

Board of Directors

Testimony of Mary Cardona, Executive Director on need for State Aid to Cover VSP Fee Rate Reduction

Officers

Jake Timm President Oshkosh Media

Jeff Robbins Vice-President Sun Prairie Media Center

Dave Grooman Secretary Lake Mills Community & Government Television

Deb Brunett Treasurer Emeritus Member – Merrill Productions

Directors

Boyce Johnson Madison City Channel

Tom Loppnow City of Milwaukee

Tom Loucks Marshfield Media Access

Alan Luckett Janesville JATV

Will Nimmow Monona Community Media

Andy Radig Oshkosh Media

Lisa Wolf City of Columbus Media

Executive Director

Mary Cardona (608) 215-5594 exec@

wis consincommunity media.com

Joint Committee on Finance Virtual Public Hearing April 28, 2021

Thank you. My name is Mary Cardona. I am the executive director of Wisconsin Community Media. WCM represents the cities, schools and organizations that produce television programs about our communities that appear on cable and other media outlets.

I am here today to urge you to support a provision in the Governor's Budget that allocates sufficient state aid to fully implement State Statute 79.097. This statute was passed by the legislature in the last state budget. It reduced the fees cable companies pay to municipalities for the use of city rights-of-way and -- at the same time – it created a plan to use state aid to fully reimburse municipalities for the lost revenue.

In the last budget, \$5 million was allocated to cover municipal losses. This was enough to cover the losses in 2020. However, twice as much aid is needed in 2021. That's because the statute directs cable companies to pay an even lower fee percentage in 2021. For example if a fee was originally 5% it became 4.5% in 2020 and 4% in 2021.

To cover the second fee reduction, \$10 million is needed in state aid beginning in 2021. Section 501 in the Governor's Budget would simply make sure a sufficient amount of money is set aside in this budget -- and in future budgets -- to compensate municipalities for the fee reduction given to the cable industry.

533 city budgets have already been developed based on this promised aid. These cable company fees have long been used to fund the creation of local programming. Any reduction harms our ability to offer the resources needed to cover what is happening in our local communities – to serve non-profits, schools, the business community, cities and community members. I urge you to fully fund the state aid promised to municipalities in state law.

Thank you.