

www.CableAdvisoryCouncil.com

For Charter Communications NW CT Area 19

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CABLE ADVISORY COUNCIL – PURA District 19

Gregory G. Davis, Chairman

19 February 2015 CT Energy & Technology Committee Public Hearing

Testimony for PHB-6436, PHB6437, PHB-6438

An Act Stabilizing the Funding for the CT Institution of Community Access
Television

Proposed House Bills sponsored by: Representative O’Neill (H69),
Representative Rutigliano (H123), and Representative Devlin (H134).

Greetings Co-Chairs Senator Paul R.Doyle and Representative Lonnie Reed,
and the honorable members of the Energy & Technology Committee.

My name is Gregory G. Davis. I am here today as a volunteer citizen.

I am also a volunteer member serving on the PURA district 19 Cable
Advisory Council as chairman. We are on a mission to save our community
access providers and ask you to support the proposed House bills 6436,
6437, and 6438 – An Act Stabilizing the Funding for the CT Institution of
Community Access Television.

The text of these bills propose that the general statutes be amended to
require companies or organizations responsible for community access
operations to collect community access fees from all subscribers of any
services provided by multichannel video programming distributors including
Internet, cable television and telephone subscribers.

Community Access Television is our wonderful gem of a public institution created in CT law decades ago at the very dawn of the community antenna and cable TV services. Fast forward 50 years, and we now have 39 plus community access provider studios where citizens of Connecticut with a vision can produce, free of charge, a television program and broadcast their message over the dedicated community access television channel carried by their local cable or video services company.

The institution of community access is funded by the for-profit / private sector companies which sell Cable TV and Video subscription services over the wires installed throughout state regulated franchise territories. These Cable TV and Video Services businesses are defined as a Multiple Video Program Distributors (MVPD's) by Title 47 of the Code of Federal Regulations. These companies must hold a CT version of this license. They are required as condition of the license to collect a fee per subscriber specifically for the support of the institution of community access television. This fee is paid by the companies to the designated community access provider for the regulated franchise territory, and is typically less than \$10 per year, per subscriber.

Time and technology have marched forward since 1967. Digitization and differentiation of digital signal transmission over Cable TV & Video services wiring has enhanced the billing and revenue generating capabilities of the MVPD license holders. The recent national trend of “CUTTING THE CORD” on bundled cable TV packages in favor of TV programming delivered over the top on the internet, over these same Cable TV and video services wires, is now very well established. Netflix is a leading example. Industry analysts estimate that 15% of MVPD subscribers are now “CORD CUTTERS”, with expectations of 35% market capture in the next 3 years.

The MVPD’s have decided that a sub-group of subscribers who have “CUT THE CORD” are now exempt from the community access subscriber fees – a classic loophole has emerged. This action is neither allowed nor denied in the existing statutes, but will completely devastate the Community Access Provider infrastructure. This loophole in the law presents a clear and present danger - by the rapid and substantial erosion of the sole source of operating funds for the community access providers. Any cuts to the funding levels of our access studio budgets directly translate to the loss of dedicated & essential community access studio staff and facilities. The Public Interest would be permanently damaged, and needlessly so.

The companies holding CT MVPD licenses will argue that CT has no right to tax the internet. On this point, there is no argument, because the community access subscriber fee is NOT a TAX on the internet. The community access support fee is simply a public interest obligation under the terms of the CT MVPD license. The community access subscriber fee is no more an internet tax than any of the other dozen or so Public Interest subscriber fees and taxes collected by the MVPD license holders.

It is vital to close the loophole in the existing law by including the word “ALL” with “Subscribers” and stabilize the funding for the CT Institution of Community Access Television, just as the visionary authors of the legacy legislation intended. We need your help and ask the committee to support the proposed House bills 6436, 6437, and 6438 – An Act Stabilizing the Funding for the CT Institution of Community Access Television. It is the right thing to do.

I sincerely thank the members of the Energy & Technology committee for the opportunity to present this testimony.

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WINTER HASSLES – NO OBSTACLE FOR THIS GROUP OF ACCESS PRODUCERS!



Picture courtesy of Greg Van Antwerp, access coordinator, Charter Communications CommunityVision 21, the designated community access provider for PURA district 19, serving Barkhamsted, Bethlehem, Bridgewater, Brookfield, Colebrook, Harwinton, Kent, Monroe, New Fairfield, New Hartford, New Milford, Newtown, Roxbury, Sherman, Southbury, Trumbull, Washington, Winchester, and Woodbury.....