

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

to the

Maryland Senate – Budget & Taxation Committee Capital Subcommittee March 6, 2018

and the

Maryland House - Appropriations Committee Capital Subcommittee March 9, 2018

Overview: the case for MPT

Maryland Public Television is an essential resource for the citizens of Maryland, playing an important role in civic leadership, education, and public safety here in the Free State. Where civic leadership is concerned, Maryland Public Television treats its viewers as citizens rather than consumers. So in broadcast, online, and face-to-face ways, we engage these same citizens to add to their quality of life and quality of knowledge. In the educational arena, Maryland Public TV certainly functions as the state's largest classroom as well as a critical resource for teachers, parents, and daycare providers statewide. In public safety, MPT plays a vital role in homeland security and emergency communications thanks to our strategically placed transmission towers.

What makes all this possible, of course, is the funding we receive from the State of Maryland along with the support of grantmakers, corporations, and individual citizens who support and endorse our activities. Thanks to the state and other funders, MPT remains Maryland's <u>only</u> statewide broadcaster, committed to community service and to upholding our mission to education, enlighten, engage, and entertain our fellow citizens.

Maryland Public Television in 2018: just the facts

- established in 1966 by an act of the Maryland legislature
- first telecast on October 5, 1969
- all over-the-air broadcast services free to all Maryland residents
- is Maryland's <u>only</u> statewide broadcaster, maintaining six transmission towers that effectively cover the state and portions of all contiguous states plus the District of Columbia
- registers nearly 65,000 voluntary paid members
- is 7th largest of 158 Public Broadcasting Service (PBS) member stations
- is 4th most-watched PBS station
- provides programming to 1.6 million viewers monthly (Nielsen)
- 145 full-time staff positions
- operates on a \$25+ million budget
- provides television programs on <u>four</u> separate channels
- maintains websites that collectively garner 30.5 million page views annually (FY17)

Bringing PBS – and Maryland stories -- to Maryland viewers

It's widely recognized that MPT is the conduit for all the wonderful programs that come from PBS — quality productions by the names of *Victoria, Poldark, Downton Abbey, Sherlock* or *NOVA*. Yet, 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.* MPT peers in the broadcasting industry cast a vote for quality when they judge MPT worthy of regional Emmy® Awards. In FY17, MPT earned 12 nominations and captured seven awards for its television work, including a highly coveted award for overall "station excellence" and a separate Emmy for outstanding community service. Emmy Awards are only one category of formal, industry recognition of achievement in bringing PBS and Maryland stories to the people of our state.

The financial imperative

The State of Maryland annual appropriation provides 28 percent of our budget. We earn the other 72 percent by seeking members, sponsors, work-for-hire clients, and pursuing other fundraising opportunities.

Therefore, State of Maryland support is <u>essential</u> 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 fare on commercial television.

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

State support provides a significant payoff: 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

As noted above, Maryland Public Television 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 home-schooled) 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 curriculum-aligned, 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 six 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).

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 public events.

Public service mission: civic leadership

As cited above, 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.

In a special, in-depth way, MPT turns its attention annually to one resource shared by all Marylanders: the Chesapeake Bay. Each year during Chesapeake Bay Week, we produce and air a "Chesapeake Bay Summit" to review progress and challenges in creating and maintaining a healthy bay.

As is clear from the information above, MPT had long since established its legacy in creating thought-provoking television when, in 2015, it launched MPT Digital Studios to apply our civic leadership mission to the digital age. Through MPT Digital Studios, we introduce content produced for and distributed exclusively by web -- short-form videos that extend the quality of public TV for citizens to access on desktop or mobile devices. 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 and online 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 <u>fourth</u> 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 to tackle the opioid addiction issue through the landmark production *Breaking Heroin's Grip: Road to Recovery* (aired by nearly 40 separate radio and TV stations in the mid-Atlantic region) and, this year, a full slate of programming to support the governor's call for action on the opioid crisis.

Our service to state agencies can also be seen in 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 our four-year initiative 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 series *Direct Connection* (since 2001), a mainstay in MPT's public affairs lineup.

More tools for more reach

MPT has a 49-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 30 million 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 discussed above that can be seen by thousands of web viewers thanks to MPT Digital Studios. For instance, the initial Digital Studios offering, *Voices of Baltimore: Black, White & Gray*, covered the turmoil and aftermath of the April 2015 riots in Baltimore while more recent offerings have featured, among other topics, a look at Maryland's wonderful state parks.

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?

As mentioned, 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").

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 contributions to 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 visual communications.

Capital budget recommendation

The Department of Budget & Management (DBM) is recommending state funding of \$100,000 (of an eventual \$8.98 million) in FY19 to cover the completion of the design of the Studio A renovation on the Owings Mills campus.

During the past two decades, MPT has experienced many years without capital funding to improve this nearly 50-year-old facility. The new Studio A will virtually double the usable square footage from the current space. It will also be fully ADA accessible as well. The design is now underway with construction scheduled to start in June 2019.

DBM is also recommending \$1.156 million in capital funds for continuing replacement of transmission equipment. Through FY21, the state estimates it will provide \$3.62 million in equipment funding by way of general obligation bonds and that the federal government will put in \$9.179 million as its share of the repacking process. DBM acknowledges that these federal funds will reduce the state's future outlays. For FY19, however, the funds will be used to replace a generator in Oakland, air conditioning in Hagerstown, and LED tower lights at Owings Mills and Annapolis.

MPT concurs with the governor's FY19 capital budget.

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