

2026 Regular Session

SENATE BILL NO. 209

BY SENATOR MYERS

TELECOMMUNICATIONS. Provides relative to the Local Government Fair Competition Act. (8/1/26)

1 AN ACT
2 To amend and reenact R.S. 45:844.42(7), 844.45(B), 844.47, 844.52(C), and 844.53(2)
3 through (4), to enact R.S. 45:844.42(8) through (18), and to repeal R.S. 45:844.53(5)
4 and 844.55(D), relative to telecommunications; to provide for legislative findings;
5 to provide for definitions; to provide limitations for providing certain cable
6 television, telecommunications, and advanced services; to provide for bonding
7 authority; to provide for general operating limitations; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 45:844.42(7), 844.45(B), 844.47, 844.52(C), and 844.53(2) through
11 (4) are hereby amended and reenacted and R.S. 45:844.42(8) through (18) are hereby
12 enacted to read as follows:

13 §844.42. Legislative findings and declarations of intent

14 The legislature finds and declares that it is the policy of this state:

15 * * *

16 (7) To ensure that when a local government provides to its inhabitants cable
17 television services, telecommunications services or advanced services, or any

1 combination thereof, it will not be precluded from engaging in "bundling" those
2 services ~~or engaging in any other lawful business practice that its private-sector~~
3 competitors are legally permitted to engage in.

4 (8) To ensure that when a local government provides to its inhabitants
5 cable television services, telecommunications services, or advanced services, or
6 any combination thereof, it shall not be precluded from engaging in any other
7 lawful business practice that its private sector competitors are legally permitted
8 to engage in.

9 (9) To promote reliable and effective interoperability between local
10 public safety and national communications networks.

11 (10) To ensure that local governments establish basic and reliable
12 communications among state and local law enforcement and emergency
13 agencies.

14 (11) To ensure that local governments provide effective access to
15 important safety and other information during times of emergency.

16 (12) To ensure that individuals are able to access necessary information
17 as easily as possible so they can make appropriate, important, or necessary
18 personal and business decisions.

19 (13) To foster commerce, education, public safety, and economic
20 development through the development and expansion of broadband services.

21 (14) To foster development and expansion of broadband services to
22 unserved and underserved communities in the state.

23 (15) To foster opportunities for local governments to receive or
24 participate in grant programs for the purpose of broadband development and
25 expansion.

26 (16) To enable governmental entities to freely develop and implement
27 broadband projects with each other.

28 (17) To enable governmental entities to freely develop and implement
29 broadband projects for any purpose consistent with an authorized function of

1 the local government.

2 (18) To enable local governments in the state to be more competitive with
3 local governments in other states in the areas of education and economic
4 development.

5 * * *

6 §844.45. Scope of Chapter

7 * * *

8 B. Nothing in this Chapter shall apply to a local government purchasing,
9 leasing, constructing, **operating,** or equipping facilities:

10 (1) ~~That are designed to provide services within the city or parish or both.~~

11 ~~(2) That the local government~~ **government uses for internal local**
12 **government purposes. For the purposes of this Paragraph, "internal local**
13 **government purposes" shall mean any of the following:**

14 (a) ~~Uses for internal local governmental purposes~~ **Any purpose consistent**
15 **with an authorized function of the local government.**

16 (b) ~~By written contract, leases, sells capacity in, or grants other similar rights~~
17 ~~to a private provider to use the facilities in connection with a private provider~~
18 ~~offering a covered service~~ **Any use of the facilities by a department, division,**
19 **agency, or other operational unit of the local government.**

20 (c) **Any use of the facilities by another local government or by the state**
21 **or federal government.**

22 (2) **To provide covered services to unserved or underserved areas as**
23 **defined by 47 U.S.C. §1702, as amended and as amended hereafter.**

24 (3) **Through a partnership, joint venture, or cooperative endeavor**
25 **agreement with a public or private entity for the purchasing, leasing,**
26 **constructing, operating, or equipping of broadband facilities or services.**

27 (4) **Funded in whole or in part by any grant program of the state or**
28 **federal government, established for the development or expansion of broadband**
29 **service, including but not limited to GUMBO 1.0, GUMBO 2.0, GUMBO 3.0,**

1 GUMBO 4.0; the Broadband Equity, Access, and Deployment (BEAD)
2 Program, the Rural eConnectivity (ReConnect) Program, the Broadband
3 Infrastructure Program, the Enabling Middle Mile Broadband Infrastructure
4 Program, the Digital Equity Competitive Grant Program, the Connecting
5 Minority Communities Pilot Program, the Community Connect Grant
6 Program, and the Distance Learning and Telemedicine Grant Program.

7 (5) For the purposes of fostering commerce, education, public safety, or
8 economic development, in whole or part.

9 (6) That the local government, by written contract, leases, sells capacity
10 in, or grants other similar rights to a private provider to use the facilities in
11 connection with a private provider offering a covered service.

12 * * *

13 §844.47. Limitations on providing cable television and telecommunications and
14 advanced services

15 ~~A.~~ Except as provided in this Chapter, a local government may not:

16 (1) Provide to one or more subscribers a covered service.

17 (2) For the purpose of providing a covered service to one or more subscribers,
18 purchase, lease, construct, maintain, or operate any facility.

19 ~~B. For purposes of this Chapter, a local government provides a covered~~
20 ~~service if the local government provides the service:~~

21 ~~(1) Directly or indirectly, including through an authority or instrumentality~~
22 ~~acting on behalf of the local government or for the benefit of the local government.~~

23 ~~(2) By itself.~~

24 ~~(3) Through a partnership or joint venture.~~

25 ~~(4) By contract, resale, or otherwise.~~

26 * * *

27 §844.52. Bonding authority

28 * * *

29 C.(1) ~~A bond issued under this Section shall be secured and paid for solely~~

1 from the revenues generated by the local government from providing the covered
2 services:

3 (2) A local government may not pay the origination, financing, or other
4 carrying costs associated with the one or more bonds issued under this Section from
5 the general funds or other enterprise funds of the local government. Nothing in this
6 Section shall preclude a local government from using the general funds or other
7 enterprise funds to advance funds for the feasibility study prescribed under R.S.
8 45:844.49 or for start-up costs for the proposed venture, provided that any such funds
9 advanced are repaid by the enterprise fund established under R.S. 45:844.51 at
10 interest rates and on terms and conditions available to private enterprises in the open
11 market.

12 (3) Nothing in this Chapter shall preclude a local government that owns and
13 operates electric, water, gas, sewer and other utilities from pledging the resources of
14 such utilities to obtain the best available interest rates, terms and conditions for the
15 bonds necessary to finance the facilities used to provide the proposed covered
16 services.

17 (4)(2) Nothing under this Section provides a local governing authority
18 bonding authority in addition to that provided under existing state law.

19 §844.53. General operating limitations

20 * * *

21 (2)(a) A local government may not cross-subsidize its covered services with
22 tax dollars, income from other local government or utility services, below-market
23 rate loans from the local government or any other means.

24 (3)(a) A local government may not make or grant any undue or unreasonable
25 preference or advantage to itself or to any private provider of covered services.

26 (b) A local government shall apply without discrimination as to itself and to
27 any private provider the local government's ordinances, rules, and policies, including
28 those relating to obligation to serve, access to public rights of way, permitting,
29 performance bonding, reporting, and quality of service.

1 ~~(4)~~**(3)** In calculating the rates charged by a local government for a covered
2 service, the local government:

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

6 ~~(i) Federal, state, and local taxes; provided that, for income taxes, the imputed~~
7 ~~rate shall be the lowest rate that any private provider of covered service actually pays~~
8 ~~for the year prior to the year at issue, as the Louisiana Public Service Commission~~
9 ~~determines from data available to it, or zero percent, whichever is higher.~~

10 ~~(ii) Franchise fees.~~

11 ~~(iii) Permit fees.~~

12 ~~(iv) Pole attachment fees.~~

13 ~~(v) Fees similar to those described in this Subparagraph.~~

14 ~~(b) Shall receive a credit for all payments in lieu of taxes that it pays to the~~
15 ~~local government on revenues from the provision of the covered services.~~

16 ~~(c) May may bundle one or more covered services and offer promotional~~
17 ~~discounts or engage in other business practices on the same terms and conditions as~~
18 ~~federal and state law, including applicable rules of the Louisiana Public Service~~
19 ~~Commission, permit similarly situated private providers to bundle covered services;~~
20 ~~provided, however, that the local government shall establish its prices for covered~~
21 ~~services at levels that will, in the aggregate, over the useful life of the facilities used~~
22 ~~to provide such services, recover the sum of:~~

23 ~~(i) The actual direct costs of providing the service.~~

24 ~~(ii) The actual indirect costs of providing the service.~~

25 ~~(iii) The amount determined under Subparagraph (4)(a); provided further that~~
26 ~~the local government's useful life of the facilities shall be substantially similar to the~~
27 ~~average life of the facilities used by private providers to provide covered services.~~

28 Nothing in this Subparagraph shall authorize local governments to engage in cross-
29 subsidizations prohibited by this Chapter or other pricing in violation of federal or

- 1 state law, including rules of the Louisiana Public Service Commission.
- 2 ~~(5)~~**(4)** A local government that provides covered services shall keep separate
- 3 and accurate books and records of the local government's covered services, ~~and they~~
- 4 ~~shall be made available for audits of such books and records as set forth in R.S.~~
- 5 ~~45:844.55(D).~~
- 6 Section 2. R.S. 45:844.53(5) and 844.55(D) are hereby repealed.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

DIGEST

SB 209 Original 2026 Regular Session Myers

Present law creates the "Local Government Fair Competition Act" and declares the legislative intent regarding a local government's decision to provide cable television services, telecommunications, or advanced services to its inhabitants.

Present law defines "covered services" to mean telecommunications services, advanced services, and cable television services individually or collectively, and regardless of technology used to provide these services.

Proposed law retains present law and further provides and declares that the intent of the legislature is as follows:

- (1) To ensure that when a local government provides covered services, it shall not be precluded from engaging in any other lawful business practice that its private sector competitors are legally permitted to engage in.
- (2) To promote reliable and effective interoperability between local public safety communications systems and national communications networks.
- (3) To ensure that local governments establish and maintain basic and reliable communications among state and local law enforcement and emergency agencies.
- (4) To ensure that local government provide effective access to important safety and other information during times of emergency.
- (5) To ensure that individuals are able to access necessary information as easily as possible so they can make appropriate, important, or necessary personal and business decisions.
- (6) To foster the development and expansion of broadband through commerce, education, public safety, and economic development.
- (7) To foster development and expansion of broadband services to unserved and underserved communities throughout the state.
- (8) To foster opportunities for local governments receive or participate in grant programs for the purposes of broadband and development.

- (9) To enable governmental entities to collaborate in developing and implementing broadband projects, including broadband projects for any purpose consistent with an authorized function of local government.
- (10) To enable local governments in the state to be more competitive with local governments in other states, in areas of education and economic development.

Present law does not authorize any parish, municipality, or other political subdivision to provide a cable television or a telecommunications or advanced service, or purchase, lease, construct or equip facilities for the purpose of providing cable television or telecommunications or advanced services.

Present law does not apply to a local governmental entity that purchases, leases, constructs, or equips a facility that is designed to provided services within the city or parish and which is used by the local government or is used by a private provider.

Proposed law retains present law except provides that applicability of present law does not apply to local government purchasing, leasing, constructing, operating, or equipping facilities:

- (1) That the local government uses for internal local purposes.
- (2) To provide covered services to unserved or underserved areas as defined by federal law.
- (3) Through a partnership, joint venture, or cooperative endeavor agreement with a public or private entity for the purchasing, leasing, constructing, operating, or equipping of broadband facilities or services.
- (4) Funded in whole or in part by any grant program of the state or federal government, established for the development or expansion of broadband services.
- (5) For fostering commerce, education, public safety, or economic development.
- (6) That the local government leases, sells capacity in, or grants rights to a private provider to use the facilities in connection with a private provider offering a covered service.

Present law provides that a local government may not provide to one or more subscribers a covered service and for purpose of providing a covered service to one or more subscribers, a local government may not purchase, lease, construct, maintain, or operate any facility.

Present law allows a local government to provide a covered service if it is provided directly or indirectly, including through an authority or instrumentality acting on behalf of the local government or for the benefit of the local government, by itself through a partnership or joint venture or by contract, resale, or otherwise.

Proposed law retains present law except removes the ability for a local government to provide a covered services directly or indirectly, including through an authority or instrumentality acting on behalf of the local government or for the benefit of the local government, by itself through a partnership or joint venture or by contract, resale, or otherwise.

Present law provides that a bond issued under present law shall be secured and paid for by revenues generated by the local government from providing the covered service. Further prohibits a local government from paying the origination, financing, or other carrying costs associated with bonds issued from the general funds or other enterprise funds of the local government. Allows a local government from using the general funds or other enterprise

funds to advance funds for the feasibility study or start-up costs for the proposed venture.

Proposed law removes present law as it relates to revenues generated by local government and general funds or other enterprise funds used to advance funds for the feasibility study or start-up cost for proposed ventures.

Present law does not preclude local government that owns and operates electric, water, gas, sewer and other utilities from pledging the resources of such utilities to obtain the best available interest rates, terms and conditions for the bonds necessary to finance the facilities used to provide the proposed covered services. Further provides that nothing in present law provides a local governing authority bonding authority.

Proposed law retains present law.

Present law imposes certain general operating limitations on a local government which provides cable television or telecommunications or advanced services, including but not limited to prohibiting cross-subsidizing covered services with tax dollars, income from local utility services, and below-market rate loans from local government or any other means, compliance with certain federal, state, and local statutes, prohibitions regarding certain preferences, calculations of rates that may be charged by the local government regarding the services offered, and other similar operational requirements which must be met by the local government.

Proposed law clarifies present law and provides in calculating the rates charged by a local government for a covered service, the local government may bundle one or more covered services and offer promotional discounts or engage in other business practices on the same terms and conditions as federal and state law, including applicable rules of the La. Public Service Commission, permit similarly situated private providers to bundle covered services.

Present law requires the La. Public Service Commission to adopt and enforce cost allocation and affiliate transaction rules for all covered services and for the protection of commercially sensitive marketing information disclosed by local government.

Present law requires the La. Public Service Commission to conduct audits of a local government's compliance with the cost allocation and affiliate transaction rules.

Proposed law removes the authority of the La. Public Service Commission in present law to adopt cost allocation and affiliate transaction rules and conduct audits on a local government providing covered service.

Effective August 1, 2026.

(Amends R.S. 45:844.42(7), 844.45(B), 844.47, 844.52(C), and 844.53(2)-(4); adds R.S. 45:844.42(8)-(18); and repeals R.S. 45:844.53(5) and 844.55(D))