**A** **BILL**

TO AMEND SECTION 58‑12‑330, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CABLE TELEVISION FRANCHISE FEES, SO AS TO REDUCE THE MAXIMUM FRANCHISE FEE PAYABLE UNDER A STATE‑ISSUED CERTIFICATE OF FRANCHISE AUTHORITY FROM FIVE PERCENT OF GROSS REVENUES TO THREE PERCENT OF GROSS REVENUES.

Whereas, technological advances in the deployment of various means of wired and wireless communications has advanced so that services that were formerly separate and not competitive are becoming more competitive; and

Whereas, the technological advances that are allowing increased competition among providers of wired and wireless communications services are beneficial to the people of the State of South Carolina by enhancing the level and availability of services that are offered in this State; and

Whereas, the General Assembly has determined that it is appropriate to review the existing fees that are charged in this State for the use by communications providers of public property or rights of way in order to move toward a more equitable fee structure among competing providers of communications services. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 58‑12‑330(A) of the 1976 Code is amended to read:

“(A) Except as otherwise provided in Section 58‑12‑310, the holder of a state‑issued certificate of franchise authority must pay a municipality or county a franchise fee equal to a specified percentage of the holder’s gross revenues received from (1) the provision of cable or video service to subscribers located within the municipality or unincorporated areas of the county, and (2) from advertising and home shopping services as allocated under subsection (B) below. The specified percentage, hereafter referred to as the ‘state‑issued certificate holder’s franchise fee rate’, must not exceed the lesser of the incumbent cable service provider’s franchise fee rate imposed by the municipality or county, if any, or ~~five~~ three percent of the holder’s gross revenues as defined in this article. No change to the franchise fee set forth in a state‑issued certificate of franchise authority is effective earlier than forty‑five days after the Secretary of State provides the holder of the state‑issued certificate of franchise authority written notice of the change.”

SECTION 2. This act takes effect upon approval by the Governor.

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