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STATE OF MAINE

HOUSE OF REPRESENTATIVES

130TH LEGISLATURE

FIRST SPECIAL SESSION

HOUSE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 676, L.D. 920, “An Act To Promote Oversight of and Competitive Parity among Video Service Providers”

Amend the amendment on page 1 by inserting after paragraph H the following:

'Amend the bill by striking out all of section 7 and inserting the following:

'Sec. 7. 30-A MRSA §3008, sub-§3, ¶C, as amended by PL 2007, c. 548, §1, is further amended to read:

C. Neither the cable system operator video service provider whose facilities are used to transmit a program produced by a person other than that operator provider, under Federal Communications Commission regulations or municipal ordinance, nor the officers, directors or employees of any such cable system operator that provider are liable for damages arising from any obscene or defamatory statements or actions or invasion of privacy occurring during any program when that cable system operator provider does not originate or produce the program.'"

Amend the amendment in in section 9 in paragraph G in the 3rd and 4th lines (page 2, lines 3 and 4 in amendment) by striking out the following: "public, educational and governmental transmission facility equipment used for the management" and inserting the following: 'facility support equipment used for the management or delivery to the video service provider'

Amend the amendment on page 3 by striking out all of the last indented paragraph (page 3, line 37 in amendment).

Amend the amendment by striking out all of sections 29 and 30 (page 3, lines 38 to 43 and page 4, lines 1 to 22 in amendment).

Amend the amendment on page 4 by striking out all of the 2nd occurrence of section 30 (page 4, lines 24 to 43 and page 5 lines 1 to 26 in amendment) and inserting the following:

'Sec. 30. 35-A MRSA §116, as amended by PL 2019, c. 226, §1 and c. 298, §2, is further amended to read:

§116. Funding of the commission

Page 1 - 130LR0463(03)
1. Entities subject to assessments. Every transmission and distribution, gas, telephone and water utility, video service provider and ferry subject to regulation by the commission and every qualified telecommunications provider is subject to an assessment on its intrastate gross operating revenues to produce sufficient revenue for expenditures allocated by the Legislature for the Public Utilities Commission Regulatory Fund established pursuant to this section. The budget for the Public Utilities Commission Regulatory Fund is subject to legislative review and approval in accordance with subsection 2. The portion of the total assessment applicable to each category of public utility, video service provider or qualified telecommunications provider is based on an accounting by the commission of the portion of the commission's resources devoted to matters related to each category. The commission shall develop a reasonable and practicable method of accounting for resources devoted by the commission to matters related to each category of public utility, video service provider or qualified telecommunications provider. Assessments on each public utility or qualified telecommunications provider within each category must be based on the utility's, video service provider's or qualified telecommunications provider's gross intrastate operating revenues. The commission shall determine the assessments annually prior to May 1st and assess each utility, video service provider or qualified telecommunications provider for its pro rata share for expenditure during the fiscal year beginning July 1st. Each utility, video service provider or qualified telecommunications provider shall pay the assessment charged to the utility, video service provider or qualified telecommunications provider on or before July 1st of each year. Any increase in the assessment that becomes effective subsequent to May 1st may be billed on the effective date of the act authorizing the increase.

A. The assessments charged to utilities, video service providers and qualified telecommunications providers under this section are just and reasonable operating costs for rate-making purposes.

B. For the purposes of this section, "intrastate gross operating revenues" means:

(1) In the case of all utilities except telephone utilities, revenues derived from filed rates except revenues derived from sales for resale;

(2) In the case of a telephone utility, all intrastate revenues, except revenues derived from sales for resale, whether or not the rates from which those revenues are derived are required to be filed pursuant to this Title; and

(3) In the case of a video service provider or a qualified telecommunications provider, all intrastate revenues except revenues derived from sales for resale.

C. Gas utilities subject to the jurisdiction of the commission solely with respect to safety are not subject to any assessment.

D. The commission may correct any errors in the assessments by means of a credit or debit to the following year's assessment rather than reassessing all utilities, video service providers or qualified telecommunications providers in the current year.

E. The commission may exempt utilities, video service providers or qualified telecommunications providers with annual intrastate gross operating revenues under $50,000 from assessments under this section.
For purposes of this section, "video service provider" has the same meaning as in Title 30-A, section 3008, subsection 1-A, paragraph H and "qualified telecommunications provider" means a provider of interconnected voice over Internet protocol service that paid any assessment under this subsection, whether voluntarily, by agreement with the commission or otherwise, prior to March 1, 2012.

2. Committee recommendations; legislative approval of budget. The commission shall submit its budget recommendations, using a zero-based budgeting process or other process or method directed by the State Budget Officer, as part of the unified current services budget legislation in accordance with Title 5, sections 1663 to 1666. The commission shall make a presentation of its budget recommendations contained in any current services budget legislation and any supplemental budget legislation to the joint standing committee of the Legislature having jurisdiction over public utilities matters. The joint standing committee of the Legislature having jurisdiction over public utilities matters shall review the commission's recommendations and make recommendations to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs regarding the budget of the commission, including but not limited to all expenditures from the fund established pursuant to this section. The commission shall make an annual report in accordance with section 120 of its planned expenditures for the year and on its use of funds in the previous year. In addition to the assessments authorized under this section, the commission may also receive other funds as appropriated or allocated by the Legislature.

3. Deposit of funds. All revenues derived from assessments levied against utilities, video service providers or qualified telecommunications providers described in this section must be deposited with the Treasurer of State in a separate account to be known as the Public Utilities Commission Regulatory Fund.

4. Use of funds. The Public Utilities Commission may use the revenues provided in accordance with this section to defray the costs incurred by the commission pursuant to this Title, including administrative expenses, general regulatory expenses, consulting fees and all other reasonable costs incurred to administer this Title.

5. Unexpended funds. Any amount of the funds that is not expended at the end of a fiscal year does not lapse, but is carried forward to be expended for the purposes specified in this section in succeeding fiscal years.

8. Public Advocate assessment. Every utility or qualified telecommunications provider subject to assessment under this section is subject to an additional annual assessment on its intrastate gross operating revenues to produce sufficient revenue for expenditures allocated by the Legislature for operating the Office of the Public Advocate. The portion of this assessment applicable to each category of public utility or qualified telecommunications provider is based on an accounting by the Public Advocate of resources devoted to matters related to each category. The Public Advocate shall develop a reasonable and practicable method of accounting for resources devoted by the Public Advocate to matters related to each category of public utility or qualified telecommunications provider. Assessments on each public utility or qualified telecommunications provider within each category must be based on the utility's or qualified telecommunications provider's gross intrastate operating revenues. The revenues produced from this assessment are transferred to the Public Advocate Regulatory Fund and may only be used to fulfill the duties specified in chapter 17. The assessments charged to
utilities and qualified telecommunications providers under this subsection are considered just and reasonable operating costs for rate-making purposes. The Public Advocate shall develop a method of accounting for staff time within the Office of the Public Advocate. All professional and support staff shall account for their time in such a way as to identify the percentage of time devoted to public utility and qualified telecommunications provider regulation and the percentage of time devoted to other duties that may be required by law.

A. The Public Advocate shall submit its budget recommendations, using a zero-based budgeting process or other process or method directed by the State Budget Officer, as part of the unified current services budget legislation in accordance with Title 5, sections 1663 to 1666. The assessments and expenditures provided in this section are subject to legislative approval. The Public Advocate shall make an annual report of its planned expenditures for the year and on its use of funds in the previous year. The Public Advocate may also receive other funds as appropriated by the Legislature.

B. The Public Advocate may use the revenues provided in accordance with this section to fund the Public Advocate and 10 employees and to defray the costs incurred by the Public Advocate pursuant to this Title, including administrative expenses, general expenses, consulting fees and all other reasonable costs incurred to administer this Title.

C-1. Funds that are not expended at the end of a fiscal year do not lapse but must be carried forward to be expended for the purposes specified in this section in succeeding fiscal years.

9. **Public Advocate special assessment.** Each investor-owned transmission and distribution utility subject to assessment under this section is subject to an additional annual assessment on its intrastate gross operating revenues to produce sufficient revenue for expenditures of the Office of the Public Advocate for contracted services and administrative costs associated with the nonwires alternative coordinator pursuant to section 1701, subsection 2-A. Revenue produced from the assessments must be deposited in the Public Advocate Regulatory Fund and used only for purposes specified in this subsection.'

Amend the amendment by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

This amendment makes the following changes to the committee amendment.

1. It removes the changes to the bill made by the committee amendment that define "video service provider" as a public utility under the Maine Revised Statutes, Title 35-A but retains, with certain technical clarifications, the changes authorizing the Public Utilities Commission to offset its oversight and enforcement costs related to video service providers through an assessment on the intrastate gross operating revenues of video service providers in the same manner that the commission requires the payment of such assessments by public utilities.

2. It clarifies the responsibility of a video service provider with respect to the costs associated with public, educational and governmental facility equipment.
HOUSE AMENDMENT “ ” to COMMITTEE AMENDMENT “A” to H.P. 676, L.D. 920

3. It makes a technical correction to a provision in the bill relating to liability of certain entities with respect to obscene or defamatory statements or actions or invasion of privacy occurring during any program.

SPONSORED BY: ___________________________________

(Representative KESSLER, C.)

TOWN: South Portland