



"Leadership in Public School Governance"

JOHN H. ASHLEY, EXECUTIVE DIRECTOR

122 W. WASHINGTON AVENUE, MADISON, WI 53703  
PHONE: 608-257-2622 FAX: 608-257-8386

TO: Members, Joint Committee on Finance  
FROM: Dan Rossmiller, Legislative Services Director  
DATE: October 30, 2007  
RE: **Assembly Bill 207**, relating to regulation of cable television and video service providers

The Wisconsin Association of School Boards (WASB) **opposes** Assembly Bill 207, in its current form. While a number of positive amendments to the bill have been adopted, language to ensure the continued provision of service to schools has not been adopted. The WASB could support the bill if the changes described in this memo are made to the bill.

Currently, cable television operators enter into contracts or franchise agreements with all local municipalities in the cable provider's service area and pay franchise fees to those local municipalities. Generally, these municipal franchise agreements require the cable operator to provide channel capacity for a specified number of public, education or government (PEG) channels as well as no-cost connection and basic service to local public schools within the municipality.

2007 Assembly Bill 207 would end municipal franchising of cable television service and replace it with a state franchising process for video services offered by cable service providers and telecommunications providers. Municipal franchise agreements will be lost and funding for PEG channels will be phased out if this bill is enacted in its present form. As a result, school districts may lose the services and amenities they currently receive.

On behalf of school boards facing the loss of these services, the WASB advocates not only that these existing commitments should continue, but that any competing video service provider that enters the market should be required to provide the equivalent free drops and service as it builds out its video system. In an era of state-imposed revenue limits, these services to our schools would not be easily replaced if lost through the changeover to state regulation.

Passage of Assembly Bill 207 in its current form could have the following the negative consequences for schools:

- Community cable channels (PEG stations) would lose dedicated funding.
- Community cable channels would be delivered to homes with a severely diminished “YouTube-like” image size and quality.
- Students and adults would lose the learning and communication opportunities afforded by local access TV channels.
- Wisconsin schools would no longer receive cable TV service at no charge.
- Local towns, cities, schools and other tax-supported agencies would have little or no ability to ensure that citizens’ and consumers’ needs are addressed.

In its current form, Assembly Bill 207 would allow incumbent operators to stop paying PEG support fees required under existing local franchise agreements in three years or less and would permit no dedicated PEG fees for the support of local programming after that time. Further, existing and future in-kind and technical support for PEG channels is jeopardized because: a) no technical standards are established for video providers with respect to the quality of the PEG channel signal; and b) the use of advertising on PEG channels as a means of defraying the cost of local PEG programming is prohibited.

Legislation similar to AB 207 was enacted recently in Illinois that would eliminate or greatly diminish these problems. By adopting similar provisions, Wisconsin could join Illinois in starting a trend toward protecting consumers and supporting PEG channels.

It is our understanding that the new Illinois law includes language to address the public interest in continuation of PEG channels by:

- Mandating that PEG channels continue to receive the amount of financial support required under the existing local franchise agreement, regardless of whether the video provider continues with the local franchise or opts into a state franchise.
- Requiring providers to meet broadcast quality technical standards with respect to PEG channels.
- Requiring video providers to connect to all local programming and event origination points and to interconnect with each other if technically possible.

School boards that make video and audio feeds of their meetings available to the public via these access channels have an interest in ensuring these issues are addressed.

The WASB urges members of the committee to adopt amendments to address the concerns outlined in this memo. Thank you.