

Senator John W. Hickman proposes the following substitute bill:

TELECOMMUNICATIONS AMENDMENTS

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: John W. Hickman

LONG TITLE

General Description:

This bill modifies the Municipal Cable Television and Public Telecommunications Service Act.

Highlighted Provisions:

This bill:

- ▶ requires a municipality or an interlocal entity under certain circumstances to comply with specified provisions of the Municipal Cable Television and Public Telecommunications Service Act; and

- ▶ modifies certain bonding requirements in the Municipal Cable Television and Public Telecommunications Service Act.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-18-105, as enacted by Chapter 83, Laws of Utah 2001

10-18-302, as enacted by Chapter 83, Laws of Utah 2001



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

27 Section 1. Section **10-18-105** is amended to read:

28 **10-18-105. Scope of chapter.**

29 (1) Nothing in this chapter authorizes any county or other political subdivision of this
30 state to:

31 (a) provide:

32 (i) a cable television service; or

33 (ii) a public telecommunications service; or

34 (b) purchase, lease, construct, maintain, or operate a facility for the purpose of
35 providing:

36 (i) a cable television service; or

37 (ii) a public telecommunications service.

38 (2) ~~[Nothing in]~~ Except as provided in Subsection (3), this chapter [applies] does not
39 apply to a municipality purchasing, leasing, constructing, or equipping facilities:

40 (a) that are designed to provide services within the municipality; and

41 (b) that the municipality:

42 (i) uses for internal municipal government purposes; or

43 (ii) by written contract, leases, sells capacity in, or grants other similar rights to a
44 private provider to use the facilities in connection with a private provider offering:

45 (A) cable television services; or

46 (B) public telecommunications services.

47 (3) (a) As used in this Subsection (3), "municipal entity" means:

48 (i) a municipality; or

49 (ii) an entity created pursuant to an agreement:

50 (A) under Title 11, Chapter 13, Interlocal Cooperation Act; and

51 (B) to which a municipality is a party.

52 (b) Notwithstanding Subsection (2), a municipal entity shall comply with Subsection
53 (3)(c) if the municipal entity purchases, leases, constructs, or equips facilities that the
54 municipal entity by written contract leases, sells capacity in, or grants other similar rights to a
55 private provider to use the facilities in connection with a private provider offering:

56 (i) cable television services; or

57 (ii) public telecommunications services.

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

61 (i) Section 10-18-302; and

62 (ii) Subsections 10-18-303(3) and (4).

63 Section 2. Section **10-18-302** is amended to read:

64 **10-18-302. Bonding authority.**

65 (1) [~~The~~] In accordance with Title 11, Chapter 14, Utah Municipal Bond Act, the
66 legislative body of a municipality may by resolution determine to issue one or more revenue
67 bonds or general obligation bonds to finance the capital costs for facilities necessary to provide
68 to subscribers:

69 (a) a cable television service; or

70 (b) a public telecommunications service.

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

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

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

74 (3) (a) A revenue bond issued under this section shall be secured and paid for solely
75 from the revenues generated by the municipality from providing:

76 (i) cable television services with respect to revenue bonds issued to finance facilities
77 for the municipality's cable television services; and

78 (ii) public telecommunications services with respect to revenue bonds issued to finance
79 facilities for the municipality's public telecommunications services.

80 (b) A municipality may not pay the origination, financing, or other carrying costs
81 associated with the one or more revenue bonds issued under this section from the general funds
82 or other enterprise funds of the municipality.

Legislative Review Note

as of 2-9-04 11:02 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel