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Details: Notes by the committee clerk

(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...  
PUBLIC HEARING - COMMITTEE RECORDS**

**2007-08**

(session year)

**Senate**

(Assembly, Senate or Joint)

**Committee on ... Commerce, Utilities, and Rail (SC-CUR)**

**COMMITTEE NOTICES ...**

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

**INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL**

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)  
(**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)  
(**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

# WISCONSIN STATE SENATE

VIDEO  
VOTES

SENATOR	PHONE	ROOM	STAFF
(12) BRESKE, Roger <i>y</i>	6-2500	316 S.	Susan Meinholz, Beth Pifouras, Adam Gallagher, Kevin Brady
(3) CARPENTER, Tim <i>y</i>	6-8530	306 S.	Stuart Ewy, Russell DeLong, Nathan Schwantes
(6) COGGS, Spencer <i>y</i>	6-2500	123 S.	David de Felice, Adam Plotkin, Jana Williams, David Weinglass
(2) COWLES, Robert	6-0484	319 S.	Roger Frings, Ryan Smith, Craig Summerfield
(8) DARLING, Alberta	6-5830	131 S.	David Volz, Connie Schulze, Jay Risch, Andrew Davis, John Hogan
(29) DECKER, Russ <i>y</i>	6-2502	122 S.	Barbara Worcester, Patrick Walsh, Linda Warren, Carrie Springer
(19) ELLIS, Michael G.	6-0718	7 S.	Lynn Nelson, Kurt Schultz, Kay Reetz, Michael Boerger
(27) ERPENBACH, Jon B.	6-6670	8 S.	Tryg Knutson, Kelly Johnson-Becker, Bridget Esser, Julie Laundrie, Robert Doeckel, Jr.
(13) FITZGERALD, Scott L.	6-5660	202 S.	Cindy Block, Mike Prentiss, Tad Ottman, Kimber Liedl, Ryan Murray, Keith Gilkes
(20) GROTHMAN, Glenn	6-7513	20 S.	Jim Emerson, Regina Kolbow, Jolene Churchill
(30) HANSEN, Dave <i>y</i>	6-5670	18 S.	Eric Genrich, Jessica Lundquist, John Wagnitz, Jay Wadd
(10) HARSDORF, Sheila	6-7745	108 S.	Jack Jablonski, Matt Woebke, David Fladeboe
(25) JAUCH, Bob	6-3510	118 S.	Daniel Kanninen, Katie Saarinen, Carrie Kahn, Liz Stephens
(33) KANAVAS, Ted	6-9174	106 S.	Shawn Lundie, W. Scott Nelson, Nathan Duerkop
(32) KAPANKE, Dan	6-5490	3 S.	Rose Smyrski, John Perlich, Andrew Gustafson
(11) KEDZIE, Neal	6-2635	126 S.	Dan Johnson, Matt Phillips, Michelle Hough
(23) KREITLOW, Pat	6-7511	10 S.	Jeff Buhrandt, Kathy Daggs, Matt Pagel, Charlie Saxler
(1) LASEE, Alan J.	6-3512	130 S.	Tom Van Ess, Jennifer Esser, Eric Esser
(24) LASSA, Julie	6-3123	323 S.	Jessica Ford Kelly, Monica Groves Batiza, Danielle Wilson, Ryan Supple
(28) LAZICH, Mary	6-5400	109 S.	Tricia Sieg, Kevin Fischer, Paul Beard
(21) LEHMAN, John W. <i>y</i>	6-1832	310 S.	Michael Browne, Sara Dauscher, Denise Stromme, Thomas Rylander
(9) LEIBHAM, Joseph	6-2056	5 S.	Greg Gasper, Cullen Werwie, Sean Stephenson
(16) MILLER, Mark	6-9170	409 S.	Jamie Kuhn, Becca Farley, Beth Bier, John Anderson, Zac Kramer
(14) OLSEN, Luther	6-0751	22 S.	Heather Smith, Mary Ellen Boario, Rebecca Hogan, Cory Bruce, Mary Pluta
(7) PLALE, Jeff <i>y</i>	6-7505	313 S.	Katy Venskus, Jennifer Oechsner, Mark Anderson, Amber Hodgson
(26) RISSER, Fred A.	6-1627	220 S.	Sarah Briganti, Dianne Cieslewicz, Terry Tuschen, Wes Webendorfer
(15) ROBSON, Judith B.	6-2253	211 S.	Kelley Flury, Justin Sargent, Nadine Gratz, Joshua Wescott, Andrew Engel, Joanna Beilman-Dulin, Helen Dicks, Summer Shannon-Bradley
(18) ROESSLER, Carol	6-5300	19 S.	Karen Asbjornson, Mike Wagner, Melissa Miller
(17) SCHULTZ, Dale W.	6-0703	127 S.	Eileen Schoenfeldt, Jonathan Klein, Tom Jackson
(5) SULLIVAN, Jim <i>y</i>	6-2512	15 S.	Lewis Rosser, Nicole Hudzinski, Kyle Leighton, Matt Swentkofske
(4) TAYLOR, Lena C. <i>y</i>	6-5810	415 S.	C. Michelle Bryant, Kory Kozloski, Alan Charles, Madu Enwemnwu, Eric Peterson
(31) VINEHOUT, Kathleen	6-8546	104 S.	Joel Nilsestuen, Linda Kleinschmidt, Darcy Haber
(22) WIRCH, Robert <i>y</i>	7-8979	317 E.	Pat Erickson, Jennifer Bishop, Paula McGuire, Michael Tierney

10 Dems  
25

Senate Chief Clerk's Office	6-2517	B20SE (C)	Robert J. Marchant	Tour Information	6-0382	(C)
Human Resources	4-8471	301 (RJC)	Joel Warnick	Capitol Police (Emergency)	6-7700	B2N (C)
Senate Office Accounts	6-2517	B20SE (C)	Moni Rohr	Police (Non-emergency)	6-8797	B2N (C)
Journal & Records	6-1803	B20SE (C)	Jeff Renk, Asst. Chief Clerk	Legislative Council	6-1304	4 <sup>th</sup> Fl (E)
Journal Clerk	6-1803	B20SE (C)	Rachel Veum	Legislative Fiscal Bureau	6-3847	3 <sup>rd</sup> Fl (E)
Citations and Flags	6-1803	B20SE (C)	Sarah Burhop	L R B (Bill Drafting)	6-3561	2 <sup>nd</sup> Fl (E)
Supplies, Equip. & Furniture	6-2517	B20SE (C)	Dennis Nelson	L R B (Reference & Documents)	6-0341	2 <sup>nd</sup> Fl (E)
Senate Printing/ Graphics	7-4356	B20SE (C)	Cindy Marecek, Gina Ward	Legislative Audit Bureau	6-2818	22 E. Mifflin
Web Page Design/GIS	7-4356	B20SE (C)	Mike Marquardt	Capitol Facilities Management	6-1485	119 RJC
Sergeant-at-Arms Office	6-1801	B35S (C)	Ted Blazel	Legislative Website:	<a href="http://www.legis.state.wi.us">www.legis.state.wi.us</a>	
Senate Scholar Program	6-2610	B35S (C)	Jacob Clark			
Photographer	1-9476	B7W (C)	Brent Nicastro			
Photographer	7-0897	B23W (C)	Jay Salvo			
Senate Mail	6-1006	B35S (C)	Charles Johnson			
Hearing Room Schedules	6-2506	B32S (C)	Sherab Lhatsang			
LTSB Help Desk	7-9528	200 (RJC)				

DIRECT ALL SENATE CORRESPONDENCE TO: P. O. BOX 7882, MADISON, WI 53707-7882

(C)=Capitol, (E)=1E. Main, (RJC) = Risser Justice Center, 17 W. Main, Madison, WI 53703

Effective: 09/28/07

Commerce Utilities and Rail  
 Informational Hearing – February 7, 2007  
 Video Franchising – Invited Speakers

ORGANIZATION	Contact Person	Date Confirmed	Individuals Attending	Special Requirements	Notes, Etc.
ATT	Buddy Julius 608.692.2071	1/25/07	Scott VandeSanden		
Cable Outlets	Tom Moore 608.294.1278	1/23/07		Tom Moore Cimerman	NTL Cable Telecommun Assoc
League of Municipalities	Kurt Wytinski 608.267.3294	1/23/07	Mary Cardona WI Assoc of		@ Hoague's Request
City of Milwaukee	Vince Moschella 414.286.2601		PIEG channels ↳ needs AV equip.		
Regional Telecommunications Group	Bob Chernow 414.347.7089	1/23/07	Bob Chernow, Chair RTC Mike Neitzke, Mayor – Greenfield	NONE	Have had a difficult time with Montgomery to date
Rep Montgomery	Adam (6-5840)				Needs 15 mins.



March 8th  
Bill Intro.

SENATOR JEFF PLALE  
SEVENTH SENATE DISTRICT

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AGENDA

COMMITTEE ON COMMERCE, UTILITIES AND RAIL

Informational Hearing – Video Franchising  
February 7, 2007  
411 South  
State Capitol

11:00am – Call to Order and Opening Remarks from the Chair

11:10 – Representative Phil Montgomery Remarks  
11:25 – Q&A for Representative Montgomery

11:30a – Scott Vandersanden, President, ATT Wisconsin  
11:45 – Q&A for Mr. Vandersanden

11:50a – Grant Langley, City Attorney, Milwaukee  
Vince Moschella, Deputy City Attorney, Milwaukee  
12:05p – Q&A for Mr. Langley and Mr. Moschella

12:10p- Tom Moore, WI Cable Communications Association  
Rick Cimerman, Vice-President, National Cable & Telecommunications  
Association

12:25p-Q&A for Mr. Moore and Mr. Cimerman

12:30 – Bob Chernow, Chair, Regional Telecommunications Commission  
Mike Neitzke, Mayor, City of Greenfield

12:45 – Q&A for Mr. Chernow and Mayor Neitzke

12:50 – Mary Cardona, Executive Director, Wisconsin Association of PEG Channels,  
Louise Petering, Communications Officer, League of Women Voters – MKE Cty  
1:05 – Q&A for Ms. Cardona & Ms. Petering

1:10 Closing Remarks  
1:15 Adjournment

March 27<sup>th</sup> Joint Hearing  
April 18<sup>th</sup> Exec 7-0 Senate  
April 17<sup>th</sup> Exec Assembly 9-7



COMMITTEE ON COMMERCE, UTILITIES AND RAIL

Informational Hearing – Video Franchising

February 7, 2007

Comments of Grant F. Langley, City Attorney, City of Milwaukee.

I. Introduction

II. Litigation: City v. ATT *Special use permit to build tower*

A. Why litigation? *400+ boxes*

B. Issue: Is U-verse cable or is it not cable? *motion to dismiss*

C. Intervening communities.

*↳ RTC*

III. Interim Agreement: Status of negotiations with ATT

A. Significant terms of agreement. *many/all substantive components of cable franchise agreements*

B. Possible template for other communities and legislation. *w/TW*

IV. Comments on Potential Statewide Legislation

*↳ What's the rush??? ⇒ significant competition will take years*

A. Franchising is about local issues.

1. Use of local government property.

2. Franchise fees for use of right-of-way – definition of gross revenue.

B. Police powers.

1. Consumer protection.

2. Oversight of right-of-way.

C. Reasonable build out. *- Satisfied*

D. PEG – only local communication for community. *⊗*

*Should remain local*

*next week or two to agreement*



**SENATE SUBSTITUTE AMENDMENT 1,  
TO 2007 ASSEMBLY BILL 207**

November 8, 2007 - Offered by Senators VINEHOUT, RISSER, ROBSON, ERPENBACH,  
LASSA and MILLER.

This is the Illinois bill.

1 AN ACT *to repeal* 60.23 (4), 66.0421 (1) (a), 66.0421 (1) (b), 66.0422 (1) (a), 134.43,  
2 196.04 (4) (a) 1. and 196.204 (7); *to renumber* 196.04 (4) (a) 2. a. to e.; *to*  
3 *renumber and amend* 943.46 (1) (a); *to consolidate, renumber and amend*  
4 196.04 (4) (a) (intro.) and 2. (intro.); *to amend* 11.01 (17g), 20.115 (1) (jb), 20.155  
5 (1) (title), 20.155 (1) (g), 66.0419 (3) (intro.), 66.0419 (3) (b), 66.0419 (4), 66.0421  
6 (title), 66.0421 (2), 66.0421 (3), 66.0421 (4), 66.0422 (title), 66.0422 (2) (intro.),  
7 66.0422 (3) (b), 66.0422 (3n), 70.111 (25), 76.80 (3), 77.52 (2) (a) 12., 100.195 (1)  
8 (c) 2., 100.261 (3) (c), 182.017 (1), 196.01 (1g), 196.01 (9m), 196.04 (4) (b),  
9 196.195 (5), 196.203 (1m), 196.203 (3) (b) (intro.), 196.203 (3) (b) 2., 196.203 (3)  
10 (c), 196.203 (3) (d), 196.203 (3) (e) 1. (intro.), 196.44 (1), 196.44 (2), 196.50 (1)  
11 (b) 2. e., 196.50 (1) (c), 196.85 (1m) (b), 943.46 (title), 943.46 (2) (a), 943.46 (2)  
12 (b), 943.46 (2) (c), 943.46 (2) (d), 943.46 (2) (e), 943.46 (2) (f), 943.46 (2) (g) and  
13 943.46 (5); *to repeal and recreate* 100.195 (1) (h) 1., 100.209 and 196.01 (1p);



*Aesthetic*

**SENATE AMENDMENT , 19**

**TO 2007 ASSEMBLY BILL 207**

*by Senators Carpenter, Lazich, Lasee, Miller,  
Robson, Coggs, Lassa, Sullivan, Vinehout,  
Kreitlow, Taylor and Bropenbach*

1 At the locations indicated, amend the engrossed bill as follows:

2 **1.** Page 38, line 19: after that line insert:

3 “(d) “Video service network” has the meaning given in s. 66.0420 (2) (zb).”.

4 **2.** Page 40, line 4: delete that line and substitute “regulation is reasonable.

5 (am) A municipal regulation is unreasonable if it has the effect”.

6 **3.** Page 41, line 8: after that line insert:

7 “(f) Notwithstanding pars. (am) to (c), the commission may not find a regulation  
8 of the aesthetics of any component of a video service network unreasonable if the  
9 regulation has a reasonable and clearly defined aesthetic objective or is necessary to  
10 maintain the value of adjoining or nearby private property.”.

11 (END)



*Assembly  
Amends*

Accept ASA 1

Accept AA1 to ASA 1 Davis Customer Service Amendment

*96-0*

TABLE AA 1 to AA1 to ASA 1 (Pocan) deletes 24 hour requirement for 3<sup>rd</sup> party interruption and makes in 4 hours

TABLE AA 2 to AA1 to ASA 1 (Pocan) allows municipalities to impose their own customer service standards

Accept AA 2 to ASA 1 (Committee) broader definition of gross receipts

*96-0*

*Lay* TABLE AA 3 to ASA 1 (Committee) this is replaced with AA 9

TABLE AA 4 to ASA 1 (Jeskewitz Return to Author?) delete provision prohibiting fees for right of way

Accept AA 5 to ASA 1 (Wood/Moulton) 3 year sunset on PEG

TABLE AA 6 (Jeskewitz Return to Author?) Allow municipality to charge a higher franchise fee in the future

TABLE AA 7 (Hixson/Molepske) UW Institution must carry mandate

*No Gernand*

Accept AA 8 to ASA 1 (Mason/Montgomery) Privacy

Accept AA 9 to ASA 1 (Montgomery) PEG Transmission/DFI

TABLE - AA 10 (Black) 90 day written notice of transfer/PSC must approve and can hold hearing and can reject/ no appeals – even phone companies are not subject to this

TABLE - AA 11 (Molepske) Advertising for PEG – Enough said

*No Gernand*

TABLE - AA 12 (Molepske) 1% PEG - No 18 communities get a peg fee out of 800 franchises in the state

TABLE - AA13 (Molepske) Eases PEG channel requirements – Relieves some transmission responsibilities

TABLE - AA 14 (Molepske) Pro-rata/non-weight – This isn't an issue now for cable companies. They are federal law requires them to use GAAP accounting. GAAP doesn't allow them to do this now.

*No Gernand?*

TABLE - AA 15 (Molepske) Requires an annual report to show the impact on the market – can't even do this now for broadband

TABLE - AA 16 (Molepske) Allow for additional PEG if they have 56 hours on non-repeating programming

TABLE - AA17 (Molepske) Require basic tier and broadcast quality -- already required on basic tier and they don't currently broadcast in broadcast quality

TABLE - AA 18 (Molepske) Video provider would have to pay for signal conversion

*Non* ~~TABLE - AA 19~~ (Molepske) Allows PSC to set rates -- don't have the ability now ?

Accept - AA 20 (Stone) Right of way amendment which we are accepting

TABLE - AA 21 (Young) discounts for senior citizens *Non Germ*

TABLE - AA 22 (Young) discount for low income *Non Germ*

TABLE - AA 23 (Hebl) Can only abrogate agreement if 25% of the market has competition

TABLE - AA 24 (Hebl) 6 year sunset on PEG funding

TABLE - AA 25 (Hebl) 10 year renewal of statewide franchise

TABLE - AA 26 (Pocan) Delete the authority to take away a PEG channel that is not substantially utilized

TABLE - AA 27 (Pocan) Removes statewide franchise/retains municipal franchise/says cable and video are essentially equal in definition -- this is a response to AT&T Milwaukee lawsuit



## **Summary of Proposed Senate Amendments to Assembly Bill 207**

Senate Substitute Amendment 1 (Vinehout) - Substitutes Illinois Legislation for Current Bill *This Amendment is a bad idea because (1) the current bill contains consumer protection standards which adapt the Cable Subscriber Bill of Rights which would apply to incumbents, new providers and satellite services; the Illinois legislation needed to create wholly new consumer protection standards (2) the Illinois legislation provides for an additional PEG surcharge of 1%, and all PEG related fees survive in perpetuity.*

Senate Amendment #2 (Miller) - (1) Move oversight of statewide video franchises to the Public Service Commission; (2) Video Service Providers would have to pay for the costs of their own regulation in manner of current public utility assessment; (3) Changes statewide franchises to ten year expiring terms; (4) Violations of FCC CFR standards would be considered standard for non-renewal of the franchise. *The costs of ongoing regulation for video service providers is expected to be minimal, to date, the PSCW has not been involved in any regulation of video services and has no expertise in this area. DATCP currently provides oversight of consumer protection under the Cable Subscriber Bill of Rights, and could continue to do so. The use of ten year franchise period is arbitrary and hazards the value of network investments to an unnecessary renewal process. The use of the FCC consumer protection standards as a rationale for non-renewal of a franchise is somewhat vague and lacking in precision as to how it would apply in terms of due process. The Cable Subscriber Bill of Rights is far clearer. There are provisions in the current bill concerning franchise revocation for good cause.*

Senate Amendment #3 (Miller) - Changes the one time \$2000 franchise fee to an annual fee. *Smaller video service providers would be unnecessarily burdened by making a one time franchise fee an annual fee. Under federal law, a franchise authority may not charge a franchise fee in excess of the 5% provided for in the current bill for purposes of regulation.*

Senate Amendment #4 (Miller) - (1) Requires a 1% surcharge for PEG Channels (2) Incumbant operators not allowed out of current franchise until there is a determination of competitiveness. *Requiring a 1% PEG surcharge for all providers perpetuates a hidden tax on consumers which has been found unnecessary across most of the state to fund PEG channel provision. The "determination of competitiveness" is a vague standard, and would provide for a patchwork of regulation which the statewide franchise vehicle is designed to remedy.*

Senate Amendment #5 (Miller) - Would require some type of payment to the state if standards for DSL/Broadband deployment are not met. *The Legislature enacted a sales/franchise tax credit during this past legislative session to address and incent deployment of broadband equipment for unserved and underserved areas of the state.*

*This amendment could also have a material adverse affect on small and medium sized telecommunications companies.*

6  
Senate Amendment #6 (Vinehout ) (LRB #A0802) Municipality continues to regulate an incumbent operator until a new competitor enters to provide service- Abrogation of current contracts, by requiring existing franchises to remain in place until competitive entry into incumbent territory. *This provision would unnecessarily limit ability of incumbent providers to opt in to the statewide franchise.*

*Slows deployment*  
Senate Amendment #7 (Vinehout) (LRB # A0804) Municipality retains authority to charge cost based right-of-way fees without deducting them from franchise fee revenue. *Existing state law provides for cost based fees to be charged for use of rights of way, the current bill retains this, but allows the fee to be deducted from the franchise fee revenue provided to municipalities. The amendment essentially allows a "double dip," in that the franchise fee revenue paid to municipalities is supposed to cover any costs for the use of municipal rights of way.*

Senate Amendment #8 (Vinehout ) Requires free services to schools and municipal buildings to be provided by new video service provider entrants if incumbent provider extended these services under existing franchise, and grandfathers support and maintenance of existing INET's. *This is another hidden tax on providers which will increase their costs of service unnecessarily, and discriminate in favor of schools and municipalities at the expense of other customers.*

Senate Amendment #9 (Robson) Requires customer call centers used by video service providers to be located within the state. *This amendment would unnecessarily increase the costs of service for video service providers which operate on a national basis, by forcing those providers to provide potentially redundant call center functions merely to locate call centers in Wisconsin. This amendment also may carry federal constitutional concerns in violation of the commerce clause.*

Senate Amendment #10 (Lassa) – Appears to reserve the opportunity to allow PEG channels to provide advertising. *PEG channels are already subsidized in material part by the gross receipts 5% share under the current bill, and would receive free signal transport at the video providers expense. PEG channels are not designated for commercial use, and should not be permitted to provide and sell advertising.*

Senate Amendment #11 (Lassa) – ~~Would require DFI to submit a report to the legislature on prices, customer service standard attainment to determine the effectiveness of video competition.~~ *The current bill already requires a video service provider to report information to DATCP concerning network buildout requirements. This amendment would add unnecessary additional reporting requirements of information which is already available to the public.*

Senate Amendment #12 (Lassa) – Would require PEG channels to be broadcast by new providers with the same signal strength as current incumbent provider uses. *Not all video providers will be using the same technology to provide video services to customers, and this standard may not be reasonably met with the technical precision this amendment would require.*

Senate Amendment #13 (Lassa) – Would require that new video entrants enter into agreements with two or four year colleges and universities which are identical to those contracts currently in place with incumbent providers. *This is an unreasonable requirement for new video service providers, who should be free to negotiate their own terms and conditions of service provision with educational institutions. This provision is also not likely germane to the content of the statewide video franchise legislation.*

Senate Amendment #14 (Plale) – Changes Bill provisions which require new entrants to mirror PEG fee payments of current incumbent provider from the “earlier of three years or the time at which incumbent providers opt into statewide franchise” to a straight three year period. *This provision is not opposed by the current bill’s proponents, as it provides for a reasonable and consistent transition period across the state for PEG channel funding.*

\* \* \*

#### Other Potential Amendments to be Offered

Sullivan Simple Amendment - Would allow for permitting fees for use of municipal rights of way without diminishing the 5% gross receipts revenue. *This amendment essentially allows a “double dip,” in that the franchise fee revenue paid to municipalities is supposed to cover any costs for the use of municipal rights of way*

Carpenter Simple Amendment – Would require that any municipal ordinance which addresses purely aesthetic factors, but which does not require underground placement of facilities may not be deemed unreasonable by the PSCW. *Current PSCW Administrative Code provisions address specialized design and construction considerations and the use of municipal rights of way. This amendment would remove the PSCW’s authority and discretion to determine what is and is not reasonable in the area of facility design and placement.*



Statement of State Senator Jeff Plale on statements made at Teletruth Press Conference:

I believe it is important to clarify some of the misinformation that was presented about the Video Competition Act, SB 107, at this morning's press conference. Despite the histrionic display at this morning's press event, this legislation will bring consumers better value, more options and improved service. In addition, this legislation will bring hundreds of family supporting jobs to this state. These are the reason I sponsored this legislation; those are the reason I will continue to champion this bill as it moves through the process.

POD

*Speaking of telling the truth:*  
~~As for some of the misleading statements made about this proposal:~~

*The Truth Is:* This was not a closed door process. In fact, once I signed onto this bill I insisted that the concerns of municipalities and PEG channel advocates be heard. Because of the concerns of these groups several major changes were made to of the original version of the bill.

*The Truth Is:* This legislation will not "gut consumer protections" as was claimed. Not only does this bill maintain all existing consumer protections applicable to current cable providers, it goes a step further and adds consumer protections to the satellite industry.

*The Truth Is:* This bill does not eliminate PEG channels. In fact, several changes were made to preserve PEG channels. I, however, continue to believe a PEG fee tacked onto consumer bills is nothing more than one more tax forced down the throats of consumers, many of whom do not value the service they are forced to pay for.

This legislation was indeed subject to thorough legislative review. There was a significant negotiation process at the Committee level, and the bill passed the Assembly with a resounding bipartisan vote. I stand by not only this legislation, but the legislative process it has gone through. I strongly believe the Committee on Joint Finance will pass this bill and the full Senate will do the same.



SA 3

→ Since, it's easy to make AT & T pay  
\$2 grand a year

it's a drop in the bucket to them &  
to Charter & Time Warner for that  
matter.

→ It's the small, local homegrown companies  
that this amendment penalizes - More importantly,  
it penalizes their customers  
Companies like:

Howard Cable w/ only 261 customers  
or Price City Telecom with only 610  
customers ~~are~~ will be significantly  
affected by this amendment.

In fact, the <sup>re</sup> 10 smallest cable companies  
are nearly a dozen small cable companies  
serving very rural areas that have fewer  
than ~~3~~ 1000 customers.

A drop in the bucket to AT & T & Charter is  
a significant hit to the bottom line for  
these companies

**SENATE AMENDMENT 3,  
TO 2007 ASSEMBLY BILL 207**

*One-time fee to annual fee*

November 8, 2007 - Offered by Senators MILLER, VINEHOUT, RISSER, ERPENBACH,  
JAUCH and ROBSON.

1 At the locations indicated, amend the engrossed bill as follows:

2 **1.** Page 16, line 2: after that line insert:

3 “(k) *Annual fee.* A video service provider shall pay an annual fee of \$2,000 to  
4 the department. The annual fees are first due one year after issuance of a video  
5 service franchise.”.

6 (END)

*This is very difficult for small  
companies that have done business  
here for years  
Companies like Howard Cable w/only  
261 customers or Price City Telecom*

SAT

→ Takes away the PSC's ability to decide an ordinance is unreasonable

→ The PSC needs to be the independent arbitrator

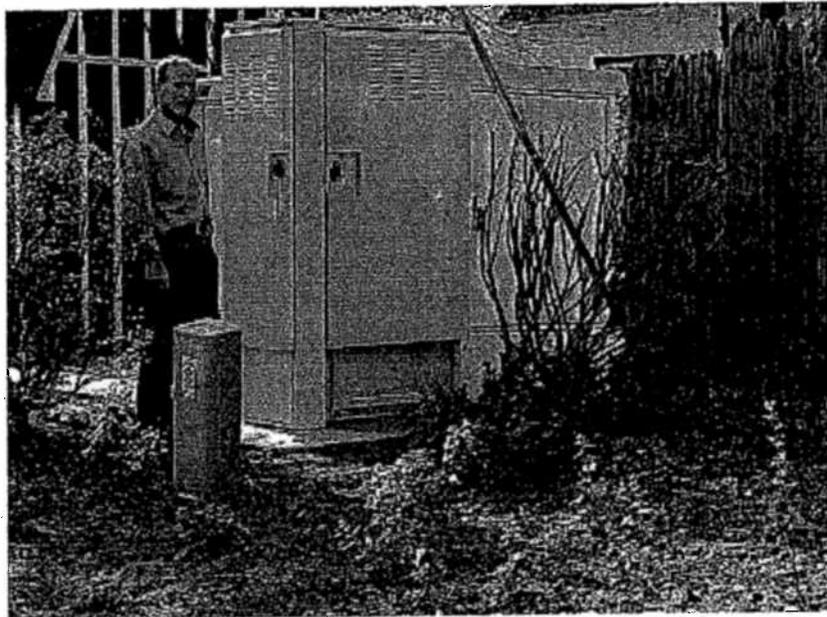
→ b

state employee, who would have no ability to actually sanction video service providers for any violations.

- **Public access:** The proposal would phase out all support for public access programming in three years, slamming shut the window through which citizens keep an eye on the actions of their elected leaders.
- **Neighborhood impacts:** The proposal limits the ability of local governments to regulate placement of the equipment that is associated with some forms of video service. AT&T, for instance, has estimated that it would have to place hundreds of massive utility boxes in front yard terraces and back yard utility corridors throughout the Madison to deploy its service.

The video deregulation legislation (Senate Bill 107/Assembly Bill 207) is currently awaiting action by the state legislature's Joint Committee on Finance. It was passed on a fast-track process by the State Assembly earlier this year.

(A picture of an actual AT&T video cabinet similar in size to the replica from today's press conference is shown below.)



###

SA 8

THH  
||

Plale  
Decker  
Bruske  
Wich  
Hansen

This amendment requires access to schools  
and public buildings

Sullivan  
Kreitlow

→ Cable companies will continue to provide these services

Taylor  
Coss  
? Lehman

→ It's a good business move, good PR move  
It a good citizen move

SA 2

Plale  
Decker  
Bruske  
Wich  
Hansen  
Lehman  
Taylor

**SENATE AMENDMENT 8,  
TO 2007 ASSEMBLY BILL 207**

November 8, 2007 – Offered by Senators VINEHOUT, MILLER, RISSER, ROBSON,  
ERPENBACH, LASSA and KREITLOW.

1 At the locations indicated, amend the engrossed bill as follows:

2 **1.** Page 21, line 6: delete that line and substitute:

3 **“(6) PUBLIC USE CONNECTIONS AND INSTITUTIONAL NETWORKS. (a) *Public use***  
4 ***connections.*** 1. Except as provided in subd. 3., each video service provider shall offer  
5 free basic video service or its equivalent to, and shall without charge install one  
6 activated outlet with standard installation video service at, each elementary and  
7 secondary public school, including a charter school, each municipal building, and  
8 each public library in its video franchise area.

9 2. The requirements under subd. 1. shall apply to a video service provider at  
10 the time that its video service is available on the section of its video service network  
11 that passes the public school, municipal building, or public library.

12 3. For the purpose of avoiding duplicative installations, video service providers  
13 whose video service is available to the same public school, municipal building, or

1 public library shall negotiate among themselves to determine which video service  
2 provider will comply with the requirements under subd. 1. with respect to the public  
3 school, municipal building, or public library. If the video service providers cannot  
4 reach agreement as to who will comply with such requirements, the governing body  
5 of the municipality or its designee shall confer with the video service providers and  
6 resolve the issue in a reasonable manner.

7 (b) *Institutional networks*. Notwithstanding any franchise, ordinance, or”.

8 **2.** Page 21, line 10: after “network” insert “that is in addition to the  
9 institutional network or equivalent capacity that is required on the effective date of  
10 this paragraph .... [revisor inserts date]”.

11 (END)

SA9

Call Centers → This KILLS the BILL

- You understand the sentiment. This bill has promised jobs and I am as anxious to see them created as anyone
- This amnt. may be well intentioned but it is unnecessary and difficult to implement
- Here's the good news:

- Time-Warner is building a new call center
- At&T has built 2 call centers ~~to~~ in the anticipation of this bill passing
  - 1 of those, located in my district, will serve not only WI consumers but consumers in 22 states
  - The other, located in Green Bay, will also serve consumers here and in other states



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa0866/1  
MDK:kj:rs

SENATE AMENDMENT, 9  
TO 2007 ASSEMBLY BILL 207

by Senators Robson, Coggs, Vinehout,  
Taylor, Erpenbach and Miller

1 At the locations indicated, amend the engrossed bill as follows:

2 1. Page 29, line 22: after that line insert:

3 "(11m) CALL CENTERS. (a) In this subsection:

4 1. "Call center" means a business or subunit of a business that engages in  
5 providing customer-based service.

6 2. "Customer-based service" means sales or technical assistance or expertise  
7 concerning a product or service that is provided to a customer or a prospective  
8 customer of the product or service.

9 (b) A video service provider may not use a call center, whether operated by the  
10 video service provider or any other person, that provides assistance to in-state  
11 customers or potential customers of the video service provider's video service unless  
12 the call center is located in this state."

13 (END)

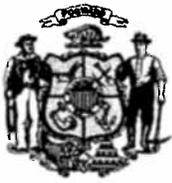
SA 10

This would allow PEG channels to display / collect ad revenue.

→ I think we should overhaul the way we handle PEG Channels.

→ This should absolutely be on the table. We can talk about regionalization of PEG programming.

→ We should not hastily tack this on to this bill; let's have a thorough discussion of the issues surrounding PEG in another venue.



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa0808/1  
MDK:lmk&kjf:nwn

SENATE AMENDMENT, 10  
TO 2007 ASSEMBLY BILL 207

*by Senators Lassa, Vinehout, Erpenbaech,  
Sullivan and Kreitlow*

1 At the locations indicated, amend the engrossed bill as follows:

2 **1.** Page 8, line 20: after "use." insert "For purposes of this paragraph, a channel  
3 is designated for a noncommercial use even if the channel carries advertising or  
4 sponsorship recognition, or has underwriting, for the purpose of funding activities  
5 related to the channel."

6 (END)

## SA 11

Requires an annual report from DFI that assesses the benefits of the bill on things like rates, competition, service, etc.

→ Our constituents / consumers will tell us if this bill is not working

→ The legislature can review this legislation @ anytime and re-visit issues down the road

→ this is unnecessary



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa0819/1  
RPN&MDK:wj&jld:nwn

SENATE AMENDMENT , 11  
TO 2007 ASSEMBLY BILL 207

*by Senators Lassa, Vincent, Erpenbach,  
Robson, Coggs, Lehman, Sullivan,  
Kreitlow and Taylor*

1 At the locations indicated, amend the engrossed bill as follows:

2 1. Page 30, line 14: after that line insert:

3 “(14m) ANNUAL REPORT. No later than June 30 of each year, the department  
4 shall submit a report to the appropriate standing committees of the legislature under  
5 s. 13.172 (3) on the impact that the enactment of this section has had on the markets  
6 for video service in this state. The report shall include the department’s  
7 quantification of any benefits that have accrued to consumers as a result of the  
8 enactment of this section.”

9 (END)

SA 12

→ Requires minimal signal quality for PEG

→ PEG doesn't have this guarantee now

→ This can be considered down the road as part of a larger PEG package.

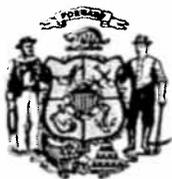


SA13

Contracts existing w/ VW 4:2 year campuses must be honored by new video service providers

→ This forces private entities into contracts

→ Existing VW contracts ~~at~~ will remain in place - VW will still be able to enter into contracts w/ whomever they want



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa0807/1  
MDK:lmk&kjf:nwn

SENATE AMENDMENT, 13  
TO 2007 ASSEMBLY BILL 207

By Senators Lassa, Vinehout, Erpenbach,  
Robson and Kreitlow

- 1 At the locations indicated, amend the engrossed bill as follows:
- 2 1. Page 21, line 5: after that line insert:
- 3 "(5m) CONTRACTS WITH UNIVERSITY OF WISCONSIN CAMPUSES. If an incumbent
- 4 cable operator has entered into an agreement with an institution or college campus
- 5 within the University of Wisconsin System that is in effect on the effective date of this
- 6 subsection .... [revisor inserts date], and that requires the incumbent cable operator
- 7 to broadcast University of Wisconsin events on one of its channels, any video service
- 8 provider that provides video service in the area in which the events are broadcast by
- 9 the incumbent cable operator shall, upon the request of the institution or college
- 10 campus, enter into an agreement with the institution or college campus that requires
- 11 the video service provider to provide the same service on the same terms and

1 conditions as the agreement between the institution or college campus and the  
2 incumbent cable operator.”.

3 (END)

SA 14

This is yours!

3 year sunset



SENATE AMENDMENT, 14  
TO 2007 ASSEMBLY BILL 207

by Senators Plate, Erpenbach, Wirth,  
Breske, Decker, Hansen, Coggs, Lassa,  
Lehman, Vinichout, Kreitlow, Taylor  
and Miller

1 At the locations indicated, amend the engrossed bill as follows:

2 **1.** Page 24, line 3: delete the material beginning with “the earlier of” and  
3 ending with “2. b.” on line 8 and substitute “the first day of the 36th month beginning  
4 after the effective date of this subdivision .... [revisor inserts date].”.

5 **2.** Page 24, line 12: delete that line and substitute “first day of the 36th month  
6 beginning after the effective date of this subdivision .... [revisor inserts date].”.

7 **3.** Page 24, line 25: after “municipality.” insert “The obligation to provide  
8 monetary support required under this subdivision shall continue until the first day  
9 of the 36th month beginning after the effective date of this subdivision .... [revisor  
10 inserts date].”.

11 (END)

SA 15

## Rights of Way

Local govt. could collect fees in addition to the franchise fee

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Under the bill:

- The Franchise fee should be adequate to cover work in rights of way
- Telco companies will still pay all permit fees on work on their telco equipment
- Municipalities had a list of 11 concerns - 9 were answered - No compromise



SENATE AMENDMENT, 15  
TO 2007 ASSEMBLY BILL 207

by Senators Sullivan, Vinehout, Lassa,  
Kreitlow, Miller, Erpenbach, Carpenter,  
Risser, Robson, Taylor and CoggS

- 1 At the locations indicated, amend the engrossed bill as follows:
- 2 **1.** Page 14, line 12: delete lines 12 to 15.
- 3 **2.** Page 16, line 5: after "182.017" insert "(1r)".
- 4 **3.** Page 21, line 12: delete "subds. 2. and 2m." and substitute "subd. 2.".
- 5 **4.** Page 22, line 6: delete lines 6 to 9.
- 6 **5.** Page 39, line 18: delete the material beginning with that line and ending
- 7 with page 41, line 16.
- 8 **6.** Page 46, line 1: delete lines 1 to 4.
- 9 (END)

SA 16

## PEG signal quality

- PEG channels do not have this guarantee currently
- We can look @ these technological issues as part of a more comprehensive evaluation of PEG, but this bill should be passed w/out change



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa0877/1  
MDK:bjk:nwn

SENATE AMENDMENT, 16  
TO 2007 ASSEMBLY BILL 207

by Senators Lassa, Vinehout, Erpenbach,  
Robson, Coggs, Sullivan and Kreitlew

1 At the locations indicated, amend the engrossed bill as follows:

2 **1.** Page 17, line 16: delete lines 16 to 19 and substitute:

3 “3. An interim cable operator or video service provider shall provide any  
4 channel capacity for PEG channels required under this paragraph on any service tier  
5 that includes the retransmission of local television broadcast signals.”.

6 **2.** Page 19, line 11: delete the material beginning with “shall do all of” and  
7 ending with “b. Make” on line 21 and substitute “shall make”.

8 **3.** Page 21, line 5: after that line insert:

9 “3. If a municipality produces or maintains PEG channel programming in a  
10 manner or form that is compatible with a video service provider’s video service  
11 network and that permits the video service provider to comply with the requirements  
12 of subd. 4., the municipality shall transmit the programming to the video service  
13 provider in that manner or form. If the municipality does not produce or maintain

1 PEG channel programming in such manner or form, the video service provider shall  
2 be responsible for any changes in the manner or form of the transmission that are  
3 necessary to make PEG channel programming compatible with the technology or  
4 protocol used by the video service provider to deliver services. If a video service  
5 provider is required to make such changes to the manner or form of the transmission,  
6 the municipality shall provide reasonable access to the video service provider that  
7 allows the video service provider to transmit the PEG channel programming in an  
8 economical manner subject to the requirements of subd. 4.

9 4. A video service provider shall retransmit PEG channels to its subscribers  
10 with visual and audio quality and functionality that is equivalent, from the viewing  
11 perspective of the subscriber, to that of commercial channels carried on the video  
12 service provider's basic video service offerings or service tiers and without the need  
13 for any equipment other than the equipment necessary to receive the video service  
14 provider's basic video service offerings or service tiers.

15 5. Each PEG channel shall be capable of carrying a television signal that meets  
16 the standards of the National Television System Committee if the interim cable  
17 operator or video service provider is technically able to do so.”

18 (END)

SA 17

Requires Annual reporting on rates, customer service, competition, etc.

- Our constituents will tell us if this isn't working
- customers will vote with their feet
- I assume we will all hear about it if this bill doesn't work as it should.

SA 18

Gives DFI rulemaking authority so it can collect info. to file reports



SENATE AMENDMENT, 17  
TO 2007 ASSEMBLY BILL 207

by Senators Lassa, Vinickout, Eopenbach,  
Robson, Coggs, Lehman, Sullivan, Kreitlow  
and Taylor

1 At the locations indicated, amend the engrossed bill as follows:

2 1. Page 29, line 24: after "provided in" insert "par. (am) and".

3 2. Page 30, line 2: after that line insert:

4 "(am) The department of financial institutions may promulgate rules requiring  
5 interim cable operators and video service providers to provide information that the  
6 department determines is necessary to enable the department to prepare the report  
7 required under sub. (14m). The department shall withhold from public inspection  
8 any information submitted under the rules by an interim cable operator or video  
9 service provider that would aid a competitor of the interim cable operator or video  
10 service provider."

11 3. Page 30, line 14: after that line insert:

12 "(14m) ANNUAL REPORT. No later than June 30 of each year, the department  
13 shall submit a report to the appropriate standing committees of the legislature under

1 s. 13.172 (3) on the impact that the enactment of this section has had on the markets  
2 for video service in this state. The report shall include the department's  
3 quantification of any benefits that have accrued to consumers as a result of the  
4 enactment of this section."

5 (END)



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa0878/1  
MDK:wlj/jld/kjf:nwn

SENATE AMENDMENT, 18  
TO 2007 ASSEMBLY BILL 207

by Senators Lassa, Vinehout, Erpenbach,  
Robson, Coggs, Lehman, Sullivan, Kreitow  
and Taylor

- 1 At the locations indicated, amend the engrossed bill as follows:
- 2 **1.** Page 29, line 24: after "provided in" insert "par. (am) and".
- 3 **2.** Page 30, line 2: after that line insert:
- 4 "(am) The department of financial institutions may promulgate rules requiring
- 5 interim cable operators and video service providers to provide information that the
- 6 department determines is necessary to enable the department to prepare the report
- 7 required under sub. (14m). The department may withhold from public inspection
- 8 any information submitted under the rules by an interim cable operator or video
- 9 service provider that would aid a competitor of the interim cable operator or video
- 10 service provider, unless the department determines that the public interest in
- 11 making the information available to the public outweighs the interim cable
- 12 operator's or video service provider's business interest in withholding the
- 13 information."



SSA | - Vinehout

① Lena ② Lehman  
④ Kaitlin  
③ Sullivan ⑤ Goss

"The Illinois Bill"

→ The language is not necessary or appropriate to Wisconsin's Law

→ Wisconsin's bill is the product of a significant legislative process and compromise.

→ We restored and enhanced the WI Cable TV Subscriber Bill of Rights and expanded it to cover satellite providers as well.

You know the argument's here

WI's bill is a product of the work of WI stakeholders and WI legislators

We had all segments of the video industry @ the table

## Call Centers

Contract  
w/ VWS



- ① → PSC
  - VSP pay for regulation
  - 10 yr. franchise
  - FCC standard for non-renewal
- ② 1 time fee to annual (\$2000)
- ③ PEG for @ 1%  
competitiveness test for abrogation
- ④ Reimburse for DSL

## Lusa

- ① DFI Annual report on pricing
- ② PEG channels advertise
- ③ maintain signal quality
- ④ UW system

Germanans  
problems

## Sullivan

→ Rights of Way

## Casper

→ Kusick Amnt.

VW

- any agreements w/ Universities are basically contracts w/ private entities; not affected by franchise
- permitting fees ⇒ that is what the 5% is for - Telcos will still pay for street cuts when they do telco work only permit fee for siting/inspection of cabinets ~~is~~ will be deducted by from the franchise fee.