8 C-Span and State Public Affairs Networks

IN 1979, BRIAN LAMB, then *Cablevision Magazine*'s Washington, D.C., bureau chief, pitched an idea to a cable conference about a nonprofit network that would provide gavel-to-gavel coverage of the House of Representatives. No talking heads, no analysis, just the speakers on the floor, and the chance for voters to decide for themselves. One early cable pioneer, Bob Rosencrans, liked the idea and wrote a \$25,000 check.

The cable television industry launched C-SPAN (the "Cable-Satellite Public Affairs Network") in 1979 as a private, nonprofit organization. The industry's financial support for C-SPAN has always been voluntary. It currently awards C-SPAN fees of about 10 cents per subscriber. These subscriber fees make it possible for the network to avoid dependence on government funding, which might compromise its objectivity or reputation for fairness. In 1980, C-SPAN covered its first presidential election and pioneered the nationwide viewer call-in program. By 1982, C-SPAN's schedule had expanded to 24 hours a day, seven days a week. Today, the network has a staff of 275, and its round-the-clock programming is available to 86 million TV households via nearly 7,900 cable systems.

In addition to live coverage of House and Senate proceedings and local and general elections, the three C-SPAN channels air government hearings, full candidate speeches and debates, press conferences, space shuttle launches, conferences, and series such as *Road to the White House, Booknotes, Washington Journal*, and *American Presidents*. A 2009 survey found that 21 percent of cable TV households, an estimated 39 million Americans, watch C-SPAN "sometimes" or "regularly." Another survey showed that C-SPAN's audience is politically active, nearly equally liberal and conservative, and geographically diverse. Ninety percent of its viewers say they voted in 2008.

The channel has earned a reputation for fairness and neutrality. In granting Brian Lamb one of its highest awards, the American Historical Association declared, "Many Americans—including a fair share of the American Historical Association's membership—rightfully value C-SPAN as an achievement of historic significance." 6

As newspapers have pulled back on statehouse coverage, it is arguably more important than ever that the basic proceedings of state government be televised, just as the U.S. Congress is on C-SPAN. Currently, state public affairs networks (SPANs) air on cable TV systems in 23 states and the District of Columbia, delivering gavel-to-gavel coverage of state legislative, executive, judicial, and agency proceedings, as well as public policy events, supplemented with a wide variety of produced public affairs programming. Furthermore, the National Conference on State Legislatures has found that live webcasts (audio, video, or both) of legislative proceedings are available from at least one chamber (House, Senate, or both) in all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands. Although many of these webcasts are available to the public via broadcast or online links, in 29 states or territories they are not carried on cable. To date, satellite providers have not carried SPANs in any state except Alaska.

In several states, SPANs have played a key role in providing statehouse and other political coverage. For example:

During the lead-up to the 2010 elections, Connecticut's public affairs network, CT-N, aired 96 hours of debates, which included 10 gubernatorial debates, eight between U.S. Senate candidates, and others between candidates for attorney general, secretary of state, and comptroller. In 2003, CT-N chronicled the governor's entire impeachment investigation, from the legislature's Select Committee of Inquiry to the state Supreme Court. In 2005, when the Federal Base Realignment and Closure Commission sought to close Connecticut's New London Submarine Base, CT-N provided detailed coverage of public strategy sessions held by Governor Rell, the Connecticut Congressional Delegation, and other state leaders aimed at building a case for saving the base and the tens of thousands of Connecticut jobs that came with it. Is

- > WisconsinEye's 2010 election coverage included 300 programs about the elections, including interviews with more than 100 of the candidates for state legislature. ¹⁴ During the 2009 state budget-making process, Wisconsin citizens had access to a verbatim record of the entire public process from WisconsinEye, including all legislative floor activity and all meetings of the Joint Committee on Finance, both in the Capitol and in a series of public field hearings the joint committee held statewide. ⁵⁵
- > TVW in Washington State was nominated for a regional Emmy Award for a series of programs that spotlighted high school and middle school students involved in the public policy process. As the *Seattle Times* noted, "Once expected to be the haven for policy wonks and insomniacs, TVW has emerged as a versatile forum for Washington citizens' participation and monitoring of state government and other institutions," allowing citizens to follow state proceedings on TV, streaming video, and podcasts. In the 2010 elections, TVW aired 15 debates, 10 of which were for congressional seats and were not covered by local broadcasters. It provided particular focus on the state's 11 ballot initiatives—and even created a video voters guide about the substance of these initiatives. B
- > Pennsylvania Cable Network (PCN) covered the 2010 elections by airing 20 gubernatorial debates, eight of which involved closely contested races. In the course of the year, PCN covered a grand total of 47 election-related events, only three of which ran on local broadcast stations.¹⁹

"We're a non-biased and unedited-surveillance form of journalism," says Chris Long of WisconsinEye. Newspapers, TV stations, and websites "don't have enough reporters to look around the corner. Increasingly, we're the eyes and ears of the people, in state Capitals."²⁰

As noted earlier, national C-SPAN was set up as an independent nonprofit, financed by the cable industry itself, in part because Brian Lamb and other creators of C-SPAN believed it was important that the service not be government funded, lest its independence and objectivity be compromised.

"I'm a huge believer that I don't want government anywhere near me," says Lamb."

In contrast, cable operators have provided significant financing to state SPANs in only four states: California, Michigan, Wisconsin, and Pennsylvania.²² In 12 states, SPANs are funded by the state government.²³ Washington State's TVW, which reaches only 60 percent of the state via

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cable, receives 85 percent of its operating funds from state appropriations, and only 15 percent from private interests. In addition, private interests have donated space to the channel, valued at an estimated \$9 million.²⁴

The median annual operations budget among SPANs is \$953,000, although more established SPANs (e.g., in Pennsylvania) may have up to \$4.5 million in operating expenses.²⁵ Each SPAN has its own operational and budgetary structure.

- > Founded in 1979, PCN broadcasts statewide 24/7 on cable as well as on Verizon's FiOS service and the Internet. It has 36 full-time employees and an annual operating budget of \$4.5 million derived primarily from fees paid by the cable operator. The network gets no funding from the state government; it receives "84 percent of its revenues from cable subscriber fees, and the remainder comes from a variety of sources including corporate underwriting, DVD sales, and paid programming."
- > CT-N, founded in 1999, is available statewide 24/7 on expanded basic cable, AT&T U-verse, and the Internet. It provides gavel-to-gavel coverage of the three branches of state government, in addition to other public policy programming, with an approximate staff of 25 and an annual operating budget of \$2.2 million provided by the state legislature. CT-N is technically owned by the Connecticut General Assembly, but is managed as a 501(c)(3) nonprofit organization and receives nearly 100 percent of its operational and capital funding through a revenue-intercept from the gross receipts tax assessed on cable and satellite television subscribers. Describer 25 and 25 and 26 and 26 and 27 and
- > Michigan Government Television (MGTV), launched in 1996, is a part-time network, broadcasting 20 hours of state government and other public affairs programming weekly, with six full-time employees and \$900,000

in annual operating expenses funded by the state's cable industry.³⁰ The cable operators carrying these 20 hours of MGTV programming fill the remainder of their schedules with programming of their choice, including infomercials and public access programs.³¹

- ➤ The Ohio Channel, a 24/7 service operating since 1996, is offered over-the-air, as a channel multicast by Ohio public television stations, and on some cable systems. It is also carried on some cable television PEG channels and has a robust website with streaming and video on demand. The Ohio Channel airs state legislature sessions, Supreme Court of Ohio cases, and events that take place at the State Capitol.³² The contracts with the state that fund this programming are administered by a public television station in Cleveland, with additional programming on the channel provided by Ohio's other public broadcasting stations.³³ Although CPB does not directly fund the Ohio Channel, it provides indirect support in the form of grants to the public TV stations that carry the Ohio Channel.³⁴
- > WisconsinEye, a 24/7 statewide public affairs network, is wholly privately financed. It is a 501(c)(3) organization³⁵ that receives neither direct nor indirect funding from the state.³⁶ Although it is carried on Charter Cable's system, Time Warner Cable's refusal to enter into a long-term carriage agreement with the channel has prevented it from serving the Green Bay and Greater Milwaukee markets; as a result, its distribution revenue for 2010 was approximately half of what it expected.³⁷ Four-fifths of its million-dollar operating revenue currently comes from donations and other sources, including programming sponsorships, DVD sales and other paid services.³⁸
- > Alaska's public affairs network, 360 North, was launched in 1995 and has grown to become a 24/7 channel, multicast on three public TV stations as well as by the state's largest cable operator and by both direct broadcast satellite companies.³⁹ The network is operated by the public television station in the state capital and funded by a grant from the City of Juneau and by private companies and organizations.⁴⁰

Christopher Long, president and CEO of WisconsinEye, says that "a pure-private financing model, and organizational separation between governance and operations, is the surest way to establish editorial independence of SPANs from state government. For example, independent SPANs are best situated to provide unfettered coverage of state election campaigns, and in particular, of the platforms of those challenging incumbents, without facing pressure from those incumbents in the state government."⁴¹

Brian Lockman, president and CEO of PCN, says that PCN was well positioned to cover all aspects of Pennsylvania's pay raise controversy in 2005:42 "[PCN's] funding model gave [it] the editorial independence to cover the issues in a balanced fashion as opposed to just from the legislators' point of view."43 PCN is funded wholly by cable interests and receives no funding from the state. However, Paul Giguere, president of the National Association of Public Access Networks (NAPAN) and CEO of the CT-N, has said that he knows of no instances in which coverage has been compromised by state funding in Connecticut.44 Giguere further explains that:

"In states where SPANs have been operational for some time, legislatures have found the experience to be positive. There is frequently hesitation at the outset, rooted in the concern that such a network could be made into a political tool by the majority party. However, in states where networks with independent and nonpartisan operating models (like CT-N) have launched and had the opportunity to prove themselves, those concerns quickly dissipate." 45

The success of these independent SPANs 46 raises an obvious question: why do more states *not* have such independent SPANs?

Lack of Support from Cable Operators

SPAN channels are not "must-carry" channels. In order to get statewide coverage, they must forge carriage agreements with each and every local operator in the state. ⁴⁷ Typically, there is not a statewide entity with whom a network can contract for carriage throughout the state. Giguere describes the difficulty CT-N had obtaining carriage:

"In 1998, prior to CT-N's launch, the position of the Connecticut cable television industry...was that the MSOs [cable multiple system operators] were all channel locked, with no capacity to spare for carriage of CT-N. Also, we were told that since CT-N was not defined as a must-carry, there was no compelling reason to provide us with free bandwidth to carry the channel. By

2005, the importance of the project both to the Connecticut General Assembly and Connecticut consumers was clear enough that MSOs in our state were ultimately willing to provide 24/7 channel capacity for CT-N on their expanded basic tier. But it took seven years of pushing the issue to get there. We would hope that since the case is now made for carrying a state public affairs network, it shouldn't have to be re-made elsewhere, state-by-state."⁴⁸

SPANs, unlike public broadcasters, are allowed to receive payment for carriage of their programming, which offers one potential revenue stream. But only in four states do local cable operators follow the model set by the national cable operators with respect to C-SPAN, providing a portion of subscription fees to support SPAN operations.⁴⁹

Lack of Support from Satellite Providers

Section 335(b) of the Communications Act,⁵⁰ as implemented in section 25.701(f) of the Commission's Rules,⁵¹ requires direct broadcast satellite (DBS) providers to set aside 4 percent of their channel capacity for use by qualified programmers for noncommercial programming of an educational or informational nature.⁵² The nature of satellite technology leads the service to emphasize national programming. Though satellites carry local programming, there are technological and cost limitations to the amount of local or regional programming that can be carried.

To date, only one SPAN, Alaska's, is carried on satellite, and none receives funding from satellite providers. Giguere has described the difficulties in obtaining carriage via satellite:

"The direct broadcast satellite providers would not even return our phone calls for many years and were not willing to negotiate carriage whatsoever until the Connecticut General Assembly began exerting pressure about the carriage of CT-N three years ago. Even though a bill was passed out of a legislative committee mandating carriage of CT-N on satellite, the industry maintained...[that it is] not subject to state jurisdiction and would offer us no consideration beyond the [federal set-aside requirement]. We have participated in that application process with no success to date, but the expense involved and the likelihood that a network designed to serve a single state would be selected for nationwide channel capacity makes this an untenable solution for one public affairs network, let alone 50 of them."53

Paying for carriage on satellite can cost as much as \$10,000 per month or \$120,000 per year, a figure that SPANs find prohibitive given their small budgets. Because it would be difficult to replicate a C-SPAN-type model today, most SPANs agree that some form of carriage assistance from satellite and telcos is needed if the system is to flourish. Satellite carriage of all or even many SPANs is, to be sure, a heavy lift, because satellite is principally a platform for national distribution. However, as discussed below, satellite operators do carry many local broadcast signals in every market.

Lack of Support from the Corporation for Public Broadcasting

Although a few public TV stations have made deals directly with individual SPANs, the Corporation for Public Broadcasting (CPB) does not currently provide direct funding to SPANs, nor does it have the budget to do so. As noted above, in 12 states, the state government provides funding to support the local SPANs, but with budgets tightening there has been little interest from lawmakers in adding a new budget line for SPANs. Furthermore, some SPAN advocates dislike the notion of state funding because of its potential to undercut broadcast independence.⁵⁶

At a time when in-depth state news coverage by newspaper and local TV is declining, expanded state public affairs networks can play a highly important role. According to Giguere:

"In an era of declining news coverage of state government, it is more important than ever that all citizens have direct access to this type of primary source 'surveillance journalism.' The benefit of a better educated electorate is, not to overstate, a healthier democracy.... State governments are where increasing amounts of public policy are set, and the arenas where much of the battles between the federal government and the states are fought, and we allow the current transparency vacuum to exist in states where these initiatives have been unable to flourish at our collective peril as a nation." ⁵⁷