



STATE REPRESENTATIVE
GARY HEBL
46TH ASSEMBLY DISTRICT

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PRESS RELEASE

PRICE OF CABLE COMPETITION SHOULDN'T BE A RACE TO THE BOTTOM
Adopted Amendments to Cable Franchise Bill only solve some of the problems

MADISON - State Representative Gary Hebl (D-Sun Prairie) applauded the changes made to the version of the cable franchise bill that passed the Assembly Tuesday, but emphasized significant changes still need to be made to save existing funds for municipalities and Public, Education and Government Channels.

The bill, which has not been approved by the state Senate, was pulled into the Joint Finance Committee because of the potential fiscal cost to the state. If the cost is determined to be more than \$100,000, the bill can't be passed before lawmakers complete a budget for 2007-09.

"We're definitely part of the way there - restoring consumer protection, reducing the unreasonable programming requirements and expanding the definition of gross receipts were all important changes - but changes are still needed on this legislation," Hebl said. "Competition in the cable market is better for everyone, but the way this bill is written, communities all over the State of Wisconsin would still lose significant sources of revenue on which they depend."

According to officials with Sun Prairie Community Access Television (SPCATV), the station will still lose about \$50,000 in director and producer fees. SPCATV operates two cable access stations: a government channel and KIDS-4, a channel produced by kids for kids. But Sun Prairie is only one of the channels affected by this legislation. As a result of a loophole in the three-year moratorium on the elimination of PEG fees negotiated with the cable industry, stations in Ashwaubenon, Sheboygan, Stevens Point, and West Allis will lose their PEG fees immediately and Wausau after only one year.

"These were contracts that were negotiated in good faith - I don't like the idea that the state can come in and say that these contracts are no longer valid," Hebl said. "Does that mean that any industry with enough resources can dump money into

campaign coffers and pay an army of high-priced lobbyists to eliminate contracts in specific industry?"

According to AT&T officials, the company's stated goals are to expand coverage *only* into areas where they have existing infrastructure. Consequently, because the telecommunications corporation has no exiting infrastructure in our area, Sun Prairie customers will receive none of the benefits of competition.

"Shouldn't we figure out whether there are players on the field before we change the rules of the game?" Hebl said. "As the bill is currently written Sun Prairie and other communities stand to receive *all* of the costs and *none* of the benefits from competition. That's why I am encouraging the bill's authors to consider amendments to make the bill fair to everyone."

From the beginning, Hebl said he has had problems with the process by which the bill was brought before the Legislature.

"I don't like the whole process for this bill," Hebl said. "In the Senate committee hearing on this bill the Legislative Council attorney was reading the amendments as they were delivered to the hearing room. Numerous times during the hearing he said 'this is analysis on the fly.'"

Hebl said he would continue to carefully monitor the legislative process and work with his legislative colleagues on the Joint Finance Committee and in the Senate to ensure the bill is the brings greater choice to the consumer, maintains existing consumer protections and protects community access channels.

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