

PRESERVING QUALITY LOCAL COMMUNITY TELEVISION THROUGH SUSTAINABLE STATEWIDE FUNDING

COMMUNITY TELEVISION IS A VALUABLE CITY SERVICE THAT IS CRITICAL TO INFORMING AND ENGAGING RESIDENTS ACROSS THE STATE

Community television programming keeps community members **connected and entertained**, from high school sports and city council meetings to newscasts and local events, **through public, education and government (PEG)** programming.

Benefits:



Covering news - We report the hyperlocal stories of our communities, a public service not met by regional, state or national media.



Engaging residents - We provide neutral, unbiased coverage of public meetings, city services, and local elections - strengthening democracy with accessible, transparent and accountable coverage.



Enriching lives - We spotlight high school sports, parades, local concerts, and community events for viewers near and far, connecting them to the hometown action.

ABOUT THE MINNESOTA ASSOCIATION OF COMMUNITY TELECOMMUNICATIONS ADMINISTRATORS

The Minnesota Association of Community Telecommunications Administrators (MACTA) is a statewide organization of communications professionals who **ensure the public has reliable access to information** about the communities in which they live, work, and play.

MACTA members **support television and streaming services that deliver local community programming to area residents**. MACTA's mission is to promote quality, hyperlocal community television programming and modernize its funding source for future sustainability.

HOW IS COMMUNITY TELEVISION PROGRAMMING FUNDED?



Primarily through a cable franchise fee negotiated by cities with cable television providers as part of the contractual use of the public right-of-way



In some cases, through an additional PEG fee, which is negotiated between cities and cable television providers

THE PROBLEM?

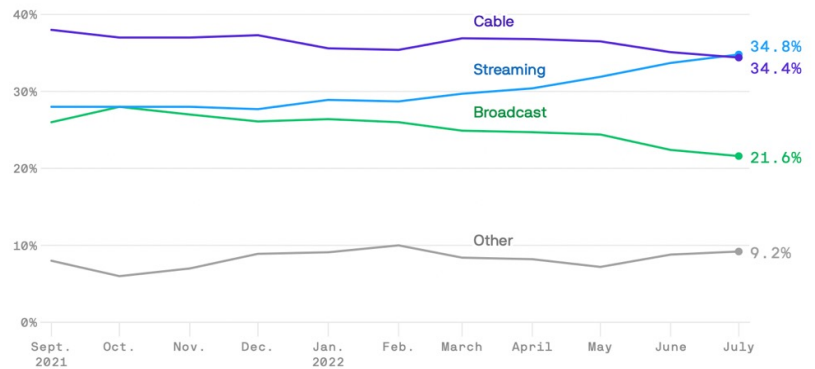
The 40-year approach of using the cable franchise fee as a community television funding stream is **no longer working**.

The video programming marketplace has changed significantly since the early 1980s when cable operators built the infrastructure needed for cable television and later, internet/broadband services.

It is this original infrastructure in the public right of way that now delivers most internet/broadband service – 72 million customers, or 69% of the market*, in 2021.

Share of total TV consumption, by type

For people ages 2+; Monthly, September 2021 to July 2022



Data: Nielsen; Chart: Axios Visuals

Fischer, Sara. "Streaming Surpasses Cable as Top Way to Consume TV." Axios, 18 Aug. 2022

Subscribers are now abandoning traditional cable services and turning to broadband streaming services instead. Referred to as cord-cutting, customers continue to use their original cable "cord" to access video via streaming, instead of the cable box. As cable subscribers drop, **so too does community television funding.**

Under current state law, many corporations that make a profit from using the public right of way or selling digital video streaming services are not required to compensate cities.

MODERNIZING THE FUNDING SOURCE FOR COMMUNITY TELEVISION

Community television funding must be modernized to reflect marketplace changes.

- HF4186 (Freiberg)/SF3930 (Mitchell): **Assess a fee on streaming services**, collected by local governments, for use by local public, education and government community television.
- HF4182 (Freiberg)/SF4262 (Mitchell): In exchange for private use of the public right of way by broadband providers, **establish a broadband franchise requirement to generate compensation** for local government to use for funding local public, education and government community television.

PROTECT HYPERLOCAL COMMUNITY TELEVISION PROGRAMMING!

Help MACTA preserve this vital connection to your local communities by modernizing the funding source beyond cable TV companies.

Let's brainstorm together the funding solutions that will keep this local and vibrant community connection thriving.



MACTA LEGISLATIVE CHAIRS

Karen George

QCTV/Quad Cities Cable
Communications Commission

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