



TeleCommUnity

... Alliance for a Communications Bill of Rights

Myth Busters: The Truth about Rights-of-Way Management and Compensation

Myth	Reality
1. Courts have long held ROW fees must be cost based	This position confuses regulatory fees and fees for use of public property (rent). Regulatory fees (such as fees for inspections to determine compliance with regulations, e.g. a Bldg Permit fee) should be based on the cost of regulating. Fees for rental of public property (ROW fees) should be based on the value of the property being rented.
2. Reductions in ROW fees will curb wasteful local government spending.	Local budgets are already so lean if they turned sideways they'd disappear.
3. ROW fees are really "hidden taxes"	ROW fees are rental for the use of public property. They are no more "hidden taxes" than the fee that is charged to rent a publicly owned auditorium for a musical concert. Just like Telecoms, the concert promoter recovers his cost of renting the facility in the price of the ticket. The only difference is the concert promoter doesn't line item "Concert Hall rental fee" on the receipt for the ticket like the phone company does on your phone bill.
4. Local Governments "make money" on ROW fees	In most communities the amount collected in ROW fees is less than what they spend on an annual basis on building and maintaining the ROW and related infrastructure.
5. "Fair and Reasonable Compensation" means cost-based fees	I'd be happy to put everyone that believes that to work for me. Of course I will pay you "fair and reasonable compensation" which will only include your out of pocket expenses like the gas it costs you to get to work and your dry cleaning bill, because if I paid you for the value of your work I'd be letting you take unfair advantage of me.