



Janet T. Mills
GOVERNOR

STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

June 25, 2021

The 130th Legislature of the State of Maine
State House
Augusta, Maine

Dear Honorable Members of the 130th Legislature:

Under the authority vested in me by Article IV, Part Third, Section 2 of the Constitution of the State of Maine, I am hereby vetoing L.D. 920, "*An Act To Promote Oversight of and Competitive Parity among Video Service Providers.*"

L.D. 920 attempts to implement new consumer fees on some streaming services, expands consumer costs to fund Public, Educational and Governmental (PEG) studios and adds a layer of regulation to these services funded by an assessment paid to the Public Utilities Commission (PUC). I am deeply concerned that if this bill were to become law, it could make digital streaming services more costly and reduce service options for Mainers.

This bill expands the obligation of the video service provider to fund technology upgrades and expansion of local television/PEG operators. This expansion is substantial and will result in higher fees passed down to consumers. This is both a local control issue and a consumer cost issue. Cable customers already contribute more than \$10 million per year in franchise fees to local municipalities and many hundreds of thousands more in PEG capital fees. Only a small fraction is dedicated by municipalities to PEG operations. Additionally, L.D. 920 grants oversight of streaming websites to the PUC and requires the video service providers to offset those oversight and enforcement costs by paying a fee which I am concerned could be passed on to their subscribers.

My Administration worked in good faith with the sponsor to agree on legislation I feel would have accomplished the intent of the underlying bill. Our proposal offered the funding that local access channels need while ensuring municipalities had the authority to make that decision for their communities, instead of giving the PUC regulatory authority over streaming services.

L.D. 920 would also make Maine an outlier by imposing franchise fee obligations related to the access of public right of ways over streaming websites, raising costs for consumers and negatively impacting the State's efforts to expand broadband across Maine.



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For these reasons, I return LD 920 unsigned and vetoed and urge the Legislature to sustain this veto.

Sincerely,



Janet T. Mills
Governor



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