[Send this letter to the Governor.]

Dear Governor Evers,

I am writing to you today to urge you to veto budget Motion 50 (LRB 0155/P1) found in the Legislative Fiscal Bureau Comparative Summary of Budget Recommendations under Shared Revenue Tax Relief/Direct Aid Payments #9 on page 487. This provision lowers the amount of fees video service providers pay to municipalities for use of public rights-of-way through a stepped process and subsidizes the loss with taxpayer revenue. We urge you to pull it out of the budget for further consideration and debate.

Federal law allows cable television franchise fees (called video service provider fees in Wisconsin law) to be 5% of video gross revenues. This motion reduces a 5% fee to 4.5% in 2020 and 4.0% beginning in 2021. This would be a 20% loss to municipalities, except that for the next ten years, taxpayers will be paying the fees companies like Charter/Spectrum would otherwise be paying.

We believe this windfall to video service providers -- $6 million in 2020 and $12 million in the years after that -- merits much more attention than it has received. This budget provision is not going to benefit cable subscribers; cable rates are unregulated and companies will charge what the market will bear. It is not going to benefit the general taxpayer; we will now be paying a charge that would otherwise be paid by video service providers. It will not benefit municipalities; after ten years, they will receive 20% to 33% less revenue from this source depending on whether they currently collect a 5% or a 3% video service provider fee. It will not benefit PEG access channels; with with less revenue from video service providers, there will be less funding for these locally programmed cable channels, which provide an opportunity for local municipalities, counties, UW campuses, school districts and non-profit organizations to present programming of local interest on cable television systems and other video systems that would otherwise be closed to the public.

Please veto Motion 50 and allow Wisconsin residents and legislators time to debate whether or not it is in anyone’s interest to have taxpayers subsidize the fees cable companies should be paying and time to consider how video service providers should be improving the treatment of PEG access channels.

Thank you.