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WSTA Commends Governor Evers Signing Rural Broadband Investment Legislation

Madison, WI - Wisconsin's premier telecommunications industry association praises Governor Evers' action today signing Assembly Bill 344 (AB 344). The new law, 2019 Wisconsin Act 128, will incentivize rural broadband deployment through targeted tax exemptions for investments in rural or underserved communities.

"WSTA is grateful for Senator Marklein and Representative Quinn authoring AB 344, and for the action Governor Evers took to sign the bill into law," said Bill Esbeck, executive director of the Wisconsin State Telecommunications Association (WSTA). "By enacting this new law, Wisconsin will help providers stretch their resources and help connect more broadband customers in rural and underserved Wisconsin."

Senator Howard Marklein (R-Spring Green) and Representative Romaine Quinn (R-Cameron) authored AB 344 and the companion bill, Senate Bill 321. 2019 WI Act 128 creates property tax exemptions for telephone company property used to provide broadband service in a rural or underserved area. Unlike most Wisconsin property taxes, which are paid to local governments, the telephone company property tax is paid to the state. Because the telephone company property tax is collected by the state, there is no fiscal impact on local governments.

"We sincerely appreciate the support the legislation received from both sides of the aisle to promote broadband expansion in rural and underserved communities," Esbeck continued. "The Assembly voice vote and the Senate's unanimous roll call vote on AB 344 demonstrate the bipartisan appeal of policies to promote rural broadband."

The targeted exemption for new investments and existing investments is also a step toward a level playing field between cable companies and telephone companies. Cable companies in Wisconsin already enjoy a property tax exemption on the infrastructure they use to offer their voice, video and broadband triple play. A traditional telephone company offering the same voice, video and broadband triple play is currently paying the telephone company property tax on their infrastructure. This legislation helps level the competitive playing field.

The new law will complement existing state and federal programs focused on broadband deployment. In the 2019-2021 Biennial Budget, the Legislature approved and Governor Evers signed an historic increase in funding for the Broadband Expansion Grant Program.