TESTIMONY OF PATRICK BUTLER PRESIDENT AND CEO, AMERICA'S PUBLIC TELEVISION STATIONS

BEFORE THE SUBCOMMITTEE ON COMMUNICATIONS AND TECHNOLOGY OF THE UNITED STATES HOUSE OF REPRESENTATIVES COMMITTEE ON ENERGY AND COMMERCE

"THE BROADCAST INCENTIVE AUCTION: UPDATE ON REPACKING OPPORTUNITIES AND CHALLENGES."

SEPTEMBER 7, 2017

Chairman Blackburn, Ranking Member Doyle, Members of the Subcommittee, thank you for inviting me to testify today on the spectrum repacking process in the aftermath of the spectrum incentive auction.

As the representative of 170 public television licensees throughout America, I wish to focus my testimony on the need for more funds to complete the repacking of our channels.

That need is real, and for public television stations in particular, those funds are essential to our continued service.

This subcommittee saw this issue coming even before the spectrum auction law was enacted five years ago.

Under the leadership of then-Chairman Walden, the subcommittee included \$3 billion in the House bill for the post-auction transition fund. The Senate provided \$1 billion.

In the compromise engineered by Mr. Walden and this subcommittee, the fund was ultimately financed at \$1.75 billion.

As we now know, and as both public and commercial broadcasters predicted at the time, that's still not enough.

The Federal Communications Commission has determined that broadcasters will need another \$400 million to be held harmless from the financial effects of this transition, as the law requires.

For the 149 public television stations being repacked, the funding deficiency is more than \$50 million. This is in addition to the roughly \$270 million which repacking public stations are scheduled to receive from the original \$1.75 billion fund.

These are all staggering, overwhelming figures for public television stations, operating as nonprofit educational institutions, and we must rely on the good faith of the Congress to hold us harmless in this transition, as promised. Kentucky Educational Television alone must reconfigure 16 transmitters to accommodate the post-auction repacking requirements.

KET, a state agency, needs \$21 million to comply with this mandate of the federal government – roughly the equivalent of a full year's operating budget.

Other public television stations -- whether licensed to states, universities, local school districts, or non-profit community foundations -- are all in the same boat.

Without your help, that boat will capsize.

And with it will go the essential services in education, public safety and civic leadership on which your constituents depend.

America's Public Television Stations supported the spectrum auction process from the beginning.

And we are committed to completing this repacking transition as soon as possible.

Dozens of public stations entered the auction, and 26 licensees emerged with commitments to surrender their spectrum, share their spectrum, move from UHF to VHF frequencies, or from "high-V" to "low-V" frequencies.

With our friends at CTIA – The Wireless Association, we conducted a ground-breaking pilot project in southern California to demonstrate how spectrum could be dynamically shared by stations exploring channel sharing agreements.

We also engineered an agreement with our friends at T-Mobile to cover the cost of repacking 384 public television translators that carry our signal to almost 38 million viewers, many of them in rural America, as these translators were not eligible to receive reimbursement from the repacking fund.

But support for the auction, and the entrepreneurial efforts we undertook to help make it successful and to supplement the federal resources committed to its post-auction transition, did not mean – and cannot mean – bearing an additional \$50 million repacking burden on our own.

Incurring such an extraordinary expense would devastate the very programs and services that make public television so valued by so many millions of Americans across the country and across the political spectrum.

For fifty-four percent of American families, public television is all the pre-school education their kids get.

Our Ready To Learn programming, combined with local on-the-ground training for teachers, parents and other caregivers organized by our local stations, has been proven to close the

achievement gap between children from low-income families and their more affluent peers and to prepare those kids for success in school and in life.

PBS LearningMedia uses the capacity of our local stations to help almost two million educators teach 40 million K-12 students -- including tens of thousands of home schoolers – with more than 120,000 curriculum-aligned interactive learning objects created from the best of public television programming plus material from such authoritative sources as the Library of Congress, the National Archives, NASA and more.

Our mission of civic leadership encompasses everything from serving as the "C-SPAN" of state governments, to hosting hundreds of candidate debates at every level of the ballot, to producing thousands of hours of regularly scheduled programs on local public affairs, local history and local culture every year.

And as we saw this past week, the public safety mission of local public television stations literally saves lives.

The PBS Warning Alert and Response Network (WARN) routed more than 400 Wireless Emergency Alerts to the cell phones of people in the path of Hurricane Harvey in less than a week.

And what began a few years ago as a pilot project with the U.S. Department of Homeland Security has grown into a highly successful public safety partnership between Houston Public Media, Metro Police, the Harris County Sheriff's Department, Texas Medical Center, and other local and state agencies.

Together they have built an interconnected, interoperable first responder network that rides over Houston Public Media's spectrum and infrastructure.

This process, known as datacasting, enables these first responders to communicate through channels that are securely encrypted, targetable and capable of transmitting huge quantities of rich video, voice and other information without the bandwidth constraints of traditional broadband and LTE services.

This system enabled Houston and Harris County first responders to monitor flooding conditions by sending live video directly to the dashboards of emergency vehicles all across the vast Houston metropolitan area.

Datacasting has been so successful in pilot projects around the country that the U.S. Department of Homeland Security has entered into a formal agreement with America's Public Television Stations to promote our public safety datacasting capability to law enforcement, first responder and homeland security agencies throughout America.

In addition, America's Public Television Stations have committed up to one megabit per second of their spectrum to support the First Responder Network Authority, or FirstNet.

These are the essential public service missions which we pursue everywhere, every day, for free -- including in places where there is no model for commercial success.

And these are the services whose survival is at stake if local public television stations are not able to successfully complete their repack, for lack of sufficient resources.

America's Public Television Stations teach America's children.

We empower America's citizens.

And we save American lives.

This is the extraordinary public television system that years of congressional investment have helped to build and that modest annual appropriations continue to sustain.

But all of this is at risk if we don't get this repacking financing right.

Almost all of our non-profit stations operate on shoestring budgets, and there's simply no way for them to come up with an extra \$50 million to repack their channels in the next 39 months.

Thirteen public television stations are assigned to the first phase of the repack, and they need to complete their transition by November 30, 2018, to avoid going off the air.

The next phase begins the next day, and this ambitious schedule does not let up until 997 channels, including 149 public television channels, are repacked.

Factors ranging from weather to zoning ordinances, to the availability of tower crews and engineering consultants, to the vagaries of state and university budget processes can threaten this process and frustrate its timely completion.

A lack of money would complicate matters still further. The sooner we can get these additional funds, the more likely it is that public television stations can repack on schedule, avoid going dark, and continue the essential services we provide to your constituents throughout the country.

Congress is our only hope, and this subcommittee once again has a critical role to play in assuring that the last act of the auction process is as smooth and successful as the first.

We appreciate your willingness to consider providing the additional funds necessary to accomplish this goal.

And we thank you for your continuing support of America's Public Television Stations and our missions of education, civic leadership and public safety.