

Fiscal Estimate Narratives

DATCP 3/27/2007

LRB Number	07-1914/3	Introduction Number	AB-0207	Estimate Type	Original
Description Regulation of cable television and video service providers					

Assumptions Used in Arriving at Fiscal Estimate

This bill among other things, repeals state law authorizing municipalities to grant cable franchises to cable operators. It also repeals s.100.209, the cable television subscriber rights. The bill requires a person who provides "video service" to obtain a video service franchise from the Department of Financial Institutions.

This bill allows, but does not authorize DATCP to promulgate rules establishing customer service standards for video service franchisees.

Currently DATCP enforces cable television subscriber rights and receives approximately 132 complaints annually. In addition, the department also enforces telephone solicitations and telecommunications administrative rules. For the last three years (2006, 2005, 2004) telecommunications complaints as a category have ranked 2nd in the total number of complaints received. In 2006, the department received 1,499 written telecommunications complaints representing 7.6% of all complaints received by consumers.

It is assumed that many of the same parties that currently provide telecommunications service and cable television services would establish a video franchise in WI under this bill. It is also assumed that the department would receive an increase in complaints similar to the number of complaints currently received in the telecommunications category. This would place video franchise service complaints in the top 10.

Currently 6.0 FTEs are necessary to handle the written complaints received by the department regarding telecommunication and cable television. Therefore, the department anticipates an additional 5.0 FTEs (3 Consumer Specialists and 2 Consumer Protection Investigators) would be necessary to process the increase in complaints from the video franchise service provided to consumers.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Regulation of cable television and video service providers			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Office setup, desks, telephones, computers, and supplies \$50,000.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$250,300	\$
	(FTE Position Changes)	(5.0 FTE)	
	State Operations - Other Costs	62,500	
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$312,800	\$
B. State Costs by Source of Funds			
	GPR	312,800	
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$312,800	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	Date
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