



**Senate Committee on Federal and State Affairs  
Hearing on Senate Bill 547  
Hearing Date – March 14, 2022**

**Written Only Testimony in opposition to SB 547 on behalf of the City of Manhattan  
By the Honorable Linda Morse, Mayor of Manhattan**

Good morning Chair Olson, Vice Chair Hilderbrand and Honorable Members of the Senate Committee on Federal and State Affairs.

**The City of Manhattan opposes SB 547 as written**, concerning the removal of direct broadcast satellite service and digital audiovisual works from the Video Competition Act.

Removing direct broadcast satellite and digital audiovisual works, including streaming content, from the Video Competition Act effects a city's right to require a valid franchise agreement with certain video service providers. An exemption such as this sets a precedent of favoring certain video service providers over others and implementation could cause unfair financial advantages to a particular for-profit business sector across the state, while other applicable for-profit entities would continue paying franchise fees. Thus, such legislation could challenge a cities' current local franchise authority completely.

Significant changes such as this so late in the Legislative Session does not allow adequate time for vetting and full consideration of the of potentially significant ramifications if implemented.

- The City's franchise authority has existed for more than 100 years. A franchise gives a private business the ability to use the public's land (the rights-of-way), and the public should be compensated for that use. The franchise laws ensure that private business use the ROW in a responsible, safe way that does not interfere with use by the public or other franchisees. In the absence of such franchise authority, our citizens bear the financial and practical burdens caused by unregulated, private use of their public lands.
- There is no legal basis to favor certain video service providers over others. If SB 547 is adopted as written, the cities' franchise authority over other types of providers may be challenged or even eliminated, which could result in significantly negative ramifications that have yet to be fully vetted.
- Making changes today to meet the requests of one video service provider is shortsighted. Municipalities look to the State Legislature to provide flexibility to help governing bodies be responsive to both local business and residents, but this legislation would strain the relationship between municipalities and businesses by taking away the ability to negotiate the best agreement for the community related to emerging technologies and services.



- The City of Manhattan supports legislation that enables local officials and the citizens they represent to better control and manage the public right-of-way, without placing limits on the franchise agreement applicability.

For all the reasons stated above, the City of Manhattan opposes SB 547, and asks the Committee to reject consideration of legislation eliminating direct broadcast satellite service and digital audiovisual works from the Video Competition Act as well as valid franchise agreements. Thank you for your time and consideration.