

**RESOLUTION**

**Resolution Requesting the Legislature to Restructure and Bring Fairness to Tax and Franchise Fees Imposed on Telecommunications and Cable Telecommunications Service Providers in New Jersey**

**WHEREAS**, the convergence of telecommunications technologies and regulatory reform has blurred the distinctions among the service providers as each provides a full range of voice, data and video service; and

**WHEREAS**, the public rights-of-way are an asset held in trust for the people of the State of New Jersey by state and local government; and

**WHEREAS**, taxpayers are entitled to compensation when private corporations use the public rights-of-way to generate profits; and

**WHEREAS**, telecommunication providers including but not limited to, direct broadcast satellites, open video system and cable television, employing various technologies and offering multiple services, play an increasingly important role in the life of corporate and individual citizens in New Jersey; and

**WHEREAS**, tax and right-of-way franchise fee policies, however, should not bias competition among service providers nor distort the efficient use of public properties; and

**WHEREAS**, the current state system of compensation to municipalities for the use of the public rights-of-way distorts efficient use of these public assets; and

**WHEREAS**, comparable telecommunication competitors face major anomalies in financial obligations to municipalities and the state; and

**WHEREAS**, service revenue continues to shift from traditional telecommunication services, such as, local and long distance to advanced services such as wireless/mobile, cable, broadband, and high speed internet access. This shift will continue to intensify over the next decade further distorting the financial obligations to the state among competing telecommunication service providers; and

**WHEREAS**, the current situation has proven inequitable, among telecommunication competitors or between taxpayer-owners of the rights-of-way and telecommunication companies.

**NOW, THEREFORE, BE IT RESOLVED** the Township Council of the Township of Livingston calls upon the State Legislature to restructure and bring fairness to tax and franchise fees imposed on telecommunication and cable telecommunication service providers in New Jersey; and

**BE IT FURTHER RESOLVED**, the Township Council of the Township of Livingston calls upon the Legislature to restructure and bring fairness to tax and franchise fees imposed on telecommunication and cable telecommunication service providers in New Jersey; and

BE IT FURTHER RESOLVED, the Township of Livingston calls upon the Legislature to ensure consumers of telecommunication services receive competitively priced, high equality services which are taxed equitably; and

BE IT FURTHER RESOLVED, the Township of Livingston calls upon the legislature to ensure municipalities are held harmless from the shrifts in consumption of telecommunication services from traditional services to more advanced services; and

BE IT FURTHER RESOLVED, the Township of Livingston calls upon the legislature to ensure tax revenue associated with the provision of telecommunications services be paid directly from the service providers to the local government; and

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to State Senator Codey, our Assembly representatives McKeon and Jasey, the Governor of the State of New Jersey and the New Jersey State League of Municipalities.

Approved as to Form:

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Sharon L. Weiner  
Township Attorney

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Charles August, Mayor

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Glenn Turteltaub, Township Clerk

Date: December 21, 2009