

ORDINANCE 220523

**VIDEO SERVICE
PROVIDER
FRANCHISE FEE**



CABLE FRANCHISE FEE

- Current cable franchise fee is 5% of gross revenue
- 2021 State legislation requires a reduction in the fee to 2.5% over five (5) years (Senate Bill 153 & 97)
- Ordinance updates the fee to comply with State law
- First step down in fee takes effect August 28, 2023

ESTIMATED FISCAL IMPACT

FY22-23 Adopted Budget Cable Franchise Fees: \$4,935,000

Current Rate: 5.0%

Fiscal Year	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
Maximum Rate	4.5%	4.0%	3.5%	3.0%	2.5%
Estimated Decrease in Revenue	(\$473,760)	(\$307,944)	(\$264,832)	(\$227,755)	(\$195,870)



QUESTIONS