the service, including:
 - (A) debt service delinquencies and defaults;
 - (B) non-payment covenant defaults;
 - (C) unscheduled reserve fund draws;
 - (D) adverse tax opinions;
 - (E) credit rating changes;

- 910 (F) bond calls;
 911 (G) tender offers; and
 912 (H) private debt placements.
- 913 (c) The report shall be submitted to the legislative body of the municipality before
 914 October 1 of each year with a summary of the report findings that is no longer than
 915 one page in length.
- 916 (d) At the next regular meeting after the legislative body of the municipality receives the
 917 report, the legislative body shall schedule a public hearing to be held within 30 days
 918 after the day of the meeting at which the public hearing is scheduled, for the purpose
 919 of allowing:
- 920 (i) the municipality's staff to present the report; and
 921 (ii) the public to become informed and ask questions about the report findings.
- 922 (e) The municipality shall provide notice of the public hearing described in Subsection
 923 (11)(d) for the municipality, as a class A notice under Section 63G-30-102, for at
 924 least two weeks before the day on which the public hearing is held.
- 925 (f) After the public hearing described in Subsection (11)(d), the legislative body of the
 926 municipality shall:
- 927 (i) adopt by resolution the report described in Subsection (11)(a); and
 928 (ii) make the report available for inspection at a designated office of the municipality
 929 during normal business hours and via hyperlink on the municipality's website.
- 930 ~~[(9)]~~ (12) A municipality may not receive distributions from the Universal Public
 931 Telecommunications Service Support Fund established in Section 54-8b-15.
- 932 Section 14. Section **10-18-304** is amended to read:
- 933 **10-18-304 . Eminent domain.**
- 934 A municipality may not exercise [its] the municipality's power of eminent domain to
 935 condemn the plant [and] or equipment of a private provider for the purpose of providing to a
 936 subscriber:
- 937 (1) a broadband service;
 938 ~~[(4)]~~ (2) a cable television service; or
 939 ~~[(2)]~~ (3) a public telecommunications service.
- 940 Section 15. Section **10-18-305** is amended to read:
- 941 **10-18-305 . Quality of service standards.**
- 942 (1) A municipality that provides a broadband service, a cable television service, or a public
 943 telecommunications service shall adopt an ordinance governing the quality of service the

municipality shall provide to [its] the municipality's subscribers.

(2) The legislative body of the municipality shall ensure that the ordinance [required by]
described in Subsection (1)[shall]:

(a) [be] is competitively neutral; and

(b) [contain] contains standards that are substantially similar to the standards imposed on
private providers operating within the geographic boundaries of the municipality
under:

(i) the Cable Communications Policy Act of 1984, 47 U.S.C. 521, et seq.;

(ii) the [Telecommunications Act of 1996, Pub. L. 104-104] Communications Act of
1934, as amended;

(iii) Title 54, Public Utilities;

(iv) regulations issued by the Federal Communications Commission under the
statutes listed in Subsections (2)(b)(i) and (ii); and

(v) rules made by the Public Service Commission of Utah under Title 54, Public
Utilities.

Section 16. Section **10-18-306** is amended to read:

10-18-306 . Enforcement and appeal.

(1) Before a person that is or is likely to have a substantial interest affected by a
municipality's violation of this chapter may file an action in district court for violation of
this chapter, that person shall file a written complaint with the municipality in
accordance with this section.

(2)(a) A municipality that provides a broadband service, a cable television service, or a
public telecommunications service shall enact an ordinance establishing a procedure
for the filing and resolution of complaints relating to the municipality providing:

(i) a broadband service;

(ii) a cable television service; or

[~~(ii)~~] (iii) a public telecommunications service.

(b) The procedure [required by] described in Subsection (2)(a) shall:

(i) permit any person described in Subsection (1) to file a complaint including:

(A) an individual subscriber; or

(B) a private provider that competes with the municipality in the geographic
boundaries of the municipality;

(ii) establish an expedited process that requires, within 45 days after the date the
complaint is filed, the municipality to:

- 978 (A) ~~[that]~~ hold a hearing ~~[be held]~~ on the complaint, unless the parties to the
979 proceeding waive the requirement of a hearing; and
980 (B) ~~[the issuance of]~~ issue a final decision on the complaint; and
981 (iii) provide that failure to render a decision within the time ~~[allotted]~~ required shall
982 be treated as an adverse decision for purposes of appeal.
983 (3) Appeal of an adverse decision from the municipality may be taken to the district court
984 for a de novo proceeding.

985 Section 17. Section **11-13-201** is amended to read:

986 **11-13-201 . Joint exercise of power, privilege, or authority by public agencies --**
987 **Relationship to the Municipal Cable Television and Communications Services Act.**

- 988 (1)(a) Any power, privilege, or authority exercised or capable of exercise by a Utah
989 public agency may be exercised and enjoyed jointly with any other Utah public
990 agency having the same power, privilege, or authority, in a manner consistent with
991 the provisions of this chapter, and jointly with any out-of-state public agency to the
992 extent that the laws governing the out-of-state public agency permit such joint
993 exercise or enjoyment.
994 (b) Any agency of the state government when acting jointly with any public agency may
995 exercise and enjoy all of the powers, privileges, and authority conferred by this
996 chapter upon a public agency.
997 (2) This chapter ~~[may]~~ does not enlarge or expand the authority of a public agency not
998 authorized to offer ~~[and]~~ or provide a broadband service, a cable television [services and]
999 service, or a public telecommunications [services] service under ~~[Title 10, Chapter 18,~~
1000 ~~Municipal Cable Television and Public Telecommunications Services Act]~~ Title 10,
1001 Chapter 18, Municipal Cable Television and Communications Services Act, to offer or
1002 provide a broadband service, a cable television [services and] service, or a public
1003 telecommunications [services] service.

1004 Section 18. Section **20A-1-203** is amended to read:

1005 **20A-1-203 . Calling and purpose of special elections -- Two-thirds vote**
1006 **limitations.**

- 1007 (1) Statewide and local special elections may be held for any purpose authorized by law.
1008 (2)(a) Statewide special elections shall be conducted using the procedure for regular
1009 general elections.
1010 (b) Except as otherwise provided in this title, local special elections shall be conducted
1011 using the procedures for regular municipal elections.

- 1012 (3) The governor may call a statewide special election by issuing an executive order that
1013 designates:
- 1014 (a) the date for the statewide special election; and
1015 (b) the purpose for the statewide special election.
- 1016 (4) The Legislature may call a statewide special election by passing a joint or concurrent
1017 resolution that designates:
- 1018 (a) the date for the statewide special election; and
1019 (b) the purpose for the statewide special election.
- 1020 (5)(a) The legislative body of a local political subdivision may call a local special
1021 election only for:
- 1022 (i) a vote on a bond or debt issue;
1023 (ii) a vote on a voted local levy authorized by Section 53F-8-402 or 53F-8-301;
1024 (iii) an initiative authorized by Chapter 7, Part 5, Local Initiatives - Procedures;
1025 (iv) a referendum authorized by Chapter 7, Part 6, Local Referenda - Procedures;
1026 (v) if required or authorized by federal law, a vote to determine whether Utah's legal
1027 boundaries should be changed;
1028 (vi) a vote authorized or required by Title 59, Chapter 12, Sales and Use Tax Act;
1029 (vii) a vote on a municipality providing a broadband service, a cable television [
1030 services] service, or a public telecommunications [services] service under Section
1031 10-18-204;
1032 (viii) a vote to create a new county under Section 17-3-1;
1033 (ix) a vote on a special property tax under Section 53F-8-402; or
1034 (x) a vote on the incorporation of a municipality in accordance with Section
1035 10-2a-210.
- 1036 (b) The legislative body of a local political subdivision may call a local special election
1037 by adopting an ordinance or resolution that designates:
- 1038 (i) the date for the local special election as authorized by Section 20A-1-204; and
1039 (ii) the purpose for the local special election.
- 1040 (c) A local political subdivision may not call a local special election unless the ordinance
1041 or resolution calling a local special election under Subsection (5)(b) is adopted by a
1042 two-thirds majority of all members of the legislative body, if the local special
1043 election is for:
- 1044 (i) a vote on a bond or debt issue as described in Subsection (5)(a)(i);
1045 (ii) a vote on a voted leeway or levy program as described in Subsection (5)(a)(ii); or

1046 (iii) a vote authorized or required for a sales tax issue as described in Subsection
1047 (5)(a)(vi).

1048 Section 19. **Effective Date.**

1049 This bill takes effect on May 7, 2025.