

# **ISSUES OF CONCERN**

## **NETWORK NEUTRALITY, PUBLIC BROADCASTING, & THE SAVE AMERICA'S TREASURES PROGRAM**

### **Network Neutrality**

#### **Background**

Recently, the Federal Communications Commission (FCC) opened a rulemaking proceeding on network ("net") neutrality. The goal of this proceeding is to codify network neutrality regulations. Specifically, the FCC intends to implement regulations that will prevent Internet Service Providers (ISPs), i.e. the cable and telephone companies, from unfairly discriminating against certain content, content creators, or Internet applications.

ISPs can exert immense control over the Internet through the networks they operate. Therefore, ISPs could stifle certain types of speech that it feels is inflammatory or it could discriminate against business models that it feels are threatening. ISPs could also block certain Internet applications, slow down the delivery of certain online content, speed up the delivery of content over other websites, or use "deep packet inspection" to invade users' privacy. Because of this, the FCC is trying to write regulations that will ensure that the Internet remains a place where consumers can learn, express themselves, innovate, and build a business.

The ISPs argue that managing their networks is necessary to ensure that they continue to operate efficiently. Thus the FCC makes allowances for "reasonable network management." However, ISPs have also gone beyond what is considered reasonable by blocking certain types of political speech and certain applications.

#### **Statement of Concern**

Artists of all genres, mediums, and styles use the Internet to distribute their work to their audience. Artists depend on the Internet to earn a living. Artists sell their work online or merely promote upcoming concerts, shows, or exhibits. In any case, the Internet is critical to the success of artists in the 21<sup>st</sup> century. Therefore, it is important that the Internet remain open and free. ISPs cannot be allowed to discriminate against certain online content, companies, or creators.

At its core, network neutrality means that any Internet user should be able to access any legal content, or use any legal application, without interference from an ISP. However, network neutrality regulations should not impair ISPs' or the federal government's ability to openly and transparently protect copyrighted content. Yet by requesting the ISPs' diligence in rooting out piracy, ISPs should not be granted permission to implement any method they wish. The FCC should only permit ISPs to use technology that will curb Internet piracy without unduly invading users' privacy.

Protecting copyrighted content is not antithetical to an open and neutral Internet. The FCC alluded to this fact in its 2005 policy statement. In its policy statement, the FCC allowed for "reasonable network management" of the Internet and specified that the policy statement only applied to "legal" content.

We wholeheartedly support the FCC's efforts to codify network neutrality regulations. The innovation fostered by open Internet structures will expand the legitimate digital marketplace. Thus it is important that the FCC creates a policy that lets innovation thrive yet allows for the protection of artists' work. We hope that Congress will work with the FCC to achieve this goal. Both neutrality and legality on the Internet are critical to artists' professional survival.

## **Support Public Broadcasting**

The Corporation for Public Broadcasting (CPB) is a private, nonprofit corporation created by Congress in 1967 to promote noncommercial public telecommunications. In the authorizing language, Congress acknowledged public broadcasting's role in transmitting arts and culture: "It is in the public interest to encourage the growth and development of public radio and television broadcasting, including the use of such media for instructional, educational, and cultural purposes."

CPB does not produce or broadcast programs—it awards grants to public broadcasting stations; independent producers; and program development and production organizations such as NPR, PBS, American Public Media, the National Minority Consortia, and Public Radio International (PRI). CPB distributes roughly \$387 million in federal funds annually to PBS, NPR, and hundreds of public radio and television stations across the country.

CPB is the largest single source of funding for public television and radio programming. In 2007, federal spending for public broadcasting was approximately \$1.54 per person in the United States. However, the average public television station receives only a fraction of its revenue from CPB. Public broadcasters raise, on average, 85 percent of their revenue from non-federal sources. Nevertheless, the American public believes the federal investment in CPB is a wise one. A 2009 Roper poll ranked public television second in tax value among 20 federally funded services, behind only military defense.

Public television and radio stations are often the only source of broadcast arts programming in many rural parts of the country. More than 80 million Americans view public television and more than 27 million listen to public radio for programming that covers public affairs, science, history, and the arts. Public television airs arts programming that is not available on commercial television. There is widespread understanding that public television exists to provide what the market does, or can, not.

## **Save America's Treasures**

Over the past 12 years, Save America's Treasures has worked to restore over 1,100 structures and collections in every state, the District of Columbia, and Puerto Rico. Almost \$300 million has been allocated through the program and because it requires a one-to-one match, it has generated an additional \$377 million from other sources making it a model federal program that successfully leverages private dollars from corporations, foundations, and individuals. At a time when supporting sustainable communities and creating jobs are top priorities for Congress and the administration, it is shortsighted to overlook the power and potential of historic preservation programs. These projects, many of which are administered via the National Endowment for the Arts, National Endowment for the Humanities, and the Institute of Museum & Library Services, are catalysts for other economic activity in communities, including cultural and heritage tourism, which is documented as a \$194 billion industry annually. We call on Congress to provide funding (\$25 million for Save America's Treasures, \$4.6 million for Preserve America, and \$17 million for National Heritage Areas) for these critical programs at their FY 2010 levels.