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Illinois Federal Court Joins Line of Decisions Rejecting Attempts to Impose Municipal Franchise Fees on Streaming TV Providers: Duane Morris

We [previously addressed](#) a recent series of cases across the country in which municipalities sought to impose franchise fees, like those that apply to cable TV, on streaming TV providers like Netflix and Hulu. The latest decision in this string was issued last week in the Eastern District of Illinois, *City of East St. Louis v. Netflix, Inc. et al.*, Case No. 3:21-CV-561 (S.D. Ill., Sept. 23, 2022). The judge dismissed a suit by the City of East St. Louis against streaming TV providers, finding that the Illinois Cable and Video Competition Law of 2007 (220 ILCS 5/21-100 et seq.), which requires video service providers to register with the state and pay service provider fees to local units of government, does not contain an express or implied right of action for local governments. Rather, it contains only an express right of action for the state attorney general. The court added that it would not make sense to leave enforcement to individual cities, since they may interpret and apply the law differently. The court also dismissed the City's claims for trespassing, unjust enrichment, and ordinance violations. It held that, under Illinois law, trespassing requires a physical act of entering or causing someone else to enter land owned by a third person, without permission, and that the transmission of video streaming services doesn't do that. Dismissal of the City's claims is in line with most decisions in other states, as discussed in our prior posts.

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