

Funding Vermont's PEG Access Management Organizations

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Vermont's Access Management Organizations

Provide PEG programs and services to communities across Vermont and offer technical know-how, access to high quality equipment, public spaces, media education, free cable and internet “channels” and massive video archives of local history.

Regulatory Framework

- Vermont AMOs are 501(c)(3) organizations are defined by and accountable to the Vermont Public Utility Commission through compliance with Rule 8.000, including detailed annual reporting and forward looking plans.
- Community Media Centers are unique non-commercial local media outlets set aside for free and low cost use by communities—comparable to public squares, libraries, community centers, and libraries—not comparable to commercial platforms that use public content to generate revenue + collect data such as YouTube or TikTok.

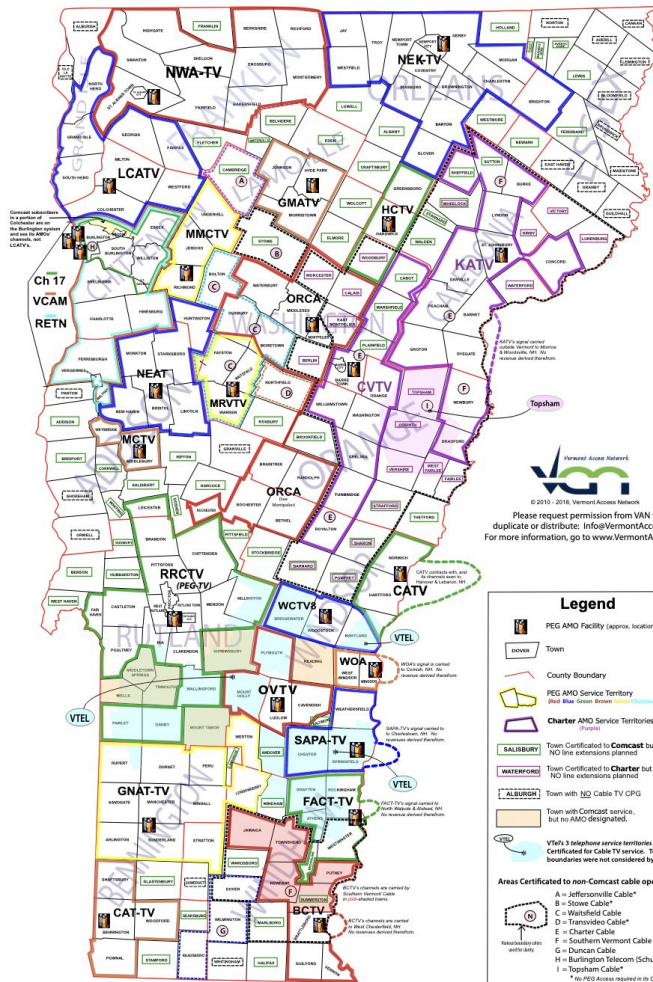
PEG Service Areas

- Cable “service territories” are local geographic areas used by cable companies served by technical “headends” from which to distribute cable channels to connected homes within these local areas.
- Cable operators are under contract with the PUC to deliver TV to these “service territories” which cover 65% of Vermont households.
- PEG AMOs now serve a larger area– community media services are regionally available and programming may be viewed by anyone with an internet connection.

Vermont's Access Management Organizations

Vermont PEG AMO Service Territories

Version: May 1, 2018



PEG AMOs are a Technical Resource

- As the cable TV industry upgraded the means of production and distribution from analog to digital in the 1990's and early 2000's, so have Vermont AMOs.
- Today, Vermont AMO staff share a high level of technical and training expertise making professional grade video equipment available and training on the usage of media equipment at no or low cost to municipalities, community organizations and members of the public.

Scope of PEG Services

(More than just meeting coverage)



TV Coverage

Regional coverage of public and community events including regional sports, school board meetings, church services, election coverage, adult education and so much more—18,000+ hours a year.



Media, STEAM & Civic Education

Next generation media makers access short and long term skill building activities: camps, in-school programs, internships, volunteer opportunities and media festivals/ competitions.



Nonprofit Communications

Free and low cost public access to production experience, equipment and reliable distribution outlets for nonprofits to increase their reach and impact.



Local History Archives

Community Media Centers preserve and share decades of content produced in every corner of Vermont.

PEG AMOs Are Fiscally Responsible

- Because the cable and digital technology industry industry is in constant flux, short and long term planning is a key feature of AMO responsibilities. Vermont's boards and staff are forward thinking and innovative.
- VAN has worked with the Vermont Legislature since 2019 to find a future path for community media including the PEG Study Committee (2019), "PEG Study" (2020) and, as promised, developed a long term financing solution for your consideration - the PAT (pole attachment tax).

PEG AMOs Provided Essential Services during the COVID Pandemic

- Recognized by the Vermont Legislature as an “essential service” during the COVID-19 health emergency for continuing coverage of public meetings and community events, VAN members hold specialized technical knowledge and expertise that help public bodies respond to the community need for both remote and in-person participation.
- This technical and meeting design expertise was recently acknowledged in S.55, recently passed out of the Senate Government Operations Committee.

PEG AMOs are a Local Economic Driver

- Collectively, AMOs manage more than \$8 million in annual revenue from a variety of sources noted above. AMO tax returns and Rule 8.000 reports are publicly available and board meetings are open to the public.
- Vermont AMOs handle payroll for 100+ employees, operating expenses for local facilities across the state, and up-to-date capital investments required to provide easy access to the equipment and facilities located at community media centers and their community partners.

PEG Revenue and Expense Trends

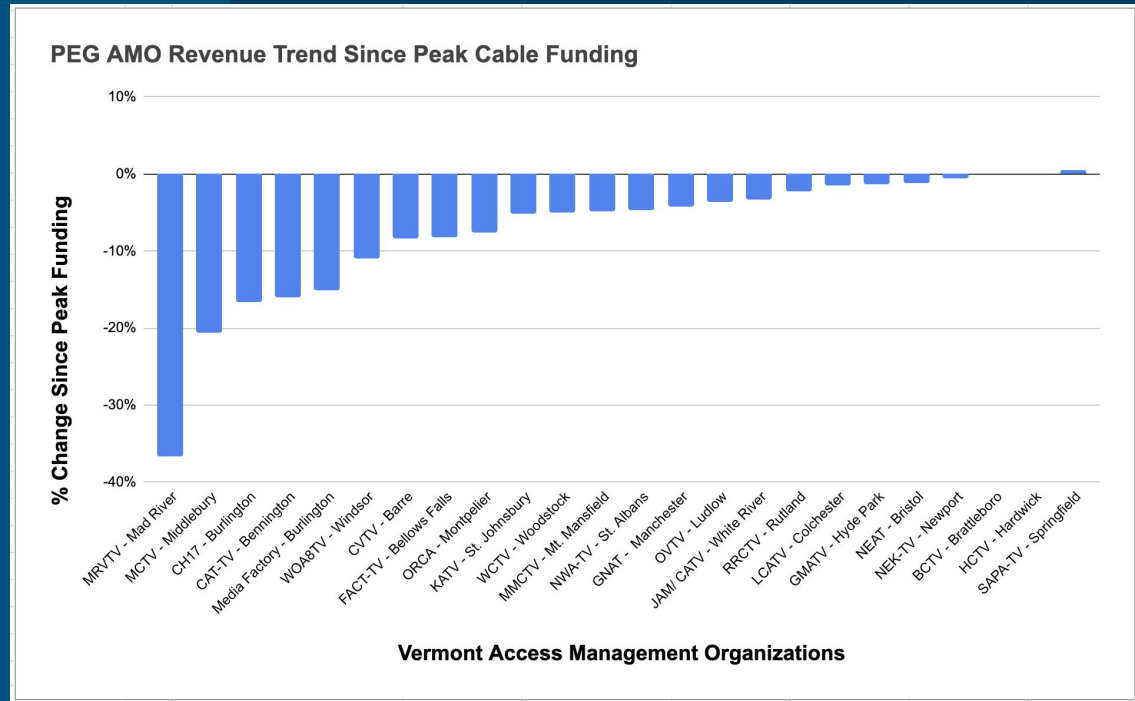
The decline of cable revenue is real.
National trends are clear.

The major pay TV operators shed 5.035 million subscribers in 2023 bringing the total net losses in the past five years to over 20 million. The firm estimates that the companies ended the year with roughly 71.3 million video customers, compared to 91.5 million at the end of 2018.

- "The Wrap" 3/8/24

PEG Revenue + Expense Trends

PEG Revenue (operating + capital)
declined for 21 of Vermont's 24
AMOs between 2017 - 2023.
An overall drop of 2% from 2022.



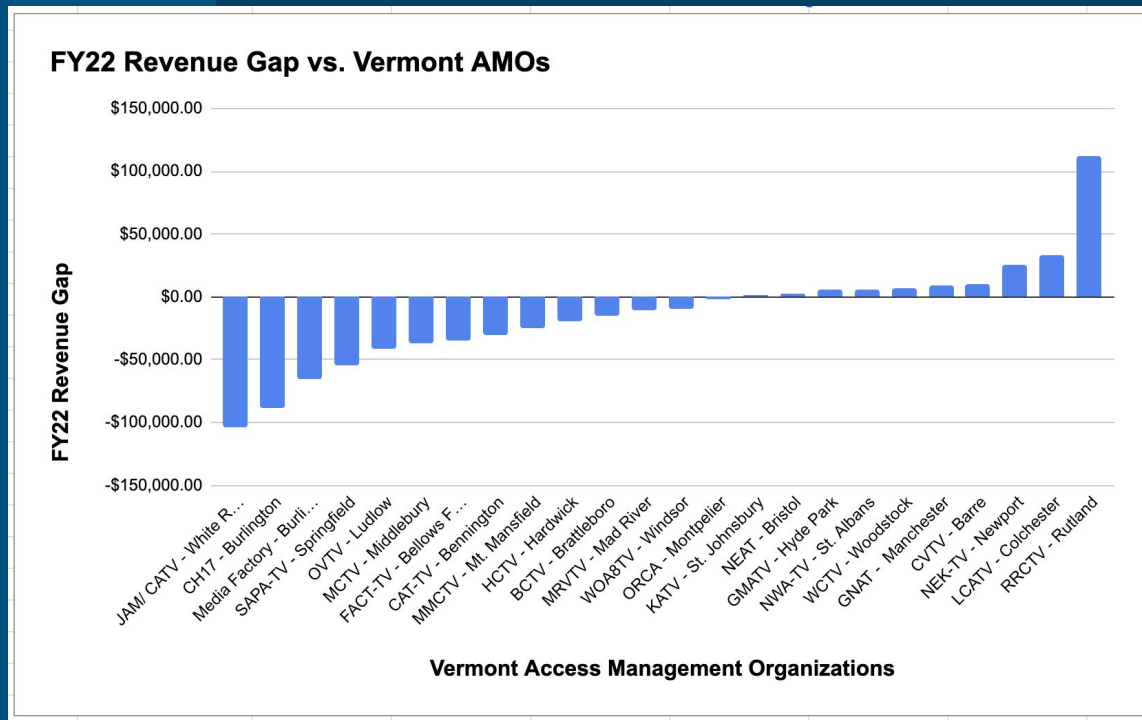
PEG Revenue + Expense Trends

AMO revenue expenses are impacted by:

- Rate of inflation
 - Tight labor market
 - increases in core costs for essential operational costs
 - Increased demand for service
 - e.g. hybrid meeting coverage and public school programming.
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PEG Revenue + Expense Trends

In 2022, fourteen Vermont AMOs reported a gap between cable revenue and PEG related expenses.



Community Media Public Benefit Fund

It is VAN's position that the PAT – pole attachment tax– is a modern and sustainable approach to the question of long-term PEG funding.

We appreciate your consideration of VAN's request for sustainable funding source and encourage you to consider \$3 million in base funding.
