

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3982/1dn
MJL:cmh:jf

December 2, 1999

1. In discussing the proposed draft language that was included in the Senate's version of the budget with Thomas Hanson, I noted that the language's ambiguity might prove problematic because municipalities are largely self-regulating in the area of cable television. Thus, I suggested including language that referred to the cost of franchise fees and poles to ensure that, at a minimum, those costs were reflected in the municipality's cable television rates, and he concurred. I also noted that it was unclear whether a municipality would be able to determine the other costs of a nonmunicipal operator.

2. Please note that this bill, were it enacted, may be preempted by federal law, specifically 47 USC section 543. This section prohibits a state from regulating the rates for cable service of a cable system that is owned and operated by a municipality if that is the only cable system located within the municipality. The section also prohibits regulation of rates for a cable system if the FCC has found that the cable system is subject to effective competition.

3. I delayed the effective date by three months to give municipalities time to adjust their rates.

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