

Fiscal Estimate Narratives

DATCP 4/24/2007

LRB Number	07-1914/3	Introduction Number	AB-0207	Estimate Type	Updated
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. The bill requires a person who provides "video service" to obtain a video service franchise from the Department of Financial Institutions. In addition, the bill provides that providers of satellite video services will, for the first time, be bound by s. 100.209.

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 7.9% of all complaint received by consumers.

This bill will result in additional consumer complaints for several reasons: (1) satellite providers will now be covered under s. 100.209; (2) Under the current system of municipal franchises, the majority of complaints involving s. 100.209 are handled by the municipalities; now all such complaints will be coming to DATCP; (3) under the bill, DATCP is responsible for enforcing the anti-discrimination provisions of the bill.

Since these are new responsibilities, it is difficult to determine at this time how much additional work (and staff) will be required. Only experience with the bill will make that determination possible. As a result, we are currently requesting 1.0 FTE until experience with the bills provisions permits a better assessment.

This FTE will have the responsibility of: (1) responding to individual consumer complaints generated as a result of this bill; (2) investigating patterns revealed by the complaints and taking enforcement action where appropriate; (3) analyzing and tracking the consumer issues arising from this legislation.

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 \$10,000.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$52,500		\$
(FTE Position Changes)	(1.0 FTE)		
State Operations - Other Costs	12,500		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$65,000		\$
B. State Costs by Source of Funds			
GPR	65,000		
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, etc.)			
	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	\$65,000		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	
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		Date	
		4/24/2007	