

**RESOLUTION IN OPPOSITON TO HB 5123 & SB 719 - THE
STREAMING INDUSTRY VIDEO FRANCHISE EXEMPTION
AMENDMENTS TO THE UNIFORM VIDEO SERVICES LOCAL
FRANCHISE ACT 2006 PA 480**

Dated: _____

At a session of _____, **on** _____:

Whereas the Uniform Video Services Local Franchise Act, 2006 PA 480, MCL 484.3301 *et seq.* (“PA 480”), was negotiated by and between certain communications businesses, including but not limited to AT&T, Comcast, Charter and Frontier, and Michigan municipalities as represented by the Coalition to Protect Public Rights-of-Way (“PROTEC”), the Michigan Chapter of the National Association of Telecommunications Officers and Advisors (“MI-NATOA”), the Michigan Municipal League and the Michigan Townships Association, throughout 2006; was enacted by the Michigan Legislature; and became effective on January 1 2007;

Whereas PA 480 specifically provided for a level playing field among ALL video providers and, while reducing certain aspects of local regulatory control, kept local communities financially whole by providing for franchise of not more than five percent (5%) and Public, Educational, and Government (PEG) access channel fees of not more than two percent (2%) of locally collected gross revenue by EVERY video provider; and

Whereas the specific language enforcing this agreement reads as follows:

“Video service” means video programming, cable services, IPTV, or OVS provided through facilities located at least in part in the public rights-of-way without regard to delivery technology, including internet protocol technology. [MCL 484.3301(2)(p).]

Whereas the streaming industry has steadfastly refused to honor the requirements of PA 480 by failing to pay franchise and PEG fees;

Whereas upon threat of a civil action to compel compliance with the PA 480, the streaming industry has repeatedly introduced legislation over the last several years seeking an exemption for its streaming video products provided ***“through facilities***

located at least in part in the public rights-of-way without regard to delivery technology, including internet protocol technology”;

Whereas each such exemption amendments have been routinely defeated;

Whereas such exemption amendments have again been introduced in this legislative session, being House Bill 5123 of 2025 (“HB 5123”) and Senate Bill 719 of 2025 (“SB 719”);

Whereas such exemption amendments would destroy the essence of the agreement among all stakeholders that resulted in the passage of PA 480, which was to maintain a level playing field as between ALL video providers, ***“without regard to delivery technology, including internet protocol technology,”*** and to keep municipalities financially whole; and

Whereas due to the migration of video subscribers from traditional cable to streaming video via internet protocol technology and the failure of the steaming industry to comply with PA 480, annual video franchise and PEG Fee revenues have fallen from \$_____ in the year _____, to \$_____ in 2025, a _____% drop that directly and adversely impacts the general fund and local community programming for this municipality.

Therefore, be it resolved: The _____ of _____ hereby expresses its opposition to HB 5123 and SB 719 in their entirety.

Michael J. Watza

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