



CGA Finance, Revenue and Bonding Committee
Public Hearing – March 9, 2015

OPPOSITION TO
SB 946 – AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE
GOVERNOR'S BUDGET

Submitted by Jennifer Evans, West Hartford Community Television

It is my privilege to speak to you today on behalf of West Hartford Community Television, a nationally recognized community media center that was co-founded in 1979 by former state senator Nan Streeter and Muriel Fleischmann. For over 35 years, the residents of our town have supported our station above and beyond to ensure that WHC-TV is an open forum for free speech, community dialogue, cultural exchange and artistic expression. Now, I am asking you to honor their investment by refusing to allow the Governor to rob the PEGPETIA fund. This is not state money. The fund is derived through a tax on cable companies that was set up in 2007 as the funding mechanism for schools and community media centers in the absence of franchise renewal, not to offset the state's budget challenges.

West Hartford Community Television opposes sections 34 and 35 of this bill, which directs that all revenues collected in PEGPETIA—the public, educational, and governmental programming and educational technology investment account— be re-appropriated into the General Fund for 2016 and 2017.

In 2007, with the entry of cable companies like AT&T U-verse and the advent of internet protocol television, the legislature changed the process by which community television is regulated. Traditionally, WHC-TV operated within a franchise agreement negotiated by the Department of Public Utility Control, (now PURA). The opportunity to negotiate for capital needs and increased funding was a docketed process in which the public was invited to participate.

West Hartford and all the stations the Hartford Franchise would have begun renegotiating our franchise in 2009. This would have been the opportunity to ask for items like interconnection to our high schools or having our schedule included on the program guide. Instead our funding was frozen in 2007 only to be adjusted annually each year by a CPI index so narrow that energy costs are not even one of the contributing factors. Also, as part of the PA-07-253, we became responsible for the interconnect to the cable company. Cable companies were given a certificate of video service or cable franchise authority to do business with no term limit or periodic review.

Essentially, the process for funding community television was completely re-envisioned and the PEGPETIA account was created as a non-lapsing fund generated from a tax on gross receipts of cable companies. The fund was front-loaded for the first two years and now consists of .025% tax collected to

support the technology needs of schools and community media centers.

This regulatory structure means that we have to fund capital improvements ourselves or with grants from this fund. PEGPETIA is critical to our future because it allows us to put media tools in the hands of our residents. We developed with the Hartford Foundation a strategic technology plan which included creative thinking like sharing infrastructure costs with other centers like Newington Community Television and Windsor Community Television. We funded the equipment for the launch of our first outreach program "Be The Media" with a PEGPETIA grant. We added energy efficient lighting to our studio. When money is in the account, the system works. Access centers can plan for equipment upgrades. Unfortunately, the fund has become unreliable due because it is consistently being used non-withstanding the original provisions of the law that was enacted in 2007.

It appears to us that there is a misunderstanding as to the critical nature these funds play. Funds were taken from this account so completely in the previous budget cycle that the grant program was shut down in the fall of 2013. PURA did this to comply with legislation for the 2013-14 budget year. Program suspension will happen again if the current bill passes with the two sections as written.

It seemed incredibly unfair that one week after PEGPETIA was swept last year, the governor announced a new fund for school technology. Why was money taken from PEGPETIA in a surplus budget year if funding for school technology is so important? We are grateful for the work of the legislature to secure bonding to restore \$3.5 million (a year's worth of PEGPETIA revenue) that was approved at the end of the 2014 session. The bond funding for PEGPETIA was approved in January this year, and PURA reinstated the program in early February. Already, the grant requests exceed the funding that was restored.

So, here we are with no process. The avenues for raising money are restricted because we are by nature non-commercial and yet required to provide access to the media for all residents. The governor proposes taking more funds from PEGPETIA than the fund is currently generating which effectively means that we will have no capital money for two years again. We are responsible for bearing the costs of all technology during a period of rapid changes in technology.

Please remove the scheduled sweeps in sections 34 and 35. Let the funding for community television be used as legislatively intended. Thank you for the opportunity to offer our testimony to the Committee today and I welcome any questions.

Respectfully Submitted,

Jennifer Evans
Executive Director
West Hartford Community Television