

In this day and age, franchise agreements that require the consumer to pay a franchise fee are essentially a regressive tax that forces the consumer to pay for services that can be received elsewhere at far less cost. With the [FCC currently moving toward categorizing internet service as a utility](#), the need for Public, Educational, and Government Access channels becomes less and less relevant. This type of programming can be offered to the public, at far less cost over the internet without the need of a Video Service Provider.

With equipment costs a fraction of what they once were, and the ability of anyone to stream or record content for well under \$1,000, there is no point in taxing (imposing fees) on subscribers to Video Service Providers for this type of programming. The same content can be made available, live, or recorded via ZOOM, YouTube, various Roku Channels, or even Instagram or TikTok, which are increasingly becoming the news-source of choice for many individuals. Representative Kessler stated this himself in an email to me about this bill when he wrote "...we are moving in the direction away from traditional cable television and more toward Internet-based video service...." This means towns should no longer justify collecting franchise fees as a means to collect monies to support fully unnecessary Public, Educational, and Government Access channels.

Originally this bill included a provision to require video service providers to allow for a-la-carte channel selection so subscribers were not required to pay for any channel for which they held no interest. (Obviously this is something that can only be ruled on at the federal level so it was removed from the original draft.) As you probably realize, the vast majority of subscribers to video services NEVER look at Public, Educational, and Government Access channels. Many do not even know nor care that they exist. Based on this, franchise fees used to pay for these channels actually do the opposite of part of the original intent of this bill by making subscribers pay a fee for a service that is not needed nor wanted. In fact, being that a fee is something paid for a service, charging this fee to those that do not need nor want the service could be construed governmental theft. If indeed it is determined by elected officials that this is a service that must be available for all, whether used or not, the payment for this service should be based on a tax, not a required "junk" fee. Either all community residents pay for it or none pays for it regardless of whether or not those residents are subscribers to a Video Service Provider.

The move "...away from traditional cable television and more toward Internet-based video service..." as Representative Kessler spoke of in his e-mail, means that most users of video service providers that pay franchise fees will be older individuals. Seniors often have a hard time changing to current technology. This means that franchise fees become a regressive tax on seniors, often individuals on low- and/or fixed-incomes.

According to recent [news reports](#), several Video Service Providers including Frontier, Spectrum, and soon Xfinity/Comcast, will no longer offer video service to new customers over cable and will be Internet only. This makes the idea of a franchise fee even more regressive as it is a fee placed on a utility, not a video service.

At the crux of the issue, internet service is changing from a wired service to wireless. This was my concern when the State of Maine started the government funded fiber optic program. With satellite technology from Starlink and soon Amazon, and high-speed wireless internet service available from mobile phone providers, wired Internet service is already becoming a thing of the past. Based on this, allowing local communities to collect franchise fees is not only regressive, but also allows the State to commence a dependency on funds that will soon dry up.

While I truly thank Representative Kessler for the opportunity to be involved in this legislation and for your consideration, the entire point of the conversation he and I started in August of 2022 was to eliminate "junk" fees and force Video Service and Internet providers to be transparent in their rates to consumers. This legislation is just the opposite of that and while it might have had a purpose two or three decades ago, it is now moot.