

SENATE BILL NO. 273

BY SENATOR PEACOCK

1 AN ACT

2 To amend and reenact R.S.33:4401 and to enact R.S. 33:4361(C) and R.S. 45:853, relative
3 to franchise fees and similar charges of political subdivisions on certain public
4 utilities; to provide for proper notice and explanation of such fees on billing
5 statements sent to ratepayers within the political subdivision; and to provide for
6 related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 33:4401 is hereby amended and reenacted and R.S. 33:4361(C) is
9 hereby enacted to read as follows:

10 §4361. Police jury may grant franchise for use of streets, roads and alleys outside
11 municipalities

12 * * *

13 C. Notwithstanding any law, rule, regulation, or order to the contrary,
14 on or after January 1, 2013, the Louisiana Public Service Commission may
15 require that whenever a parish governing authority imposes a franchise fee
16 upon a public utility which the utility collects or recovers from the utility's
17 consumers, the utility's monthly billing statement shall specifically and clearly
18 include a separate line item for the applicable franchise fee, with the name of
19 the parish imposing the fee, the total amount or rate of the franchise fee, and
20 the total amount of the billing attributable to the fee.

21 * * *

22 §4401. Granting franchise to use streets for telephone, telegraph, electric light, water
23 and gas system

24 A. The governing authorities of all municipalities may grant a franchise to
25 any person to use and occupy the streets, alleys, and public places therein, and to
26 obstruct the same or any part thereof, by constructing, maintaining, and operating (1)

poles, wires, and appurtenances for telephone, telegraph, and electric transmission and distribution systems and (2) pipelines, mains for a water or gas transportation and distribution system. These franchises shall not be exclusive, nor be for a longer period than sixty years and shall be subject to any terms, conditions and stipulations prescribed by the governing authorities of the municipalities. This section shall not apply to municipalities which are required under the provisions of their charter to hold referendum elections to grant or lease franchises.

B. Notwithstanding any law, rule, regulation, or order to the contrary, on or after January 1, 2013, the Louisiana Public Service Commission may require that whenever a municipality imposes a franchise fee upon a public utility which the utility collects or recovers from the utility's consumers, the utility's monthly billing statement shall specifically and clearly include a separate line item for the applicable franchise fee, with the name of the municipality imposing the fee, the total amount or rate of the franchise fee, and the total amount of the billing attributable to the fee.

Section 2. R.S. 45:853 is hereby enacted to read as follows:

§853. Proper notice and explanation of franchise fees

Notwithstanding any law, rule, regulation, or order to the contrary, on or after January 1, 2013, the Louisiana Public Service Commission may require that whenever a political subdivision imposes a franchise fee upon a public utility which the utility collects or recovers from the utility's consumers, the utility's monthly billing statement shall specifically and clearly include a separate line item for the applicable franchise fee, with the name of the political subdivision imposing the fee, the total amount or rate of the franchise fee, and the total amount of the billing attributable to the fee.

Section 3. The Louisiana Public Service Commission is hereby urged and requested to study, including holding public hearings as deemed necessary, requiring public utilities to specifically and clearly include in the monthly billing statements issued to its consumers a separate line item for any applicable franchise fee, containing the name of the political subdivision imposing the fee, the total amount or rate of the franchise fee, and the total

1 amount of the billing attributable to the fee. The commission shall report its findings to the
2 legislature on or before February 1, 2013.

3 Section 4. This Act shall become effective upon signature by the governor or, if not
4 signed by the governor, upon expiration of the time for bills to become law without signature
5 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
6 vetoed by the governor and subsequently approved by the legislature, this Act shall become
7 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____