



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2007 Wisconsin Act 42
[2007 Assembly Bill 207]

**State Franchising of Video
Service Providers**

2007 Wisconsin Act 42 (the Act) replaces municipal franchising of cable television service with a streamlined state franchising process for video service offered by cable service providers and by telecommunications providers. Major provisions of the Act include the following:

- A person may not offer video service by a land-based technology (i.e., other than satellite) without a franchise issued by the Department of Financial Institutions (DFI). An incumbent cable service provider may continue operating under its existing municipal franchise until that franchise expires.
- A video service provider must provide all of the following to each municipality in which it offers video service:
 - A video service provider fee. The amount of the fee is, generally, the amount of any fee paid by an incumbent cable operator on the effective date, but not more than 5% of the video service provider's gross revenues generated in the municipality.
 - Capacity on the video service provider's system for the broadcast of public, educational, and governmental (PEG) channels. The number of channels that must be provided is, generally, the number of channels that an incumbent cable operator provides on the effective date.
 - If a municipality receives monetary support for PEG programming from an incumbent cable operator, the same obligation for a period of three years from the effective date.
- Municipalities may impose reasonable regulations, including reasonable fees, on the use of their public rights-of-way by video service providers, certain public utilities, and other entities that provide utility-type services. The Public Service Commission (PSC) must review a municipal regulation

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.

that an entity subject to the regulation believes is unreasonable, and void any regulation that it finds is unreasonable.

- The Act applies pre-existing cable service subscriber rights and privacy standards in state law to all video service providers and to satellite service providers.

- The Department of Agriculture, Trade, and Consumer Protection retains its current powers and duties for the setting and enforcement of video customer service standards; municipalities may enforce customer service standards under limited circumstances.

- A video service provider may not discriminate on the basis of income or race; a large telecommunications-based video service provider must meet certain standards for the proportion of a municipality's residents who have access to its system.

For a detailed description of the Act, see Legislative Council Information Memorandum, IM-2008-01, *The New Law Relating to State-Issued Franchises for Video Service Providers (2007 Wisconsin Act 42)*, dated January 15, 2008.

Effective Date: The Act takes effect on January 9, 2008.

Prepared by: David Lovell, Senior Analyst
John Stolzenberg, Chief of Research Services

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