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WSTA FACT CHECK: WiscNet Can Continue to Serve the UW

Madison – Wisconsin’s largest association of telecommunications providers today responds to misleading statements made by Ray Cross, chancellor of the University of Wisconsin-Extension.

“Ray Cross is a likeable individual, but his advisors on this issue seem to be avoiding the facts regarding provisions in current law,” said Bill Esbeck, executive director of the Wisconsin State Telecommunications Association. “If you saw his recent statements, Ray Cross would have you believe that *in 17 months the University of Wisconsin will be forced to sever its relationship with WiscNet and jeopardize thousands of high paying jobs*. That alarming notion is absolutely not true.”

Chancellor Cross is referring to a provision adopted in the 2011-2013 Biennial Budget (Budget). For years, state law has prohibited the University of Wisconsin (UW) from offering telecommunications services that compete with the private sector. The recent Budget closed a loophole the UW is using to offer telecommunications services by clarifying that the UW could not use a third party organization, like WiscNet, to compete with private sector telecommunications providers. WiscNet has been staffed by UW employees and has used UW facilities. The Legislature gave the UW two years to plan for and comply with the new law, which will sunrise on July 1, 2013.

Specifically, the statute provides that as of July 2013, if WiscNet continues to be linked to UW, WiscNet cannot serve other customers. If WiscNet separates from the UW, it can compete freely in the marketplace.

“It is a fact that WiscNet can continue to provide services to the UW in July 2013 and beyond,” continued Esbeck. “However, the Legislature has determined that WiscNet can’t have its taxpayer-subsidized cake and eat it too. If WiscNet’s role in providing service to the UW is critical in maintaining the UW’s \$1 billion research engine, it seems like a pretty simple choice.”

Even with only two options, it is unclear whether the UW and WiscNet have actually identified a course of action in order to prepare for the July 2013 sunrise provisions. At this point it appears that WiscNet and the UW have focused all of their attention in delaying the provision, with the goal of repealing the law next session.

The Wisconsin State Telecommunications Association recently published a comprehensive analysis of broadband in our state entitled “Wisconsin’s Broadband Internet Availability, January 2012.” A copy of the report is available at www.tinyurl.com/wibb12.

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