Testimony of Larry D. Unger, President & CEO Maryland Public Television



to the

# Maryland Senate – Capital Budget Subcommittee February 28, 2017

and the

# Maryland House of Delegates– Capital Budget Subcommittee March 1, 2017

Starting in FY18 and continuing for several years, MPT will receive capital appropriations that will allow us to replace six broadcast transmitters and significantly renovate Studio A on our campus.

All told, the governor's capital budget over a multi-year period will provide roughly \$14 million in capital appropriations to get this work done. For FY18, the Department of Budget and Management has proposed and the governor has approved capital funding in the amount of \$1.24 million. Today we seek your subcommittee's endorsement of this appropriation for the upcoming fiscal year.

In recent history, MPT has maintained its operations largely without capital appropriations. In fact, in FY15, an appropriation of \$400,000 was MPT's first in roughly 15 fiscal years. We were and remain grateful for a subsequent \$400,000 capital budget inclusion in FY16.

Now, for FY18, MPT can begin the serious and substantial work of replacing all six of its transmitters which have reached the point of obsolescence in the rapidly changing technological environment in which a TV station exists. Further, some \$690,000 of the FY18 appropriation will be dedicated to the planning phase for the long-overdue work of renovating the station's principal studio (Studio A) which has remained largely unchanged since its 1968 construction.

Capital equipment – whether it's mounted on a several hundred foot tower or embedded within a studio – is the *sine qua non* of MPT. If this station cannot bring its programming to the citizens of Maryland in all corners of the Free State, then MPT fails in its mission. Sophisticated and highly functional transmission systems make our delivery of citizen service possible. A state-of-the-art and ADA-compliant studio enhance the production process for the very programs that the transmitters send out.

# Transmitters at the end of life

Digital transmission equipment ages, and the equipment we use today was installed around the year 2000 when digital signals replaced the earlier analog system. Today MPT finds that it can no longer repair (or even find replacement parts for) equipment that has reached the end of its useful life (typically identified as a 15- to 20-year timeframe). In FY18, funding will address the most dire of the transmitter conditions, that is, the exciter equipment at the Salisbury, Frederick, and Oakland towers and the generator and transfer switch at Frederick.

#### A 50-year-old studio

The 9,300-gross-square foot Studio A is the workhorse facility of Maryland Public Television. But this principal production space lacks audience seating space and appropriate entrances/exits for occupants; it houses now-obsolescent mechanical, HVAC, and electrical systems. Its loading dock cannot handle incoming trucks, and its accompanying restrooms are not ADA-compliant. Studio A has served MPT well, but we have reached the time when it must be brought up to broadcast standards, building codes, and other mandated conditions.

The recommended \$690,000 will cover the planning and design of an expanded Studio A. This expansion, a 44 percent increase in square footage, will open up a new era in MPT studio production and, we believe, in revenue generation as the space becomes more desirable for local and national producers.

#### The case for MPT

With that admittedly brief "case" for the equipment and renovation projects described above, please allow me to now make the case for MPT.

Maryland Public Television is an essential resource for the citizens of Maryland – an entertainer and an educator for citizens of all ages – even in the far-flung corners of the Free State.

MPT is the <u>only</u> statewide broadcaster in Maryland, the <u>only</u> medium that lets a legislator appear live on air to his very own constituency in Garrett County even as he's being viewed by residents of Silver Spring or Salisbury.

Certainly everyone knows that MPT is the conduit for all the wonderful programs that come from PBS -- and you recognize these quality productions by the names of *Downton Abbey* or *Sherlock* or *NOVA* or *Poldark*. But MPT is a producer, too, of programs Marylanders watch in amazing numbers, such as *State Circle* or *Maryland Farm & Harvest*, or *Outdoors Maryland* or *MotorWeek*.

In order for MPT to do what it has been doing in service to Maryland for 48 years, we turn to the State of Maryland for funding assistance. That annual appropriation provides 25 percent of our budget. We thank you for it – and then we go out and earn the other 75 percent.

Therefore, State of Maryland funding is essential to the success of Maryland Public Television, primarily helping to ensure that Maryland citizens enjoy universal access to educational programming and entertainment that stands apart from the often mind-numbing fare on commercial television.

But state support of MPT goes further. It is critical in driving this local station's public service missions of education, public safety, and civic leadership.

On a much wider plain, research verifies that the American people overwhelmingly think public investment in public television is money well spent, providing cost-effective solutions to some of the nation's most important challenges and generating a very substantial return on investment. There is no reason (or evidence) to suggest that Maryland citizens feel differently than their national counterparts about the return on investment that public television – and MPT in particular -- provides.

# Public service mission: education

In the educational arena, Maryland Public TV certainly functions as the state's largest classroom. On the TV screen, what MPT provides in the way of early childhood educational programming – the origin and hallmark of public television -- has helped hundreds of thousands of the youngest Marylanders get ready to learn in school and succeed in life and has helped close the achievement gap between rich and poor kids. But MPT has more educational value than in the content of TV programs alone.

Hundreds of Maryland teachers serving roughly one million Maryland students (including those homeschooled) use MPT's *Thinkport* portal in combination with PBS LearningMedia as classroom aids. *Thinkport* has been infused with roughly \$30 million of federal and grant funds since its 2003 inception, and this crucial (but nonrecurring) funding overwhelmingly has benefitted Maryland's educational community. The PBS LearningMedia component (made available free through MPT) adapts public TV programming – plus content from the Library of Congress, National Archives, NASA, and more – to create curriculumaligned, interactive digital learning objects for K-12 classrooms.

And there's still more. Through the Corporation for Public Broadcasting's *American Graduate* initiative that MPT aggressively embraced, our station has helped reduce the high school drop-out rate and shed intelligent light on this thorny issue.

Similarly, through MPT's long-standing partnership with the Maryland Department of Education, we have created, managed, and distributed accredited online courses to nearly 12,000 enrolled K-12 teachers and childcare workers

For the non-students and non-teachers among us, MPT's educational concentration enriches the lives of everyone, everywhere, every day, for free, with the best history, science, cultural, and public affairs programming on the air.

#### Public service mission: public safety

In public safety, MPT plays a vital role in homeland security and emergency communications right here in Maryland.

Maryland Public Television spends \$3 million annually to operate, maintain, and repair seven transmission towers located in communities across the State of Maryland. These towers (erected between 1970 and 2005)

bear sophisticated transmitters to deliver the station's television broadcast signals to homes, businesses, and institutions throughout Maryland and into contiguous states and the District of Columbia. But these same towers also carry equipment that belongs to a variety of governmental agencies and units. MPT makes its towers available for such public safety and communications transmissions without cost to the agencies involved.

For example, the Maryland Institute for Emergency Medical Services Systems (MIEMSS), the Maryland Emergency Management Agency (MEMA), the Maryland State Police, National Oceanic and Atmospheric Administration (NOAA) Weather Radio, sheriffs' offices in numerous counties, and the State Highway Administration are just a few of the governmental groups whose communications depend on the presence and maintenance of MPT towers.

What's more, as part of its broadcast signal, MPT provides messages of the Emergency Alert System (EAS) on all its channels. Further, MPT transmits to mobile devices all EAS signals under the FCC's Warning, Alert and Response Network Act ("WARN Act"). In addition, MPT works with State of Maryland on Maryland FiRST, a statewide radio network linking state and local first responders; this is part of the state's public safety project (the Maryland Statewide Public Safety Communications System). MPT's tower in Hagerstown is key to the Maryland FiRST statewide 700 MHz radio system for public safety communications.

The public safety advantages of Maryland Public Television are delivered to citizens in still more ways. For instance, datacasting technology was used during Baltimore's 2012 *Sailabration* event to control and deliver secure video, files and priority messages instantly to officers in the field and at six public safety command units, including vessels on the water. This wireless emergency communications set-up used public broadcasting spectrum from Maryland Public Television to deliver public safety data directly to emergency responders quickly, securely, reliably and without relying on Internet and cell phone spectrum used by the public. Utilizing MPT's statewide network of television transmitters, Baltimore Police and U.S. Park Police law enforcement officers were able to transmit live video from 15 cameras. Large amounts of emergency information (such as evacuation routes, crisis plans, and other data) were also available for transport as needed to officers in the field and at fixed operations centers run by the Navy, Coast Guard, Maryland Emergency Management and more. Secure text messaging was also utilized during the event over the MPT signal. This service was also provided for the 2012 Baltimore Grand Prix.

In summary, public TV stations such as MPT are the backbone of the Emergency Alert System through which the president of the United States can alert the American people to national emergencies. Our spectrum is critical to the Wireless Emergency Alert system that sends cell subscribers geo-targeted text messages in the event of a local emergency. MPT resources enable state and local law enforcement and first responder agencies to communicate with one another and with the public in times of emergency. Our datacasting technology helps law enforcement deal with challenging situations ranging from school shootings (providing blueprints of schools in real time to improve emergency response) to crowd control at major events.

# Public service mission: civic leadership

Where civic leadership is concerned, Maryland Public Television treats its viewers as citizens rather than consumers. Accordingly, MPT acts as a version of C-SPAN for State of Maryland government, airing candidate debates during election cycles; producing local public affairs programs such as *State Circle*; creating hundreds of hours of local history and cultural programming which no one else produces; and partnering with prominent state agencies to help them tell *their* stories. And all this comes from a locally operated, locally focused public TV licensee that's been delivering the service to Marylanders since 1969. If MPT were not taking the broadcasting lead in civic discourse and community engagement, is there any expectation that commercial television would fill the gap?

# A megaphone for Maryland

The three-part mission of education, public safety, and civic leadership could constitute a full slate of deliverables for MPT – or any of the nation's 161 public TV stations. Yet, there is a fourth element that is particular to Maryland Public Television and that needs to be shared.

Through its programming and via year 'round activities throughout the state, MPT is a booster of all things Maryland, and our platform as Maryland's only statewide broadcaster gives us the ability to convey Maryland messages far and wide. It's well known that MPT's signal covers the state but significant viewing (and, indeed, voluntary paid membership) comes from residents of the District of Columbia and all contiguous states (Delaware, Virginia, West Virginia, and Pennsylvania). Because of this reach, MPT is an important player in tourism and economic development – and, in fact, is poised to do even more in this regard if and when funding becomes available.

As a megaphone for Maryland, MPT partners with selected state agencies to help them deliver the messages important to their missions. With the Maryland Department of Natural Resources, we produce and deliver the *Outdoors Maryland* series (since 1988). Partnering with the Department of Agriculture, we cover Maryland's No. 1 industry via the popular series *Maryland Farm & Harvest* (since 2013). More recently, MPT teamed up with the Department of Health and Mental Hygiene to tackle the opioid issue through the landmark production *Breaking Heroin's Grip: Road to Recovery*. Recently, we have performed work for the Maryland Insurance Administration to reinforce its communications with Maryland citizens. Our longtime affiliation with the Maryland Department of Education has already been discussed above, but our newer alliance with the Maryland Department of Veterans Affairs is already a strong and productive one owing to the four-year project called *MPT Salutes Vietnam Veterans*. The same is true for the Maryland Department of Commerce where, in recent years, collaborative efforts have helped put the state on the map regionally and nationally.

Working partnerships with Maryland agencies are mirrored in the private sector. MPT provides the stage for Maryland corporations and small businesses through our weekly telecast of the series *Your Money & Business* (since 2003). Hospitals and healthcare experts are especially visible in our longtime series *Direct Connection* (since 2001), a mainstay in MPT's public affairs lineup.

# More tools for more reach

MPT has a 48-year track record as a resource for Maryland and Marylanders. In the first four decades of its life, MPT was most closely identified with the TV screen. However, in the past decade in particular, more technological tools have enabled MPT to be bigger than television. Substantial communications for, by, and with Marylanders occurs through the station's websites that account for some <u>22 million</u> page views annually. A new MPT App enables Marylanders to interact with their public TV station on tablets and smart phones. Indeed, a TV set is no longer needed to view MPT content owing to the for-online-only productions seen by thousands of web viewers thanks to MPT Digital Studios. The initial Digital Studios offering, *Voices of Baltimore: Black, White & Gray*, covered the turmoil and aftermath of the April 2015 riots in Baltimore.

MPT's YouTube channel, podcasts, and social media outlets all enhance the civic discourse, entertainment, and story-telling that earlier was relegated to a non-mobile TV set in the home. MPT today truly is everywhere.

# What does MPT cost the State of Maryland?

Roughly one-quarter of MPT's annual revenue comes in the form of a state appropriation. That translates to approximately \$1.40 per Marylander per year. MPT then leverages that investment to source and secure other funding (aka "special funds") to round out what is today a nearly \$32 million budget.

Nationally, the Government Accountability Office has concluded that a federal investment is essential to public TV's universal service mission, and we believe that elected officials and agencies at all levels in Maryland similarly recognize MPT's high-quality, low-cost solutions in education, public safety, and civic engagement.

Similarly, MPT actually saves the State of Maryland money by some practical provisions for the people and groups we serve. Dozens of state entities occupy spots on MPT transmission towers for their cellular equipment – all without charge. MPT routinely performs work-for-hire production projects at fees far lower than state agencies would pay for conventional commercial production of their videos, PSAs or other communications.

#### **Budget analyst recommendation**

MPT concurs with the recommendation of the budget analyst that the governor's capital budget allowance for the station in FY18 be confirmed.

(end)