

Michelle Vetterkind
President & CEO, Wisconsin Broadcasters Association
Testimony regarding AB-5, Sales Tax Exemption for Wisconsin's free, over-the-air local
broadcast stations

Mr. Chairman and Members of the Committee:

I'm Michelle Vetterkind, President & CEO of the Wisconsin Broadcasters Association. On behalf of our Board of Directors (some of whom are with us here today) and the 400+ free, over-the-air radio and television stations in Wisconsin (which employ over 5,000 Wisconsin residents), we want to extend our sincere appreciation for holding this public hearing today.

The WBA and its members have worked hard on this legislation for the past two years. You'll hear shortly why this is needed to help the broadcast industry in Wisconsin. Before I introduce the gentlemen with me this morning, I want to thank Representative Joel Kleefisch and Senator Glen Grothman for introducing our bill in this legislative session, as well as in the session two years ago.

We are very proud of the fact that our members, through their work in meeting with members of the legislature, have secured 40 bi-partisan cosponsors from both houses as well as another 35 members who have expressed strong support for the bill (a number of them who serve on this committee).

We hope, Mr. Chairman, that at the end of our testimony and questions from committee members, that you would strongly consider bringing AB-5 up in an Executive Session as soon as possible. There are relatively few bills that have garnered the support that AB-5 has. We have gone to great lengths to work with leadership and legislators to make this a good bill by removing the Personal Property Tax Exemption from the original legislation. We are confident that because of the strong bi-partisan support of the bill that it will pass both chambers and be signed into law.

Mr. Chairman, I would now like to introduce the two gentlemen with me this morning.
Dean – Director of Operations, WISN-TV, Milwaukee and current Chair of the WBA Board
Roger – President & CEO of Nicolet Broadcasting, Inc. in Sturgeon Bay and WBA Legislative Chair

Thank you Mr. Chairman. Again we appreciate the opportunity be here today.

Wisconsin Broadcasters Association



The Wisconsin Broadcasters Association fosters and promotes the development of the arts of aural and visual broadcastings in all its forms...

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DoorCountyDailyNews.com
Sturgeon Bay

September 3, 2013

The Honorable Duey Stroebel
Chairman, State and Local Finance
Wisconsin State Assembly
Madison, Wisconsin

Hand Delivered

Dear Chairman Stroebel:

The Wisconsin Broadcasters Association (WBA) is please to respond to your request for more information relative to state tax exemptions for the television and radio broadcast industry.

This information is pertinent to the WBA's efforts to schedule a hearing for AB-5/SB-34 which grants the industry a sales tax exemption for certain broadcast equipment.

We have enclosed three documents which provide supporting information:

- (1) Wisconsin Summary: Tax Exempt Items - This document provides (a) Items that do not require exemption certificates; (b) Exemptions that require an exemption certificate; (c) Exempt Organizations; and (d) Other Exemptions.
 - The WBA believes these lists demonstrates that granting a sales tax exemption provided for in AB-5/SB-34 is consistent with past provisions granted by the legislature.
- (2) States with Broadcasting Sales Tax Exemptions - You will note that of the 19 states (including Midwestern states Kansas, Michigan, Minnesota, Missouri, Ohio) broadcasters are afforded a great deal of relief from sales tax payments and while the exemptions (on the broadcast list) are similar to Wisconsin, many states provide much more relief in many different functions of the industry. Minnesota's provisions are such that they encourage broadcasters to build and expand into new facilities.
 - The WBA takes the position that the narrow sales tax exemption in AB-5/SB-34 provides adequate relief from the equipment purchases needed to maintain a competitive business by not deferring equipment purchases (unless mandated by the federal government).

WBA – Sales Tax Exemption/ AB-5/SB-34
Supporting Research
Page Two

- (3) Wisconsin Sales and Use Tax Information - Publication 201 – This is the language (pages 42-66) that describe the details of Wisconsin sales tax exemptions .

You may also recall that the WBA has previously agreed to withdraw the Personal Property Tax provision from the bill to simplify the overall objectives of the legislation.

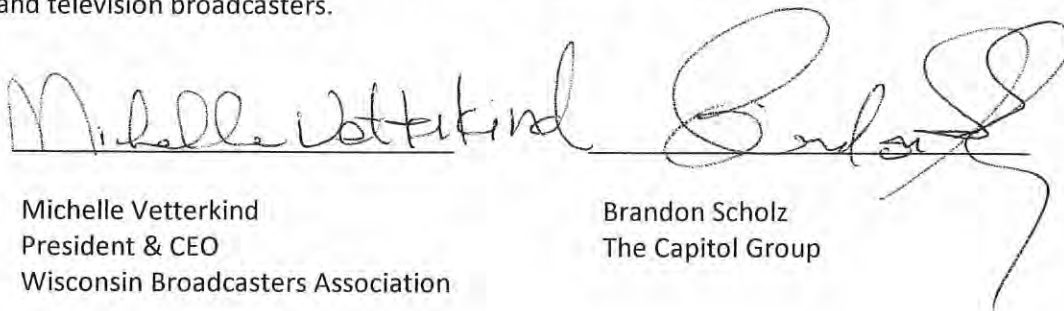
The Fiscal Bureau’s estimate impact of the bill on the sales tax exemption is approximately \$2.2M annually. (Attached)

As we noted in our meeting, the Wisconsin Broadcasters Association is requesting that you hold a public hearing and an Executive Session on AB-5 as soon as possible. The bill has an impressive list of 40 bi-partisan co-sponsors and at least another 40 members of both parties and houses who have indicated they would vote for the bill.

We have met with the author in the Senate and have discussed the hearing on the Senate side as well. Further, we have had the opportunity to discuss this with leadership and the urgency of moving forward.

We hope after reviewing these documents that we can meet again soon and discuss the timing of the hearing in your committee.

Thank you very much for your consideration of request to provide fairness and equity to Wisconsin’s radio and television broadcasters.



Michelle Vetterkind
President & CEO
Wisconsin Broadcasters Association

Brandon Scholz
The Capitol Group

Attachments

- (1) AB-5/SB-34
- (2) Wisconsin Summary: Tax Exempt Items
- (3) States with Broadcasting Sales Tax Exemptions
- (4) Wisconsin Sales and Use Tax Information - Publication 201
- (5) Fiscal Bureau Estimate

cc: Representative Joel Kleefisch, Senator Glenn Grothman, Senator Tom Tiffany, Assembly Speaker Robin Vos, Senate Majority Leader Scott Fitzgerald, Deputy Chief of Staff Rich Zipperer.

States with Broadcasting Sales Tax Exemptions

1. Arizona:

15. Tangible personal property that is used by either of the following to receive, store, convert, produce, generate, decode, encode, control or transmit telecommunications information:

(a) Any direct broadcast satellite television or data transmission service that operates pursuant to 47 Code of Federal Regulations part 25.

(b) Any satellite television or data transmission facility, if both of the following conditions are met:

(i) Over two-thirds of the transmissions, measured in megabytes, transmitted by the facility during the test period were transmitted to or on behalf of one or more direct broadcast satellite television or data transmission services that operate pursuant to 47 Code of Federal Regulations part 25.

(ii) Over two-thirds of the transmissions, measured in megabytes, transmitted by or on behalf of those direct broadcast television or data transmission services during the test period were transmitted by the facility to or on behalf of those services.

20. Machinery or equipment that enables a television station to originate and broadcast or to receive and broadcast digital television signals and that was purchased to facilitate compliance with the telecommunications act of 1996 (P.L. 104-104; 110 Stat. 56; 47 United States Code section 336) and the federal communications commission order issued April 21, 1997 (47 Code of Federal Regulations part 73). This paragraph does not exempt any of the following:

(a) Repair or replacement parts purchased for the machinery or equipment described in this paragraph.

(b) Machinery or equipment purchased to replace machinery or equipment for which an exemption was previously claimed and taken under this paragraph.

(c) Any machinery or equipment purchased after the television station has ceased analog broadcasting, or purchased after November 1, 2009, whichever occurs first.

2. California:

TELEPRODUCTION AND POST PRODUCTION EQUIPMENT—The sale of teleproduction and post production equipment to businesses primarily engaged in teleproduction and post production activities (as described in Code 512191 of the North American Industry Classification System Manual) is exempt from the 5.25 percent state sales and use tax when that property is used 50 percent or more in those activities, subject to specified conditions.

3. Connecticut:

(44) Certain motion picture, video, television and radio production and broadcast equipment, are exempt from sales tax.

(A) Sales of and the storage, use or other consumption of any filmed and taped television and radio programs and any materials which become an ingredient or component part of films or tapes which are used directly in the production and transmission of finished programs

(i) broadcast to the general public by a television or radio station or

(ii) used on or after October 1, 1986, for purposes of accredited medical or surgical training, including any equipment used for such purpose;

(B) sales of and the storage, use, rental, lease or other consumption of any motion picture or video production equipment or sound recording equipment purchased or leased for use in this state for production activities which become an ingredient or component part of any master tapes, records, video tapes or film produced for commercial entertainment, commercial advertising or commercial educational purposes; or

(C) sales of and the storage, use, rental or lease of equipment, including, but not limited to, antennas used directly in the production or broadcast of programs to the general public by a television or radio station.

4. Idaho

2.1.05 Broadcast Equipment and Supplies *Idaho Code 63-3622S*

Description: Provides an exemption for equipment and supplies used to produce and broadcast radio and television programs. History: It was originally enacted in 1975 as 63-3622(w) and was amended in 1987 to add aircraft to the exclusions from the exemption.

5. Kansas

These items are enumerated in the law as exempt from sales tax:
Broadcasting equipment purchased by over-the-air free access radio and television stations to generate their broadcast signals The following entities and organizations are now authorized to receive a Tax-Exempt Entity Exemption Certificate from KDOR. (See sample on previous page.)
Public broadcasting stations (radio and TV)

6. Maine

31. Machinery and equipment. Sales of machinery and equipment:

A. For use by the purchaser directly and primarily in the production of tangible personal property intended to be sold or leased ultimately for final use or consumption or in the production of tangible personal property pursuant to a contract with the Federal Government or any agency thereof, or, in the case of sales occurring after June 30, 2007, in the generation of radio and television broadcast signals by broadcast stations regulated under 47 Code of Federal Regulations, Part 73. This exemption applies even if the purchaser sells the machinery or equipment and leases it back in a sale and leaseback transaction. This exemption also applies whether the purchaser agrees before or after the purchase of the machinery or equipment to enter into the sale and leaseback transaction and whether the purchaser's use of the machinery or equipment in production commences before or after the sale and leaseback transaction occurs; and [2007, c. 627, §48 (AMD).]

7. Michigan

Public Acts 519 and 459 of 1988 amended the Sales and Use Tax Acts to provide for the following exemptions from sales and use tax:

1. A specific exemption is given for certain tangible personal property purchased by persons licensed to operate commercial radio and television stations. The exemption is available when the property is used in the origination or integration of the various sources of program material for commercial radio or television transmission. Property used in the receiving of programs for integration is not included in this exemption. Any property involved in the origination or integration qualifies for this exemption. No other uses of tangible personal property qualify for exemption from tax.

8. Minnesota

Subd. 9. Direct satellite broadcasting facility.

Building materials and supplies for constructing a new facility in Minnesota for providing Federal Communications Commission licensed direct satellite broadcasting services using direct broadcast satellites operating in the 12-GHz. band or fixed satellite regional or national program services, as defined in section 272.02, subdivision 16, are exempt if construction of the facility was commenced after June 30, 1993. All machinery, equipment, tools, accessories, appliances, contrivances, furniture, fixtures, and all technical equipment or tangible personal property of any other nature or description necessary to the construction and equipping of that facility in order to provide those services are also exempt.

9. Missouri

12 CSR 10-110.210 Television and Radio Broadcasters

PURPOSE: This rule explains the television and radio broadcasters sales tax exemption.

(1) In general, radio and television broadcasters are exempt from sales and use tax, both state and local, on purchases of utilities, machinery, and equipment used or consumed directly in the broadcasting of their programs.

(2) Definition of Terms.

(A) Broadcaster—An entity who transmits (a radio or television signal) over the airwaves for public or general use. A cable or satellite provider is not a broadcaster.

(3) Basic Application.

(A) A Missouri radio or television station purchases utilities, machinery and equipment for use directly in the broadcasting of their programming. The purchase of the utilities, machinery and equipment are not subject to state or local tax.

*AUTHORITY: section 144.270, RSMo 2000 and section 144.054, RSMo Supp. 2007. * Emergency rule filed Aug. 14, 2007, effective Aug. 28, 2007, expired Feb. 23, 2008. Original rule filed Aug. 14, 2007, effective Feb. 29, 2008.*

10. New Jersey

Certain Broadcasting Equipment: Machinery, apparatus, or equipment used directly and primarily in the production or transmission of radio or television broadcasts by commercial broadcasters operating under a broadcasting license issued by the Federal Communications Commission or by providers of cable/ satellite television program services. The exemption also applies to parts with a useful life of more than one year. Equipment used in the construction or operation of towers does not qualify for the exemption.

11. New York

For broadcasters, the taxable or exempt status of items and services depends on their use and whether the broadcaster is a *regular broadcaster* or *system broadcaster*. As explained in this publication, the sales tax exemptions allowed a *regular broadcaster* include the purchase or use of tangible personal property used or consumed directly and predominantly in either the production or transmission of live or recorded programs. For *system broadcasters*, sales tax exemptions include only the purchase or use of tangible personal property used or consumed directly and predominantly in the production of live or recorded programs intended for transmission to its viewers over its system.

12. North Carolina

A direct pay permit (DPP) authorizes its holder to purchase any tangible personal property, digital property, or certain services without payment of sales and use tax to vendors. A business with a direct pay permit assumes responsibility for payment of all applicable taxes directly to the Department.

A direct pay permit can be issued for the following reasons:

- The place of business where the property will be used is not known at the time of the purchase and a different tax consequence applies depending on where the property is used.
- The manner in which the property will be used is not known at the time of purchase and one or more of the potential uses is taxable but others are not taxable.

A business may request permission from the Secretary of Revenue to discharge its sales and use tax liability directly to the Department by completing Form E-595A, Application for Direct Pay Permit for Sales and Use Taxes on Tangible Personal Property, Digital Property, or Certain Services. This authorization by the Secretary is conditioned upon full compliance with the provisions of the Sales and Use Tax Law, timely payment of all taxes due and provided the Secretary finds that the applicant's compliance burden will be greatly reduced by use of the permit.

A taxpayer authorized to discharge their liability in this manner is issued a numbered direct pay permit. The record of the permit or required data elements must be furnished to vendors as provided in Sales and Use Tax Technical Bulletin 46-1 C.2. or maintained electronically by the vendors.

A business, which has been issued a permit must file sales and use tax returns, remit the sales and use taxes due, and maintain records that clearly reflect the tax liability. See Directive SD-00-02 and Sales and Use Tax Technical Bulletin Section 46 for more information concerning Direct Pay Permits.

The database at the following weblink contains the names and permit numbers of current Direct Pay Permit holders:

[Firms Assigned Direct Pay Permits for Sales and Use Taxes on Tangible Personal Property](#)

13. North Dakota

Computer and Telecommunications Equipment

For primary sector businesses other than manufacturers and recyclers, a sales and use tax exemption is allowed for purchases of computer and telecommunications equipment. To qualify for exemption, the equipment must be an integral part of a new primary sector business or create an economic expansion of an existing business, and the primary sector business must be certified by the Department of Commerce Division of Economic Development and Finance. The exemption does not extend to the purchase of replacement equipment.

14. Ohio

Sales to a telecommunications service vendor, mobile telecommunications service vendor or satellite broadcasting service vendor of tangible personal property and services used directly and primarily in transmitting, receiving, switching or recording any interactive, one- or two-way electromagnetic communications, including voice, image, data and information, through the use of any medium, including, but not limited to, poles, wires, cables, switching equipment, computers and record-storage devices and media, and component parts for the tangible personal property. The exemption provided in this division shall be in lieu of all other exemptions under division (B)(43)(a) of this section to which the vendor may otherwise be entitled, based upon the use of the thing purchased in providing the telecommunications, mobile telecommunications or satellite-broadcasting service. [5739.02(B)(34)]

15. Oklahoma

(64) Radio/Television Broadcasting [1359(8); 710:65-13-191] Definition. By virtue of the judgment entered by the Supreme Court of Oklahoma in the case of Oklahoma Association of Broadcasters v. Oklahoma Tax Commission, No. 61 O.B.A.J.850 (Apr. 7, 1990), television and radio broadcasters are provided an exemption from the payment of sales tax on machinery and equipment that is used directly in the manufacturing process; machinery and equipment that is necessary for the proper production of a broadcast signal; or machinery and equipment which would cause broadcasting to cease if it failed to operate. For purposes of this Section, "proper production" shall include, but not be limited to, machinery and equipment required by F.C.C. rules and regulations. This exemption begins with either the equipment used in producing the live programming or the electronic equipment directly behind the satellite receiving dish (antenna) and ends with transmission of the broadcast signal from the end of the broadcast antenna system.

16. Pennsylvania

32.32. Manufacturing; processing.

(a) *Equipment, machinery, parts and foundations therefor and supplies used directly in manufacturing or processing.* The purchase or use of tangible personal property or services performed thereon by a person engaged in the business of manufacturing or processing is exempt from tax if the property is predominantly used directly by him in manufacturing or processing operations. Purchases of vehicles required to be registered under 75 Pa.C.S. § § 101—9821 (relating to the Vehicle Code) as well as supplies and repair parts for the vehicles shall be subject to tax. There is no exemption for maintenance facilities or for materials or supplies to be used or consumed in construction, reconstruction, remodeling, repair or maintenance of real estate other than machinery, equipment or parts therefor that may be affixed to the real estate. Beginning March 4, 1971, foundations for equipment and machinery became subject to tax and remained taxable until February 9, 1981. Effective February 7, 1981, foundations used to support equipment, machinery and parts used directly in manufacturing or processing shall be exempt from tax.

Processing—The following operations when engaged in as a business enterprise have been defined by the General Assembly as processing:

- (xii) The broadcasting of radio and television programs of licensed commercial or educational stations

17. South Carolina

(26) all supplies, technical equipment, machinery, and electricity sold to radio and television stations, and cable television systems, for use in producing, broadcasting, or distributing programs. For the purpose of this exemption, radio stations, television stations, and cable television systems are deemed to be manufacturers.

18. Texas

April 2001-Exempt items used to produce film, video and audio masters A production company may claim an exemption from sales or use tax on the following items if they are necessary and essential to and used or consumed directly in the production of motion pictures or video or audio recordings, a copy of which is sold or offered for ultimate sale, licensed, distributed, broadcast or otherwise exhibited:

- tangible personal property that becomes a component part of the qualifying motion picture, video or audio recording, or broadcast;
- cameras;
- film; film developing chemicals;
- lights;
- props;
- sets;
- teleprompters;
- microphones;
- digital equipment;
- special effects equipment and supplies;
- audio or video routing switchers located in a studio;
- certain services; and
- certain other equipment and tangible personal property that are necessary and essential to and used directly in the production.

An exception may also be claimed in the production of broadcasts by a producer of cable programs or by a radio or television station licensed by the Federal Communications Commission.

A qualifying production does not include a production for broadcast that is not intended to be broadcast to the general public or to cable television service subscribers or paying customers

19. West Virginia

Advertising - Sales of radio or television broadcasting time, preprinted advertising circulars and outdoor advertising space, newspaper and magazine advertising space for the advertisement of goods or services are exempt from sales tax.

Communication Businesses - Purchases made for direct use or consumption in the activity of communication (telephone, telegraph, commercial broadcast radio and television, cable television, etc.) are exempt. Purchases which are not for direct use or consumption or whose use or consumption which will only be incidental or convenient to the communications activity are taxable.



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Meet the Wisconsin Broadcasters Association (WBA)

*The WBA is proud to represent Wisconsin's 400 Free,
Over-the-Air Radio & TV stations
(which employ over 5,000 Wisconsin residents).
98% of Wisconsin stations are WBA members.*

Benefits of Free, Over-the-Air Local Broadcasting to Wisconsin

- Wisconsin Broadcasters serve as bridges of communication between local officials and their communities. Radio and television stations are committed to providing the means for lawmakers and candidates to be heard. In addition, broadcasters know the importance of keeping the public informed and educated on pressing political issues. Broadcasters are active in their communities serving as the eyes and ears.
- Wisconsin Broadcasters' commitment to public service is never more apparent than during times of crisis. During an emergency – particularly one that arises with little notice – no other industry can match the ability of local broadcasting to deliver comprehensive, up-to-date warnings and information to affected citizens. Local radio & television stations are Wisconsin's most reliable network for distributing emergency information. Even if the electricity is out, causing the Internet and cable television to go down, and cell coverage is lost because networks are clogged or a tower is down, free, over-the-air broadcasters can still be on the air and are the lifeline for emergency information.
- The WBA and Wisconsin's Broadcasters are extremely proud of our local AMBERAlert System in Wisconsin, which is one of the most successful systems in the country due to our shared leadership with Wisconsin's Department of Justice. Since the inception of Wisconsin's Amber program in 2003, we have had 23 Amber Alerts with the successful recovery of 31 children.
- Wisconsin Broadcasters are an integral part of their communities and offer un-equalled public service to local communities throughout Wisconsin. Wisconsin's radio & television stations contribute approximately \$270 million per year to their communities through fund-raising efforts and donations of air-time for public service announcements. No other industry serves their communities to this level.

Sales Tax Exemption for Wisconsin's Free, Over-The-Air Local Broadcasters

On behalf of Wisconsin's free, over-the-air local broadcasters, we ask that you grant the free, over-the-air licensed radio and television stations a sales tax exemption on the purchase of broadcast equipment and the supplies and electricity which are used to create radio and television products.

- This will help the sector of the small business community that is comprised of independently-owned and operated free, over-the-air local radio and television stations by investing in our businesses, maintaining and creating jobs, and controlling our business expenses.
- Wisconsin's Radio & TV stations are economic engines! TV stations have invested in additional digital channels to bring more, free, over-the-air programming to the Wisconsin consumers. Radio stations are also in the process of converting their equipment to meet the digital age. We even run the most viewed websites with valuable local news & information. All of this requires capital expenditures and hiring additional personnel and contributes to Wisconsin's economic vitality. This is a continuing process as equipment, standards and viewer needs change.
- In addition to this most important economic argument, we are also asking for parity with newspapers. Newspapers, which are our primary competitors for advertising revenue, already have such an exemption on their equipment. This exemption affords them a competitive advantage over us and we are simply asking for a level playing field.
- Broadcasters are the conduit to growing every sector of Wisconsin's economy by helping our advertising clients create jobs in their businesses by creating markets that put money into the pockets of those who are hiring.
- Wisconsin's stations have also made big investments in maintaining very expensive "back-up" systems, such as generators, to keep our stations on the air during severe weather and emergency situations, which provides Wisconsinites with crucial and reliable life-saving information when it is needed most!
- We believe this measure will help ensure our long-term financial health and will ultimately help grow Wisconsin's economy. Broadcasting is changing; Wisconsin's radio and television stations have some of the most highly utilized websites and social media audiences. Television is now using 3 screens, TV, web, and mobile. This is the way Wisconsinites get some of their local news and information today, and this will continue to grow. We broadcasters want to provide Wisconsin citizens with the information tools they need for the future.
- We have strong bi-partisan support from both houses in a time when many issues in the legislature are very contentious. The broadcasters in Wisconsin have made this appeal in two consecutive legislative sessions and we hope we have shown that the sales tax exemption is critical to our business.

-OVER-

Summary

Wisconsin's free, over-the-air local broadcasters ask that the legislature grant free, over-the-air licensed radio and television stations a sales tax exemption on the purchase of broadcast equipment and the supplies and electricity we use to create our product.

We believe that providing a sales tax exemption for free-over-the-air, licensed broadcasters' machinery, equipment, supplies and electricity is truly a matter of sound economic development.

If a sound economic development policy depends on solidifying current Wisconsin industries, providing incentives for those industries to create more jobs and also trying to attract new industries, either through start-ups or relocations in Wisconsin, the Wisconsin broadcast industry is one of the current state industries that should be provided incentives.

Newspapers, which are broadcasters' primary competitors for advertising revenue, have specifically been given such an exemption on their equipment by being classified as manufacturers under the manufacturing machinery, equipment and utilities tax exemption law. We, as Wisconsin's radio and television stations, are not so classified. This exemption for newspapers affords them a competitive advantage over us, as broadcasters, whose ONLY source of revenue is advertising.

Wisconsin's stations have also made big investments in maintaining very expensive "back-up" systems, such as generators, to keep our stations on the air during severe weather and emergency situations, which provides crucial and reliable life-saving information when it's needed most.

Wisconsin's Radio & TV stations are economic engines! We run some of the most viewed websites with valuable news and information. TV stations have invested in additional digital channels to bring more free, over-the-air programming to the Wisconsin public. Radio stations are also in the process of converting their equipment to meet the digital age. All of this requires capital expenditures and hiring additional personnel and can contribute to Wisconsin's economic vitality.

Wisconsin's local radio and television broadcasters are embedded in our communities and committed to serving them every day. In towns big and small, Wisconsin's broadcasters provide our communities with national and local news, deliver informational programming, provide vital emergency warnings and offer top-quality entertainment choices. Free, local radio and television connect friends, family and neighbors to each other. Broadcasters are the conduit to growing every sector of Wisconsin's economy by helping our advertising clients create jobs in their businesses by creating markets that put money into the pockets of those who are hiring.

Tax exemptions should be used consistently to encourage activities that are beneficial to the public as a whole; broadcasters, consistently serving our communities, certainly deserve consideration for a sales tax exemption on our manufacturing machinery, equipment, supplies and electricity.

It is a matter of equity and sound economic development.

-OVER-

Co-sponsors (AB5/SB34) – 2013-2014 Session

Rep. Garey Bies – R
Rep. Ed Brooks – R
Rep. Steve Doyle – D
Rep. Mike Endsley – R
Rep. Brett Hulseley - D
Rep. Andre Jacques – R
Rep. John Jagler – R
Rep. Andy Jorgensen – D
Rep. Fred Kessler – D
Rep. Joel Kleefisch – R (Sponsor)
Rep. Dan LeMahieu – R
Rep. Cory Mason – D
Rep. Dave Murphy – R
Rep. Steve Nass – R
Rep. Lee Nerison – R
Rep. Al Ott – R
Rep. Warren Petryk – R
Rep. Don Pridemore – R
Rep. Christine Sinicki – D
Rep. Jeff Stone – R
Rep. Patricia Strachota – R
Rep. Scott Suder – R
Rep. Jeremy Thiesfeldt – R
Rep. Paul Tittl – R
Rep. Travis Tranel – R
Rep. Tom Weatherston – R
Rep. Mandy Wright – D
Rep. Josh Zepnick – D

Senator Tim Cullen – D
Senator Glenn Grothman – R (Sponsor)
Senator Rick Gudex - R
Senator Dave Hansen – D
Senator Neal Kedzie – R
Senator Frank Lasee – R
Senator Joe Leibham – R
Senator Luther Olsen – R
Senator Jerry Petrowski – R
Senator Dale Schultz – R
Senator Jennifer Shilling – D
Senator Leah Vukmir – R

ASSEMBLY AB5/SB34

Tyler	August	32 R-Walworth
Joan	Ballweg	41 R-Markesan
Peter	Barca	64 D-Kenosha
Mandela	Barnes	11 D-Milwaukee
Terese	Berceau	77 D-Madison
Penny	Bernard Schaber	57 D-Appleton
Kathy	Bernier	68 R-Chippewa Falls
Janet	Bewley	74 D-Ashland
Garey	Bies	1 R-Sister Bay
Jill	Billings	95 D-La Crosse
Mark	Born	39 R-Beaver Dam
Ed	Brooks	50 R-Reedsburg
Fred	Clark	81 D-Baraboo
Dave	Craig	83 R-Big Bend
Mary	Czaja	35 R-Irma
Chris	Danou	92 D-Trempealeau
Steve	Doyle	94 D-Onalaska
Mike	Endsley	26 R-Sheboygan
Eric	Genrich	90 D-Green Bay
Evan	Goyke	18 D-Milwaukee
Gary	Hebl	46 D-Sun Prairie
Dianne	Hesselbein	79 D-Middleton
Gordon	Hintz	54 D-Oshkosh
Mark	Honadel	21 R-South Milwaukee
Brett	Hulsey	78 D-Madison
Rob	Hutton	13 R-Brookfield
Andre	Jacque	2 R-Green Bay
John	Jagler	37 R-Watertown

sponsor 2013-2014 session
 will still support us if comes to vote
 strongly opposes



La Tonya	Johnson	17 D-Milwaukee
Andy	Jorgensen	43 D-Fort Atkinson
Robb	Kahl	47 D-Monona
Chris	Kapenga	99 R-Delafield
Dean	Kaufert	55 R-Neenah
Samantha	Kerkman	61 R-Genoa City
Frederick	Kessler	12 D-Milwaukee
Steve	Kestell	27 R-Elkhart Lake
Joel	Kleefisch	38 R-Oconomowoc
John	Klenke	88 R-Green Bay
Dan	Knodl	24 R-Germantown
Dean	Knudson	30 R-Hudson
Debra	Kolste	44 D-Janesville
Dale	Kooyenga	14 R-Brookfield
Bill	Kramer	97 R-Waukesha
Scott	Krug	72 R-Wisconsin Rapids
Mike	Kuglitsch	84 R-New Berlin
Tom	Larson	67 R-Colfax
Daniel	LeMahieu	59 R-Cascade
Amy	Loudenbeck	31 R-Clinton
Howard	Marklein	51 R-Spring Green
Cory	Mason	66 D-Racine
Nick	Milroy	73 D-South Range
Dave	Murphy	56 R-Greenville
Jeffrey	Mursau	36 R-Crivitz
John	Murtha	29 R-Baldwin
Steve	Nass	33 R-Whitewater
Lee	Nerison	96 R-Westby
John	Nygren	89 R-Marinette

Tod	Ohnstad	65 D-Kenosha
Alvin	Ott	3 R-Forest Junction
Jim	Ott	23 R-Mequon
Sandy	Paasch	10 D-Whitefish Bay
Kevin	Petersen	40 R-Waupaca
Warren	Petryk	93 R-Eleva
Sondy	Pope-Roberts	80 D-Middleton
Don	Pridemore	22 R-Hartford
Jon	Richards	19 D-Milwaukee
Daniel	Riemer	7 D-Milwaukee
Janis	Ringhand	45 D-Evansville
Keith	Ripp	42 R-Lodi
Joe	Sanfelippo	15 R-West Allis
Melissa	Sargent	48 D-Madison
Michael	Schraa	53 R-Oshkosh
Erik	Severson	28 R-Star Prairie
Katrina	Shankland	71 D-Stevens Point
Christine	Sinicki	20 D-Milwaukee
Stephen	Smith	75 D-Shell Lake
John	Spiros	86 R-Marshfield
Jim	Steineke	5 R- Kaukuana
Jeff	Stone	82 R-Greendale
Pat	Strachota	58 R-West Bend
Duey	Stroebel	60 R-Saukville
Scott	Suder	69 R-Abbotsford
Rob	Swearingen	34 R-Rhineland
Gary	Tauchen	6 R-Bonduel
Chris	Taylor	76 D-Madison
Jeremy	Thiesfeldt	52 R-Fond du Lac



Paul	Tittl	25 R-Manitowoc
Travis	Tranel	49 R-Cuba City
Special Electio	Vacant	98
Robin	Vos	63 R-Rochester
Amy Sue	Vruwink	70 D-Milladore
Dana	Wachs	91 D-Eau Claire
Tom	Weatherston	62 R-Racine
Chad	Weininger	4 R-Green Bay
Mary	Williams	87 R-Medford
Mandy	Wright	85 D-Wausau
Leon	Young	16 D-Milwaukee
JoCasta	Zamarripa	8 D-Milwaukee
Josh	Zepnick	9 D-Milwaukee



SENATE

Tim	Carpenter	3 D-Milwaukee
Robert	Cowles	2 R-Green Bay
Tim	Cullen	15 D-Janesville
Alberta	Darling	8 R-River Hills
Michael	Ellis	19 R-Neenah
Jon	Erpenbach	27 D-Middleton
Paul	Farrow	33 R-Pewaukee
Scott	Fitzgerald	13 R-Juneau
Glenn	Grothman	20 R-West Bend
Rick	Gudex	18 R-Fond du Lac
Dave	Hansen	30 D-Green Bay
Nikiya	Harris	6 D-Milwaukee
Sheila	Harsdorf	10 R-River Falls
Bob	Jauch	25 D-Poplar

Neal	Kedzie	11 R-Elkhorn
Chris	Larson	7 D-Milwaukee
Frank	Lasee	1 R-De Pere
Julie	Lassa	24 D-Stevens Point
Mary	Lazich	28 R-New Berlin
John	Lehman	21 D-Racine
Joe	Leibham	9 R-Sheboygan
Mark	Miller	16 D-Monona
Terry	Moulton	23 R-Chippewa Falls
Luther	Olsen	14 R-Ripon
Jerry	Petrowski	29 R-Marathon
Fred	Risser	26 D-Madison
Dale	Schultz	17 R-Richland Center
Jennifer	Shilling	32 D-La Crosse
Lena	Taylor	4 D-Milwaukee
Tom	Tiffany	12 R-Hazelhurst
Kathleen	Vinehout	31 D-Alma
Leah	Vukmir	5 R-Wauwatosa
Bob	Wirch	22 D-Pleasant Prairie

sponsor 2013-2014 session
will still support us if comes to vote
strongly opposes



YOUR WBA Serving YOU!

In The Last 12 Months YOUR WBA Has....

Continued to achieve RECORD WBA membership. More than 98% of all Wisconsin broadcast stations are members.

Joined the State of WI as an official partner in Year of the Veteran.

Successfully supported getting a bill passed that restricts the ability of local authorities to place unreasonable restrictions on the placement, building and modification of antenna structures used by commercial and noncommercial radio and television stations in the State.

Debuted the offering of Omnia's Target Reports to help stations make better hires.

Hosted Governor Walker at our WBA Board Reception.

Received a record number of 1355 entries in the WBA Awards for Excellence Program. The Awards Gala had record attendance with 350 attendees. In addition, we enhanced our online entry/judging system.

Offered our second WBA Media Technology Institute (underwritten by the WBA & Midwest Communications), a 4-day practical, instructional course for prospective, beginning and current broadcast/media engineers.

Continued to foster our WBA Young Professionals Group to provide us feedback in our goal of remaining relevant to future broadcast managers, to broaden the engagement of younger WBA members, as well as to reach out to those newly interested in broadcasting.

Offered Jim Doyle's "Driving New Automotive Revenue" webinar.

Renewed WBA's Insight Edge Weekly Member Service (featuring highlights of key advertising categories).

Sponsored Broadcasters Clinic. This three-day award winning, nationally known event, held in October, brings in Broadcast Engineers, and Vendors/Exhibitors from many states.

Offered "Care & Feeding Of Your (Now Online) Public File" Webinar.

Offered Jim Mathis' "They Can Beat You on Price, But Not On Value" webinar.

Offered the Webinar "The Art & Science of Striking Yellow Page Gold: Six Categories That Really Pay Off."

Continued to offer monthly Educators and Young Professionals columns (and debuted an Award's Committee column) in the *Wisconsin Broadcaster*.

Offered two Social Media Seminars to assist our members with their Social Media needs.

Helped in the coordination of Wisconsin's second live-code test statewide tornado drill.

WBA President & CEO Michelle Vetterkind served as President-Elect on the NASBA (National Alliance of State Broadcasters Associations) Executive Committee.

Grew our "Proud WBA Member" campaign.

Offered two in-person Sales Workshops: "Contagious Selling: How to Turn A Connection into a Relationship that Lasts a Lifetime," with David Rich.

Continued to monitor the WBA's Long Range Plan, highlighting the modules of: Technology, Advocacy, Education, Diversity, and Revenue.

Partnered with Governor Walker, as well as the Democratic Party, to make their WBA Weekly Radio Addresses available to our Wisconsin members on our website.

Sponsored a License Renewal Webinar for Wisconsin television stations.

Offered five Sales Training Webinars thru RAB.

Continued our free legal services for our members with Legal Hotline Services provided by our Washington counsel, Pillsbury, and by our Madison counsel, Godfrey Kahn.

Co-sponsored the annual Watchdog Awards.

Continued our shared leadership with the Department of Justice of Wisconsin's Amber Alert Child Abduction Plan. Since the program's inception in 2003, we have had 23 Amber Alerts with the successful recovery of 31 children.

Took 28 WBA directors and members to Washington, DC (and had the largest delegation of the state broadcasters associations), for our annual Call on Congress.

Continued our WBA Broadcaster Emergency Personnel ID Program with Wisconsin's Dept. Of Justice, which allows radio and TV station transmitter engineers to cross police lines in times of disaster in order to keep the transmitter on the air. 198 cards have been issued to nearly 190 stations.



YOUR WBA Serving YOU!

(Continued . . .)

Renewed the WBA Alternative Inspection Program so that stations can have their stations inspected by FCC-trained engineers before applying for renewal of their station licenses. Currently, more than 250 Wisconsin Radio stations and 32 Wisconsin TV stations are protected.

Hosted the WBA's Annual Student Seminar with over 150 attendees. We also received 185 entries in our WBA Student Awards For Excellence.

Held two Annual Conferences: a Winter meeting in Madison and a Summer meeting in Elkhart Lake.

Covered the State Capitol at our Annual State Legislative Day, which featured a briefing, Calls to Elected Officials the State Capitol, and a Legislative Reception.

Continuously updated & maintained WBA's Assistance Action Plan For EEO Compliance, in which the WBA helps member stations achieve compliance under the FCC's EEO regulations.

Held two "Nondiscrimination & Outreach In Hiring" Sessions, which were held in conjunction with the WBA's Winter & Summer Conferences, to assist our members with EEO Credit.

Continuously monitored and lobbied on State & Federal issues as we strive to serve, protect and promote the Broadcast Industry in Wisconsin.

Updated our Public Service Announcement Guide that stations can refer people to on our website.

Continued our ever-popular Job Bank where all job notices we receive are posted on the WBA website which is linked to a National Job Bank, posted in our monthly newsletter, and also forwarded to all broadcast educators in the state.

Renewed "WBA Saves The Day", an agreement with the American Red Cross to help raise funds and awareness for major Red Cross disaster relief efforts in the state.

Continuously updated & maintained a list of recruitment referral sources, including organizations and groups whose membership includes significant participation of women and minorities, to help our stations with their EEO recruitment efforts.

Coordinated two Job/Career Fairs which were held in conjunction with the WBA's Winter & Summer Conferences.

Offered WBA's Broadcast Internship Program, as another way to help our member stations with EEO compliance, in addition to acting as a "clearinghouse" to assist broadcast students in finding internships.

Provided our members with a 24-hour Engineer's Hotline.

Published an updated annual WBA Directory and continued to publish the *Wisconsin Broadcaster*, our monthly newsletter.

WBA FOUNDATION

Offered the 16th annual 3-Day Walker Broadcast Management Institute at UW-Madison. As of May 2013, 97 broadcast managers have graduated from the 3-year module.

Inducted five Wisconsin broadcasters (Dave Carlson, William T. Evjue, Karl F. Schmidt, Scott M. Trentadue, and Bill Vancil) into the WBA Hall of Fame, bringing the total number of inductees to 122.

Offered the Virtual Wisconsin Museum of Broadcasting.

Hosted the Annual WBA Doug Chickering - WIAA Sports Broadcasting Workshop at the Kohl Center and Camp Randall.

Awarded \$9,987 in educational support grants, through the WBA Foundation, to assist non-profit college and technical school broadcast education programs in acquiring equipment, hardware, software, and/or other teaching materials that are necessary to conduct broadcast education programs and promote careers in broadcasting.

Continued sponsorship of RMP seminars throughout the state whereby students can become certified as RMPs (Radio Marketing Professionals) through the Radio Advertising Bureau, providing our stations with potential sales people. As a result, 513 Wisconsin college students are RMP's.

Offered a WBA Engineering Internship Grant Program as well as an Engineering Fellowship Grant Program in conjunction with the WBA Foundation to assist with the development of future engineers as well as providing continued education for senior engineers.

Awarded \$6,000 in scholarship monies to students who are interested in pursuing a career in the field of broadcasting.

Continued our support of a Distance Learning Initiative to reach out to high school students to educate and interest them in careers in the broadcast field.

Offered the R. Perry Kidder Broadcast News Resource Center - an online resource for Broadcast News Reporters, Producers, Photographers, and News Directors. The goal in creating it was to gather together in one place resources unique and particular to Wisconsin.

Produced two half-hour Hall of Fame Shows for distribution to Wisconsin's television stations.

(over)



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Wisconsin State Legislative Sub Committee
RE: Bill AB-5, State Tax Exception Bill

Members of the State and Local Finance Committee:

My company is an independent contracting firm that does infrastructure upgrades for Radio and TV Stations, throughout the state of Wisconsin. The nature of the new era digital equipment required for Broadcasting is challenging and expensive. The challenges involved require frequent upgrades or replacement due to advancing technology and mandated requirements by the FCC. As you know, all the TV stations were required to build new digital plants from 2000 to 2008, and much of this equipment is already reaching its end of life cycle, because of software changes or hardware fatigue. The FCC is working on repacking the TV spectrum allocations, and this would mandate new equipment purchases for many of the stations.

On the projects that we perform for different Broadcasting facilities, the budgeting process is impacted by any and all costs associated with new digital equipment. By passing the Sales Tax Exemption, this would enable the Broadcasters to ensure their facilities are ready to serve the public with a digitally based equipment system.

To summarize, please vote for the passage of Bill AB5.

Thank you,

Richard Wood
President
Resonant Results, Ltd
January 7, 2014