

streaming / innovation / alliance

November 8, 2023

Senator Mark Lawrence
Chair, Committee on Energy, Utilities and Technology

Representative Stanley Paige Zeigler
Chair, Committee on Energy, Utilities and Technology

Legislative Information Office
100 State House Station
Augusta, ME 04333

Re: Opposing LD 1967

Dear Senator Lawrence and Representative Zeigler,

The Streaming Innovation Alliance (SIA) is the united voice of the streaming community, working to tell streaming's positive story to state and federal policymakers. We seek to drive forward a new era of creativity, opportunity, value, and choice in home and mobile entertainment by advocating for smart policies that will support innovative streaming services and the viewers who love and depend on them. Our members include AfroLandTV, America Nu Network, BET+, discovery+, For Us By Us Network, Max, MPA, MotorTrend+, Netflix, Paramount+, Peacock, PlutoTV, Telemundo, Televisa Univision, VAULT, Vix, and The Walt Disney Company.

For several reasons, we oppose LD 1967 and any imposition of franchise fees on streaming video services.

First, these new fees would drive up streaming costs for Maine households. While [recent polling](#) shows that 7 out of 10 registered voters view streaming favorably, over half of those polled express concern over cost. And because streaming is [especially popular with younger and lower-income consumers](#) who cannot afford large traditional bundles, imposing franchise fees on streaming would be especially regressive and harmful to people and communities least able to afford them.

Second, imposing costly franchise fees on some streaming services but not others would distort and destabilize intensely competitive and vibrant streaming markets. Doing so would stifle innovation and unfairly penalize some services while giving an implicit subsidy to others. Maine should not pick winners and losers in the market in this way but should let consumer choices shape the future of streaming in the State.

Third, new fees could be especially harmful to the diverse streaming options that are making vital progress in elevating new voices and telling relevant stories to historically underserved communities. SIA members like AfroLandTV – which streams movies and television shows from African American, African, Black-European, Afro-Latino and the Caribbean communities – are finding a range of distribution partners beyond their own services including streamers like Peacock and Xumo. Costly franchise fee obligations could steer consumers away from these vital sources of multicultural programming. At a time when greater program diversity is a top priority, this would be a serious step backwards for Maine viewers.

For these reasons SIA strongly opposes LD 1967 and the imposition of costly franchise fees on video streaming services.

Sincerely,

Streaming Innovation Alliance