

# [SK] Developments in the Financing of Public Television

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The last three years have brought several changes in the area of public media financing in the Slovak Republic. The legislative changes introduced several different sources of financing, including payments for public services, resources granted under contracts with the State and contributions from the Audiovisual Fund. There is a proposal in the Parliament to alter the existing system. In line with S. 21 of the present Act No. 16/2004 Coll. on Slovak TV (see IRIS 2004-4:15) the income for television is generated *inter alia* from:

- payments for public services in the area of television broadcasting provided by Slovak TV;
- the contribution from the State budget granted according to the contract with the State and assigned for the implementing of programmes of public interest or special investment projects;
- revenues from the broadcasting of advertising;
- grants from natural and legal persons for the fulfilment of public interest activities.

The “payments for public services in the area of television broadcasting” have been established by Act No. 68/2008 Coll. These are to be paid by all natural persons who purchase electricity and by employers who employ at least three persons. This new model has replaced the former “concessionary fees”. According to the former system only natural persons who owned a television receiver and legal persons who held a record of a television receiver in their accounting were obliged to pay the fees. Since there was no possibility of controlling the ownership of TV sets a fair portion of households and companies avoided their obligations. The new system based on electricity consumption covers practically all households and commercial premises. This has brought an increase in the amount of revenue collected. The aim of the new Act is to save the system of public contributions which was on the brink of extinction.

The latest amendment to the Slovak TV Act has introduced another method of public television financing: State contracts. These should stabilise the budget of Slovak TV and support the creation of original works. Their existence should not cause the exclusion of State aid for other specific projects, e.g., digitisation. On 21

December 2009 Slovak TV signed a State contract according to which financial resources from the State budget will be granted for the production of original programmes of public interest (see IRIS 2010-1:1). One problem with the State contract could be that these means of financing have never been notified to the Commission.

A Member of Parliament filed a proposal according to which from January 2011 public television and radio should not be financed from payments for public services and State contracts but directly from the State budget. The MP claims that the proposed model of financing of these media should bring more funds and more independence.

According to the proposed amendment, Slovak TV should receive an annual amount of 0.7% of the State budget expenses while Slovak Radio should be granted a 0.3% portion of the budget. With reference to the preparatory memorandum, this model should double the available financial resources of Slovak TV and Slovak Radio compared to those that they receive in accordance with the present system.

The Ministry of Culture asserts that such a model of public media financing would cause a nationalisation of those broadcasters. On the other hand, the new legislation may bring about a simplification of the complicated system of financing.

