

RESOLUTION NO. 2005

A RESOLUTION OPPOSING PROPOSED LEGISLATION TO CREATE A STATEWIDE, COST-BASED, INCREMENTAL MODEL OF FRANCHISE FEES FOR TELECOMMUNICATIONS AND CABLE PROVIDERS IN MUNICIPAL RIGHTS-OF-WAY

WHEREAS, local governments throughout the State of Wyoming successfully negotiate franchise fees for the use of municipal rights-of-way with telecommunications and cable companies in their own jurisdictions; and

WHEREAS, local rights-of-way and franchise issues properly belong in the jurisdiction and control of local governments whose land, infrastructure, streets and utilities are impacted, and who are closest to and accountable to their citizenry; and

WHEREAS, the use of local, public rights-of-way provide a tremendous benefit to the cable and telecommunications industry because it costs them significantly less than it would to do the same at fair market value across private land; and

WHEREAS, franchise fees paid for the use of the public rights-of-way provide important, sustainable revenue to local governments; and

WHEREAS, franchise fees provide valuable benefits to citizens of localities who receive better government services as a result of franchise fee revenue; and

WHEREAS, at the Wyoming Legislature's Corporations, Elections and Political Subdivisions Committee meeting held on May 13, 2019, industry representatives proposed a state-wide, incremental, cost-based reimbursement compensation model that could substantially reduce or eliminate franchise fee funding for local governments; and

WHEREAS, the model proposed has the potential to unfairly strip millions of dollars of franchise fee revenue away from local governments; and

WHEREAS, an incremental, cost-based reimbursement model is flawed because it fails to fairly and appropriately compensate local governments for the use of its rights-of-way and may transfer funding that should be spent for public benefit to subsidize private companies; and

WHEREAS, it is becoming more difficult for the Wyoming Legislature to provide sustainable funding to local governments that the Legislature does not have to fund; and

WHEREAS, no actual problem exists under the current cable and telecommunications franchises and these franchises are best handled by Wyoming local governments; and

WHEREAS, redistributing franchise fee revenue to private telecommunications or cable companies at the expense of local governments is an unconstitutional subsidy of private enterprise and would also violate the local government's fiduciary responsibility to its citizens to properly manage its rights-of-way.

NOW, THEREFORE, BE IT RESOLVED, THAT THE GOVERNING BODY OF THE CITY OF DOUGLAS opposes proposed legislation to create a statewide, cost-based, incremental model of franchise fees for telecommunications and cable providers in municipal rights-of-way.

PASSED, APPROVED AND ADOPTED this 10th day of June, 2019.

Rene' Kemper, Mayor

ATTEST:

Karen Rimmer, City Clerk