

The Legislative Battle for Community Television in Wisconsin: Status as of February 18, 2010

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Not everyone owns a radio station or a television station or a cable TV system and has the power to say what programs will be shown. In fact only a few people own media corporations. A few people determine what America will see or hear based on ratings, the bottom line, and increasingly, their political views. You and I will never get to program the electronic mass media ourselves, even though it is said “the public owns the airwaves” and cable companies use public rights-of-way.

But there’s one exception: Public, Education, and Government (PEG) access television channels – community television. For over 30 years, PEG channels have offered a free gateway to local people who wanted to reach their communities through television. Community television grew out of an idea first enunciated by the Federal Radio Commission in 1928 that mass media owners have a public interest obligation to provide local and diverse programming. The media “are not given these great privileges by the United States Government for the primary benefit of advertisers.” The media were recognized as essential to a democracy; they needed to carry the information necessary for citizens to make informed decisions. Beginning in the 1970’s, the federal government empowered local governments to require cable operators to provide PEG channels, transmission lines and equipment, and dedicated funds for video production equipment and facilities. Municipalities could also charge a franchise fee for the use of their streets. As a result, local people now controlled thousands of community television stations and developed their own programming, which had nothing to do with ratings and the bottom line. Today, locals are still on television, the most influential medium of our day.

Cable operators have always chafed under these public interest obligations and in 2006, joined by AT&T, they began to have success with a new state-by-state strategy. To state legislatures, the industry argued 1) local regulation is too cumbersome and discourages competition, 2) cable operators carry too great a burden for community television, 3) the ratings for community television are low, and 4) if the public wants to speak, it can use websites. An aggressive advertising campaign promising lower rates, abundant union jobs, and widespread cable competition plus heavy lobbying persuaded state legislatures to side with the industry in over a dozen states. AT&T and cable operators achieved their goal of reducing their expenses, improving their profit margins, and getting rid of community public interest obligations and oversight of their business. The public never saw reduced rates, more union jobs, or widespread competition.

The state video franchise legislation in Wisconsin was called the **Video Competition Act**. As introduced in 2007, it would have wiped out nearly every PEG channel in the state. As passed, it “merely” made it difficult to survive. This law took power away from the communities that use and value PEG and gave it to the State. As the new “local” franchise authority, the State, in a one-size-fits-all move, turned down most PEG support that is allowed under federal law. As a result, the cost to maintain PEG stations is up and revenues are down. New transmission equipment and transmission lines can now be charged to community television stations. Dedicated PEG funding ends on January 1, 2011 (1/1/11) and 32 stations will lose money for equipment replacement and several of these that operate as “public” access stations, will lose most of their operating funds. While franchise fees remain intact and are typically used for community television, these fees can be redirected to other municipal priorities, an occurrence that is happening more frequently due to the economic downturn. Operators are no longer required to carry PEG on the basic tier. Over half the community channels in the state have been moved to out-of-the way places on the line-up and are troubled with interference problems. State enforcement of the public interest obligations that remain is designed to be very weak. Community television is in deep trouble.

The truth is, very little independent infrastructure exists today to support the public interest point of view. Cable’s support has provided a significant subsidy to non-profits, independent sources of information, local democratic decision-making, and open government. Even if the audience size for community television stations has not met commercial standards, the loss of community television will be keenly felt by our residents, who will lose a prime source for local information.

This session, Rep. Gary Hebl (D - Sun Prairie) introduced the **Cable Consumer Repair Bill (AB606)** to improve consumer protection, broadband roll-out and PEG support. For over two months the bill has been waiting to be scheduled for a public hearing before the Committee on Energy and Utilities, Chair Rep. James Soletski (D – Green Bay). With AB606 apparently stalled, Rep. Hebl unveiled **AB721, the Save Our PEGs Bill**. This bill contains only the PEG provisions from AB606. This bill was assigned by Rep. Mike Sheridan (D - Janesville) to the Committee on Urban and Local Affairs, Chair Rep. Terese Berceau (D – Fitchburg), a co-sponsor of the bills. **THIS COMMITTEE HAS SCHEDULED A PUBLIC HEARING FOR WEDNESDAY FEBRUARY 24.** Time yet to be announced! Be ready to come to Madison! Contact your Assembly member and urge them to support AB721. To e-mail, use the format Rep.Lastname@legis.wisconsin.gov or call the Legislative Hotline at 1-800-362-9472.

The reverse side of this sheet provides more detail about AB721, the SAVE OUR PEGS BILL!

Comparison of the Video Competition Act (2008 Act 42) and the Save Our PEGs Bill (AB721)

The Video Competition Act made the State the local cable franchising authority and ended local control, weakened consumer protections, and minimized support for community television. The SAVE OUR PEGs bill overturns the most harmful provisions regarding Public, Education, and Government access community television. This chart compares current law (2008 Act 42) with the “Save Our PEGs” bill.

Issue	Video Competition Act (2008 Act 42)	Save Our PEGs bill
COMMUNITY TELEVISION	Ends dedicated PEG fees on January 1, 2011.	Requires current PEG fees to end on the same date, but allows city councils to pass an ordinance reinstating PEG fees <i>up to</i> 1% of company gross revenues or approximately 60 cents per subscriber/month.
	Ends the requirement that video providers supply the transmission equipment.	Restores the requirement that video providers pay for the transmission equipment.
	Requires municipalities to pay for any new line linking a programming origination point to the video provider’s “headend.” Requires the video provider to pay for only the first 200’ of line if a line is moved.	Clarifies that this 200’ begins at the origination point, not the headend.
	Removes all technical standards regarding carriage of PEG channels	Requires video providers to carry PEG channels without degradation.
	Requires PEG channels to be viewable only by over 50% of subscribers.	Requires PEG channels to be viewable by 100% of subscribers without any special equipment and positioned near other basic tier channels.
	Enables video providers to restore a PEG channel that was removed for not meeting “substantial utilization” requirements anywhere on the line-up.	Requires PEG channels to be restored on the basic tier.
	-	Requires PEG channels to be carried with the same “functionality” as commercial stations. (Listed in the electronic program guide, able to carry closed captioning, carried as a channel, not a website.)