

# Energy and Technology Committee JOINT FAVORABLE REPORT

**Bill No.:** HB-5446

AN ACT CONCERNING FUNDING FOR COMMUNITY ACCESS TELEVISION,  
THE CONNECTICUT TELEVISION NETWORK AND LOW-INCOME INTERNET

**Title:** ACCESS.

**Vote Date:** 3/21/2024

**Vote Action:** Joint Favorable

**PH Date:** 3/14/2024

**File No.:**

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## **SPONSORS OF BILL:**

[Senator MD Rahman, 4<sup>th</sup> District](#)

[Representative Jaime S. Foster, 57<sup>th</sup> District](#)

[Representative Anthony L. Nolan, 39<sup>th</sup> District](#)

[Representative Josh Elliot, 88<sup>th</sup> District](#)

[Representative Robin E. Comey, 102<sup>nd</sup> District](#)

[Representative Mary M. Mushinsky, 85<sup>th</sup> District](#)

[Representative Eleni Kavros DeGraw, 17<sup>th</sup> District](#)

[Representative Mike Demicco, 21<sup>st</sup> District](#)

[Representative Aundre Bumgardner, 41<sup>st</sup> District](#)

[Representative Melissa Osborne, 16<sup>th</sup> District](#)

[Representative Kate Farrar, 20<sup>th</sup> District](#)

[Representative Moira Rader, 98<sup>th</sup> District](#)

[Representative Gary A. Turco, 27<sup>th</sup> District](#)

[Representative Kevin Brown, 56<sup>th</sup> District](#)

[Representative Jane M. Garibay, 60<sup>th</sup> District](#)

[Representative Brandon Chafee, 33<sup>rd</sup> District](#)

## **REASONS FOR BILL:**

With the development of new technology, the public access television industry has begun to suffer. However, 4 years ago, a study was conducted by the legislature, and it noted that public television was still an influential resource for the state. Connecticut has not updated its laws on cable television since 2007, and its laws on telecommunication since 1994. Much has changed since then, and this bill seeks to address the modern communications industry. This bill has many objectives, including providing sufficient funding for television networks, including The Connecticut Television Network (CT-N), modernizing taxes on communications services providers, updating the Public, Educational, and Government Programming and

Education Technology Investment Account (PEGPETIA), and establishing an inter-agency working group.

#### **RESPONSE FROM ADMINISTRATION/AGENCY:**

Claire Coleman, Consumer Counsel, Office of Consumer Counsel: OCC strongly supports the bill because it eliminates the 5% gross earnings tax solely on cable and direct satellite video service providers, makes all communications providers subject to tax on tangible personal property, funds public/ educational/ government access, updates the PEGPETIA state by having the 50% allocated to PEG apply only to PEG studio operators, and establishes a process to review the needs/ feasibility/ logistics of a potential "The Connecticut Internet for All Program" for low-income households consistent with the proposed Digital Equity Plan. In addition, the bill gives an equitable solution to the funding of community access, creates a competitive neutral tax structure for the providers of communications, and helps make digital equity a priority for the upcoming years.

Marissa Gillett, Chairman, Public Utilities Regulatory Authority: PURA presents an informational testimony on the bill. HB-5446 is in relation to the annual proceeding that PURA conducts to determine the annual community access fee that is charged to cable/video service customers. The revenue collected is used to support community access operations. Furthermore, PURA makes note that in section 5, the bill proposes a requirement for them to create a report every 5 years for the Energy and Technology Committee to review based on the funding and quantity of community access programming. PURA goes on to state that the information requested is already publicly available and accessible consistent with the statutory requirements in place.

#### **NATURE AND SOURCES OF SUPPORT:**

Chris Bennett, Director of Technology, Nutmeg TV: Nutmeg TV is in full support of the bill because 4 years ago the legislature did a study and concluded that local public television was still a needed resource in the state. Viewers wanted their public TV online which Nutmeg TV has adapted to and offers. Media like this helps people express their freedom of speech, have their stories heard, helps pets find a home, gives doctors the platform to get people aid, etc.

Aundr Bumgardner, State Representative: Mr. Bumgardner supports this bill because he has relied on CT-N numerous times to stay up to date on key issues at the state and local levels. Furthermore, Mr. Bumgardner expresses that in his district SEC-TV gives residents the access to produce public access shows free of charge, streams and archives important meetings. Investing in community access is investing in the state's future.

Richard Contrastano, Nutmeg TV: Mr. Contrastano is in favor of the bill because of the vast resources these forms of local media provide. They offer programs on cooking, religion, art, financial literacy, veteran issues, etc. In addition, they bring families together and give people who are not able to attend local town meetings a chance to stay informed.

Frank Faccini, Executive Director, Southeastern CT Television: SEC-TV supports the bill because when they first opened most towns in their area did not televise their government and educational meetings. However, now in 2024 most of the towns in their region do so

regularly and televise their town council, planning, zoning, and board of education meetings through their Community Access Television Service. This increase shows that there is demand and need for such local media platforms.

Skylar Haines, Journalist, WTIC/ Fox 61: Ms. Haines urges the full support of the bill because otherwise decades-old institutions who have broadcasted history and told the story of the state/ legislature would be forced to close. These institutions have expanded their reach via streaming, social media, and digital skill training to further adapt to today's society.

Samuel Bahre: Mr. Bahre expresses his support for HB-5446 due to the resources and equipment that these media outlets offer residents. The Community Voice Channel in Bolton disseminates information from town meetings, helps engage the youth, makes it essential for fostering an open and fair discussion for the community, and helps keep constituents informed.

Amy Heavisides, Program Manager, Community Voice Channel: CVC urges their full support on the bill and makes a comment towards holding cable companies accountable for their obligation to funding Public Access. CVC has adapted and changed with time to better accommodate the need for its users, and they urge legislation to as well. This bill would do so.

Steven Azzaro: States the importance and full support of the bill as it serves as a training ground for aspiring journalists, filmmakers, and other media professionals. It gives these people the hands-on experience needed to pursue a career in the industry. Mr. Azzaro mentions the community empowerment, democratic participation, enrichment of lives, and strengthening of society that these local media outlets provide.

Mal Leichter, Treasurer, The Community Voice Channel: Mr. Mal supports the bill because of the features presented that are necessary to a sustainable financial model. The model would allow businesses to focus on the services they provide and not have to worry whether they would have to shut their doors.

Emily Miner, Public Access Coordinator, Valley Shore Community TV: Presents support because when the global pandemic was going on residents and locals shifted more towards local media outlets to watch news and stay informed about their community since many of them were on lockdown. This shows the great value of such local outlets.

Susan Huizenga, Executive Director, Wallingford Public Access: In support of the bill but proposed some comments about modifications towards the bill that could decrease operational costs for the state and nonprofit entities.

Kevin Beal: Mr. Beal is in favor of the bill because it would help prolong the future of community access stations which are important in his community. They provide access to government public meetings, local sports, and enrichment programming for all people.

Jill Drew & Meghan Flanagan, Co-chairs, Sharon Connect Task Force: The Sharon Connect Task Force supports and applauds the action taken in legislation to create the process for establishing the "Internet for All" program which helps low-income households. In their region affordability is the biggest blockade to getting people connected.

Pua Ford, Media Issues Specialist, League of Women Voters of CT: In support but made comments requesting that more than one community access provider be present at the table and one nonprofit from each region would be ideal if negotiations over funding for community access media begin again.

The following people presented testimony in support and/or similar to the ones listed above

Betsy Gara, Executive Director, COST

Jenny Hawran, Executive Director, Windsor Community Television

Melanie Merkel, Community Voice Channel

Jay Miles, Board Chair, East Haven Public Television

Bumni Mourning, Program Manager, Sound View Community Media

Carmen Nieves, Chief Engagement Officer, CT Consulting Services

Terri Roper, Treasurer, Southeastern Connecticut TV

Ronna Stuller, Chair, New London Green Town Committee

Jose Aviles, President, North End Little League

Albert Benejan, Board Member, Bridgeport Public Schools

Daniel Berger, Producer, Lynn Berger Interview Show

Shari Cantor, Mayor, Town of West Hartford

Christine Cohen, State Senator

Robin Comey, State Representative

Cheryl Cook, Resident Chair, DEI Council

Gregory Davis, Chairman, Cable Advisory Council Area

Marc Diwinsky, President, Community Voice Channel

Nathan Dionne, Nutmeg TV

Bob Duff, Senate Majority Leader

John Ecay, Executive Director, Sound View Community Media

John Erlingheuser, Senior Director of Advocacy, AARP

Jennifer Evans, Executive Director, WHCTV

Patrick Fallon, Station Manager, Simsbury Community Media

Jane Garibay, State Representative

Nicole Kodak, Co-chair, Simsbury DEI Council

Nicholas Lavigne, Community Voice Channel

Walter Mann, Executive Director, NHTV/ BCTV/ TTV

Gil Martinez, Executive Director, Hartford Public Access TV

Joanie Wedler, Executive Director, Nutmeg TV

John Wirzbicki, Chairman, SEC-TV

Emily Miner, Public Access Coordinator, Valley Shore Community TV

Charles Lewis, Executive Director, Valley Shore Community TV

Lillyanna Aviles, Patricia Bruhn, Robb Canning, Sandra Carmichael, Gil Gas, Michael

Corcoran, Matt Curtis, Barbara Distasio, Susan Eblen, Josiah Edwards, Natalie Enright,

Giselle FeQuiere, John Fox, Raphael Gamer, Carmen Gonzalez Perez, Abram Hammer,

Bruce Jones, Mark Koschwitz, Diane LePard, Gerald Lintner, Wendy Mackstutis, Kevin

Markowski, Gemma Mathewson, Christopher Morgan, Victor Nieves, Lydia Perry, Christine

Peterson, Leslie Prior, Elizabeth Ritter, Pamela Sawyer, Jim Therrien, Beverly Washington,

Michael Winkler, Josiah Houston, Leslie Prior, Marian Bairstow, Catherine Buebendorf, Ava

Canning, James Cosgrove, Amy Criscuolo, Rev. Lorenzo Elliot, Sr., Frank Fulchiero, Bri

Goolsby, John Hall, John Hartwell, Zachary Hayden, Beverly Jackson, Annemarie LePard

Dave Lescoe, Jared Lui, Rich Mavrogeanes, Ricky Mestre, Mark Miller, Elizabeth Morgan Christina Nieves, Marilyn Noble, Chris Peterson, Kenneth Picard, Jeannine Quinones Jesse Reynolds, Peter and Terri Roper, Sen. Cicarella & Rep. Yaccarino, Soloman Sheffield, Michael Sinacori, Aaron Stone, Leroy Temple, Nutmeg TV, Abigail Vacca, Frank Fulchiero, Christine Peterson

## **NATURE AND SOURCES OF OPPOSITION:**

New England Sports Network: NESN is opposed to the bill because of the new tax strain it would create on behalf of some of their Connecticut subscribers. HB-5446 would be the first tax of its kind in New England and it would further make the challenging economics of regional sports programming harder.

Tammy Cota, Executive Director, The Internet Coalition: IC is not fond of the bill because of the detrimental effects the tax would have on consumers and the online industry. IC emphasizes that the tax would discourage consumers from subscribing to various streaming services along with deterring new entrants to the streaming market. The tax could interfere with the growth and development of the industry itself.

David Lamendola, Senior Director of Gov Affairs, Verizon: On behalf of Verizon NY/CT, Mr. Lamendola states their opposition because the 5% tax would raise tens of millions of dollars from Connecticut consumers who some may already be paying the tax. Furthermore, Mr. Lamendola urges the committee to focus on the development of a voluntary plan with providers that use the ACP Program as a foundation.

Randy Levine, Chairman, YES Network: YES Network is against the bill because it would have a big impact on the innovation economy that provides the services being taxed. Both big and small providers will not be able to take in the cost of this bill and would ultimately have to be passed down into the monthly bills of consumers.

Esme Lombard, Altice USA, Inc: Altice states opposition towards the bill because PEG channels are slowly fading away due to the increasing drop in viewership. They are being replaced by free platforms such as Facebook, YouTube, and Instagram. Altice expresses that times are changing, and it would not be wise to continue to fund an outdated system. Altice voices that the best approach for the committee would be to replace the current framework with one that empowers individual municipalities governments to support, adopt, and fund community access and CAP services at the local level.

Anissa Reed, Director-State of Local Affairs, CTIA: CTIA raises opposition to the bill because it would put forth a second tax on wireless service which would raise the total state tax and surcharge burden of consumers to about 13%. Furthermore, CTIA claims it is a discriminatory tax that created unnecessary price fluctuations for phones and accessories which created an arbitrary advantage for traditional retailers in an already highly competitive wireless equipment market.

Stephen Simonin, Chairmen, Litchfield Cable TV Advisory Council: CTAC is in strong opposition towards HB-5446 because it would put an unfair burden on internet users that are not likely to view the TV channels over IP. Adding this tax to internet for local TV is taxation without representation.

Damon Stewart, Attorney, Dish Network & DirecTV: Dish and DirecTV are not in favor of the bill because of the negative impact it will have on consumers with limited means such as seniors, students, and those with low-income. The additional tax is unfair because consumers would be forced to pay extra for something they may not use which includes those who sign up to have access to foreign language programming that is only available via a streaming service.

Anna Lucey, Executive Vice President, New England Connectivity and Telecommunications Association: NECTA opposes the bill because they claim it violates the Federal Internet Tax Freedom Act which prohibits state and local governments from imposing taxes on internet access. This violation would harm consumers in the state who are already struggling to make ends meet.

Johanna Bond, President & CEO, Middlesex County Chamber of Commerce: The Middlesex Chamber of Commerce voices opposition because the changes presented would fade confidence and stability in our states' regulatory systems, increase the cost of doing business, and could hamper future investments within the state.

Pete Myers, Public Policy Associate, Connecticut Business & Industry Association: CBIA does not support the bill because the state's business community is concerned that if the bill were to proceed then our state's broadband infrastructure would be negatively impacted and they would have less resources to invest in their continuously evolving infrastructure.

Greg Saphier, Streaming Innovation Alliance: SIA opposes the bill because streaming is commonly popular with younger and lower income consumers who can not afford the large traditional bundles. Imposing a tax on streaming would be harmful to these people and communities who are least able to afford them. Furthermore, choosing to tax streaming and communication services but not other digital products or non-communicative forms of entertainment would destabilize competitive online markets.

Luke Wolff, Director, AT&T: AT&T presents opposition towards the bill because it would make Connecticut one of the only 7 states to impose a state gross receipt tax on top of a sales tax. This would ultimately increase the cost of doing business in the state and can deter future investments.

Joyce DaVoice: Opposed to the government funding media in any way.

Alice Huffman: In opposition to the bill until the Connecticut Network and programs like it change their music to be more enjoyable.

## **INFORMATIONAL COMMENTS**

Michael Mainz, Chair, Cable Tv Adv, Council of E. CT: Mr. Mainz comments that all users of cable should be subject to the Gross Earnings tax and the Community Access fee not just those that receive their video from the cable companies. Cable company costumers that are subscribed to internet only service still us the same cables and control boxes in the right of way.

Lindsay Seti, Advocacy Manager, CT Conference of Municipalities: Comments on supporting initiatives to increase community access in order to provide and receive public information and states the importance of community tv stations.

**Reported by: Francisco Munoz and Abigail  
Lockwood**

**Date: 4/4/2024**