

2011 -- S 0514

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS - FRANCHISES

Introduced By: Senators Pichardo, Jabour, Ciccone, Metts, and Perry

Date Introduced: March 10, 2011

Referred To: Senate Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 39-17-2 and 39-17-3 of the General Laws in Chapter 39-17
2 entitled "Franchises" are hereby amended to read as follows:

3 **39-17-2. Purposes for which permitted -- Duration -- Protection of existing**
4 **businesses -- Landowner's rights. --** Any grants, whether by ordinance or by contract, may
5 confer upon any corporation created by the general assembly for the purpose of distributing
6 water, or for the purpose of producing, selling, and distributing currents of electricity ~~to be used~~
7 ~~for light, heat, or motive power~~, or for the purpose of manufacturing, selling, and distributing
8 illuminating or heating gas, or for the purpose of operating street railways by any motive power,
9 or for the purpose of ~~operating~~ telephones, telecommunications and related services, and
10 providing cable or satellite services; the ~~exclusive~~ right, ~~for a time not exceeding twenty five (25)~~
11 ~~years~~, to erect, lay, construct, and maintain for the purposes for which the corporation is created,
12 poles, wires, pipes, conduits, rails, or cables, with necessary and convenient appurtenances as
13 may be required for the conduct of the business of the corporation, in, over, or under the streets of
14 the town or city; provided, however, that no grant of ~~exclusive~~ rights or franchises for any of the
15 purposes described in this section shall be made by any city or town where, at the time a
16 corporation created for the same purpose, or a person duly authorized by law to use the streets for
17 such purpose, shall be in actual use and enjoyment of the rights, except to the corporation or
18 person already carrying on business in the city or town; and provided, further, that whenever in
19 any city or town more than one corporation shall at the time be in actual use and enjoyment of

1 portions of the streets and highways for any of the purposes described in this section, no
2 ~~exclusive~~ right or franchise shall be granted to either without the consent of the other; and
3 provided, further, that no grant shall prevent any town or city from permitting any person or
4 corporation to use streets or highways for any of the purposes described in this section in order to
5 connect and serve any two (2) or more estates owned by the person or corporation.

6 **39-17-3. Franchise tax payable to city or town.** -- Every corporation which shall accept
7 ~~exclusive~~ rights or franchises granted by ordinance or contract under the provisions of this
8 chapter, shall make and render to the treasurer of the town or city granting the same, on or before
9 the thirtieth day of January, April, July, and October in every year, returns, verified by the oath of
10 its president or treasurer, of the gross earnings of the corporation within the town or city for the
11 period of three (3) months next preceding the first day of January, April, July, and October in the
12 same year, and shall at the time pay to the town or city treasurer, in full payment for the rights
13 and franchises granted under this chapter, a special tax upon the gross earnings at a rate not
14 exceeding three percent (3%) upon the gross earnings of the corporation within the town or city in
15 that year.

16 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would permit cities and towns to grant non-exclusive franchise rights to
- 2 telecommunications and cable services.
- 3 This act would take effect upon passage.

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