

1 \$42,000,000 for fiscal year 1991," immediately after
2 "1988,".

3 CORPORATION FOR PUBLIC BROADCASTING

4 AUTHORIZATIONS

5 SEC. 3. Section 396(k)(1)(C) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

7 (1) by striking "and 1990" and inserting in lieu
8 thereof "1990, 1991, 1992, and 1993";

9 (2) by striking "50 percent" and inserting in lieu
10 thereof "40 percent";

11 (3) by striking "and" after "fiscal year 1989,";
12 and

13 (4) by inserting before the period at the end there-
14 of the following: ", \$245,000,000 for fiscal year 1991,
15 \$265,000,000 for fiscal year 1992, and \$285,000,000
16 for fiscal year 1993".

17 PUBLIC BROADCASTING SATELLITE INTERCONNECTION

18 FUND

19 SEC. 4. (a) Section 396(k) of the Communications Act of
20 1934 (47 U.S.C. 396(k)) is amended by adding at the end
21 thereof the following new paragraph:

22 "(10)(A) There is hereby established in the Treasury a
23 fund which shall be known as the Public Broadcasting Satel-
24 lite Interconnection Fund (hereinafter in this subsection re-
25 ferred to as the 'Satellite Interconnection Fund'), to be ad-
26 ministered by the Secretary of the Treasury.

1 “(B) There is authorized to be appropriated to the Satel-
2 lite Interconnection Fund, for fiscal year 1991, the amount of
3 \$200,000,000. If such amount is not appropriated in full for
4 fiscal year 1991, the portion of such amount not yet appro-
5 priated is authorized to be appropriated for fiscal years 1992
6 and 1993. Funds appropriated to the Satellite Interconnec-
7 tion Fund shall remain available until expended.

8 “(C) The Secretary of the Treasury shall make available
9 and disburse to the Corporation, at the beginning of fiscal
10 year 1991 and of each succeeding fiscal year thereafter, such
11 funds as have been appropriated to the Satellite Interconnec-
12 tion Fund for the fiscal year in which such disbursement is to
13 be made.

14 “(D) Notwithstanding any other provision of this sub-
15 section except paragraphs (4), (5), (8), and (9), all funds ap-
16 propriated to the Satellite Interconnection Fund and interest
17 thereon—

18 “(i) shall be distributed by the Corporation to the
19 licensees and permittees of noncommercial educational
20 television broadcast stations providing public telecom-
21 munications services or the national entity they desig-
22 nate for satellite interconnection purposes and to those
23 public telecommunications entities participating in the
24 public radio satellite interconnection system or the na-
25 tional entity they designate for satellite interconnection

1 purposes, exclusively for the capital costs of the re-
2 placement, refurbishment, or upgrading of their nation-
3 al satellite interconnection systems and associated
4 maintenance of such systems; and

5 “(ii) shall not be used for the administrative costs
6 of the Corporation, the salaries or related expenses of
7 Corporation personnel and members of the Board, or
8 for expenses of consultants and advisers to the
9 Corporation.”.

10 (b) On or before March 1, 1990, the Corporation for
11 Public Broadcasting, on behalf of the public radio and public
12 television licensees and permittees (or their designated repre-
13 sentatives), shall submit to Congress a report by such licens-
14 ees or permittees (or their representatives) detailing the satel-
15 lite replacement needs of public radio and public television,
16 the difference in cost between leasing satellite transponder
17 capacity and buying such capacity, and the availability of pri-
18 vate sector rather than Federal financing.

19 **FINDING WITH RESPECT TO CERTAIN PROGRAMMING**

20 **SEC. 5.** Section 396(a) of the Communications Act of
21 1934 (47 U.S.C. 396(a)) is amended—

22 (1) by redesignating paragraphs (6) and (7) as
23 paragraphs (7) and (8), respectively; and

24 (2) by inserting immediately after paragraph (5)
25 the following new paragraph:

1 “(6) it is in the public interest to encourage the
2 development of programming that involves creative
3 risks and that addresses the needs of unserved and
4 underserved audiences, particularly children and
5 minorities;”.

6 EXERCISE OF BUSINESS JUDGMENT BY CORPORATION

7 SEC. 6. Section 396(g)(2)(B)(ii) of the Communications
8 Act of 1934 (47 U.S.C. 396(g)(2)(B)(ii)) is amended by strik-
9 ing “contract or”.

10 ALLOCATION OF CORPORATION FUNDING

11 SEC. 7. (a) Section 396(k)(3)(A)(i) of the Communica-
12 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)(i)) is amended—

13 (1) by amending subclause (I) to read as follows:

14 “(I) \$10,200,000 shall be available for the admin-
15 istrative expenses of the Corporation for fiscal year
16 1989, and for each succeeding fiscal year the amount
17 which shall be available for such administrative ex-
18 penses shall be the sum of the amount made available
19 to the Corporation under this subclause for such ex-
20 penses in the preceding fiscal year plus the greater of
21 4 percent of such amount or a percentage of such
22 amount equal to the percentage change in the Con-
23 sumer Price Index, except that none of the amounts al-
24 located under subclauses (II), (III), and (IV) and
25 clause (v) shall be used for any administrative expenses
26 of the Corporation and not more than 5 percent of all

1 the amounts appropriated into the Fund available for
2 allocation for any fiscal year shall be available for such
3 administrative expenses;”;

4 (2) subclause (II) is amended to read as follows:

5 “(II) 6 percent of such amounts shall be available
6 for expenses incurred by the Corporation for capital
7 costs relating to telecommunications satellites, the pay-
8 ment of programming royalties and other fees, the
9 costs of interconnection facilities and operations (as
10 provided in clause (iv)(I)), and grants which the Corpo-
11 ration may make for assistance to stations that broad-
12 cast programs in languages other than English, and if
13 the available funding level permits, for projects and ac-
14 tivities that will enhance public broadcasting;” and

15 (3) in subclause (III), by striking “clause (ii)(I)”
16 and inserting in lieu thereof “clause (ii)”.

17 (b) Section 396(k)(3)(A)(ii)(II) of the Communications
18 Act of 1934 (47 U.S.C. 396(k)(3)(A)(ii)(II)) is amended by
19 striking “for public” and inserting in lieu, thereof the follow-
20 ing: “, and in accordance with any plan implemented under
21 paragraph (6)(A), for national public”.

22 (c) Clause (iii) of section 396(k)(3)(A) of the Communica-
23 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
24 read as follows:

1 “(iii) Of the amounts allocated under clause (i)(IV) for
2 any fiscal year—

3 “(I) 70 percent of such amounts shall be available
4 for distribution among the licensees and permittees of
5 public radio stations pursuant to paragraph (6)(B);

6 “(II) 7 percent of such amounts shall be available
7 for distribution under subparagraph (B)(i) for public
8 radio programming; and

9 “(III) 23 percent of such amounts shall be avail-
10 able for distribution among the licensees and permittees
11 of public radio stations pursuant to paragraph (6)(B),
12 solely to be used for acquiring or producing program-
13 ming that is to be distributed nationally and is designed
14 to serve the needs of a national audience.”.

15 (d) Clause (v) of section 396(k)(3)(A) of the Communica-
16 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
17 read as follows:

18 “(v) Of the interest on the amounts appropriated into
19 the Fund which is available for allocation for any fiscal
20 year—

21 “(I) 75 percent shall be available for distribution
22 for the purposes referred to in clause (ii)(II); and

23 “(II) 25 percent shall be available for distribution
24 for the purposes referred to in clause (iii) (II) and
25 (III).”.

1 (e) Section 396(k)(3)(A)(iv)(I) of the Communications
2 Act of 1934 (47 U.S.C. 396(k)(3)(A)(iv)(I)) is amended by
3 striking “Subject to the provisions of clause (v),” and insert-
4 ing in lieu thereof the following: “From the amount provided
5 pursuant to clause (i)(II),”.

6 (f) Subparagraph (B)(i) of section 396(k)(3) of the Com-
7 munications Act of 1934 (47 U.S.C. 396(k)(3)) is amended to
8 read as follows:

9 “(B)(i) The Corporation shall utilize the funds allocated
10 pursuant to subparagraph (A)(ii)(II) and subparagraph
11 (A)(iii)(II) to make grants for production of public television
12 or radio programs by independent producers and production
13 entities and public telecommunications entities, producers of
14 national children’s educational programming, and producers
15 of programs addressing the needs and interests of minorities,
16 and for acquisition of such programs by public telecommuni-
17 cations entities. The Corporation may make grants to public
18 telecommunications entities and producers for the production
19 of programs in languages other than English. Of the funds
20 utilized pursuant to this clause, a substantial amount shall be
21 distributed to independent producers and production entities,
22 producers of national children’s educational programming,
23 and producers of programming addressing the needs and in-
24 terests of minorities for the production of programs.”.

1 (g) Section 396(k)(3) of the Communications Act of
2 1934 (47 U.S.C. 396(k)(3)) is amended by striking subpara-
3 graphs (C) and (D).

4 (h) Paragraph (6)(A) of section 396(k) of the Communi-
5 cations Act of 1934 (47 U.S.C. 396(k)) is amended to read as
6 follows:

7 “(6)(A) The Corporation shall conduct a study and pre-
8 pare a plan, in consultation with public television licensees
9 (or designated representatives of those licensees) and the
10 Public Broadcasting Service, on how funds available to the
11 Corporation under paragraph (3)(A)(ii)(II) can be best allocat-
12 ed to meet the objectives of this Act with regard to national
13 public television programming. The plan, which shall be
14 based on the conclusions resulting from the study, shall be
15 submitted by the Corporation to the Congress not later than
16 January 31, 1990. Unless directed otherwise by an Act of
17 Congress, the Corporation shall implement the plan during
18 the first fiscal year beginning after the fiscal year in which
19 the plan is submitted to Congress.”.

20 (i) Section 396(k)(6)(B) of the Communications Act of
21 1934 (47 U.S.C. 396(k)(6)(B)) is amended by inserting imme-
22 diately after the first sentence the following new sentence:
23 “The Corporation shall assist radio stations to maintain and
24 improve their service where public radio is the only broadcast
25 service available.”.

1 (j) Section 396(k)(7) of the Communications Act of 1934
2 (47 U.S.C. 396(k)(7)) is amended by inserting “(ii)(I) and
3 (iii)(I)” immediately after “paragraph (3)(A)”.

4 **INDEPENDENT PRODUCTION**

5 **SEC. 8.** Section 396(k)(3)(B) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(3)(B)) is amended by adding at the
7 end the following new clause:

8 “(iii)(I) For fiscal year 1990 and succeeding fiscal years,
9 the Corporation shall, in carrying out its obligations under
10 clause (i) with respect to public television programming, pro-
11 vide adequate funds for an independent production service.

12 “(II) Such independent production service shall be sepa-
13 rate from the Corporation and shall be incorporated under the
14 laws of the District of Columbia for the purpose of contract-
15 ing with the Corporation for the expenditure of funds for the
16 production of public television programs by independent pro-
17 ducers and independent production entities.

18 “(III) The Corporation shall work with organizations or
19 associations of independent producers or independent produc-
20 tion entities to develop a plan and budget for the operation of
21 such service that is acceptable to the Corporation.

22 “(IV) The Corporation shall ensure that the funds pro-
23 vided to such independent production service shall be used
24 exclusively in pursuit of the Corporation’s obligation to

1 expand the diversity and innovativeness of programming
2 available to public broadcasting.

3 “(V) The Corporation shall report annually to Congress
4 regarding the activities and expenditures of the independent
5 production service. At the end of fiscal year 1992, the Corpo-
6 ration shall submit a report to Congress evaluating the per-
7 formance of the independent production service in light of its
8 mission to expand the diversity and innovativeness of pro-
9 gramming available to public broadcasting.”.

10 **NEEDS OF MINORITIES AND OTHER GROUPS**

11 **SEC. 9. (a)** Section 396 of the Communications Act of
12 1934 (47 U.S.C. 396) is amended by adding at the end the
13 following new subsection:

14 “(m)(1) Prior to July 1, 1989, and every three years
15 thereafter, the Corporation shall compile an assessment of
16 the needs of minority and diverse audiences, the plans of
17 public broadcasting entities and public telecommunications
18 entities to address such needs, the ways radio and television
19 can be used to help these underrepresented groups, and pro-
20 jections concerning minority employment by public broad-
21 casting entities and public telecommunications entities. Such
22 assessment shall address the needs of racial and ethnic mi-
23 norities, new immigrant populations, people for whom Eng-
24 lish is a second language, and adults who lack basic reading
25 skills.

100TH CONGRESS
2D SESSION

H. R. 4118

IN THE SENATE OF THE UNITED STATES

OCTOBER 20 (legislative day, OCTOBER 18), 1988

Received

AN ACT

To amend and extend the authorization of appropriations for
public broadcasting, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3

SHORT TITLE

4 SECTION 1. This Act may be cited as the "Public Tele-
5 communications Act of 1988".

6

PUBLIC TELECOMMUNICATIONS FACILITIES

7

AUTHORIZATIONS

8 SEC. 2. Section 391 of the Communications Act of 1934
9 (47 U.S.C. 391) is amended—

10

(1) by striking "and" after "1987,"; and

11

(2) by inserting "\$36,000,000 for fiscal year

12

1989, \$39,000,000 for fiscal year 1990, and

1 \$42,000,000 for fiscal year 1991," immediately after
2 "1988,".

3 CORPORATION FOR PUBLIC BROADCASTING

4 AUTHORIZATIONS

5 SEC. 3. Section 396(k)(1)(C) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

7 (1) by striking "and 1990" and inserting in lieu
8 thereof "1990, 1991, 1992, and 1993";

9 (2) by striking "50 percent" and inserting in lieu
10 thereof "40 percent";

11 (3) by striking "and" after "fiscal year 1989,";
12 and

13 (4) by inserting before the period at the end there-
14 of the following: ", \$245,000,000 for fiscal year 1991,
15 \$265,000,000 for fiscal year 1992, and \$285,000,000
16 for fiscal year 1993".

17 PUBLIC BROADCASTING SATELLITE INTERCONNECTION

18 FUND

19 SEC. 4. (a) Section 396(k) of the Communications Act of
20 1934 (47 U.S.C. 396(k)) is amended by adding at the end
21 thereof the following new paragraph:

22 "(10)(A) There is hereby established in the Treasury a
23 fund which shall be known as the Public Broadcasting Satel-
24 lite Interconnection Fund (hereinafter in this subsection re-
25 ferred to as the 'Satellite Interconnection Fund'), to be ad-
26 ministered by the Secretary of the Treasury.

1 “(B) There is authorized to be appropriated to the Satel-
2 lite Interconnection Fund, for fiscal year 1991, the amount of
3 \$200,000,000. If such amount is not appropriated in full for
4 fiscal year 1991, the portion of such amount not yet appro-
5 priated is authorized to be appropriated for fiscal years 1992
6 and 1993. Funds appropriated to the Satellite Interconnec-
7 tion Fund shall remain available until expended.

8 “(C) The Secretary of the Treasury shall make available
9 and disburse to the Corporation, at the beginning of fiscal
10 year 1991 and of each succeeding fiscal year thereafter, such
11 funds as have been appropriated to the Satellite Interconnec-
12 tion Fund for the fiscal year in which such disbursement is to
13 be made.

14 “(D) Notwithstanding any other provision of this sub-
15 section except paragraphs (4), (5), (8), and (9), all funds ap-
16 propriated to the Satellite Interconnection Fund and interest
17 thereon—

18 “(i) shall be distributed by the Corporation to the
19 licensees and permittees of noncommercial educational
20 television broadcast stations providing public telecom-
21 munications services or the national entity they desig-
22 nate for satellite interconnection purposes and to those
23 public telecommunications entities participating in the
24 public radio satellite interconnection system or the na-
25 tional entity they designate for satellite interconnection

1 purposes, exclusively for the capital costs of the re-
2 placement, refurbishment, or upgrading of their nation-
3 al satellite interconnection systems and associated
4 maintenance of such systems; and

5 “(ii) shall not be used for the administrative costs
6 of the Corporation, the salaries or related expenses of
7 Corporation personnel and members of the Board, or
8 for expenses of consultants and advisers to the
9 Corporation.”.

10 (b) On or before March 1, 1990, the Corporation for
11 Public Broadcasting, on behalf of the public radio and public
12 television licensees and permittees (or their designated repre-
13 sentatives), shall submit to Congress a report by such licens-
14 ees or permittees (or their representatives) detailing the satel-
15 lite replacement needs of public radio and public television,
16 the difference in cost between leasing satellite transponder
17 capacity and buying such capacity, and the availability of pri-
18 vate sector rather than Federal financing.

19 FINDING WITH RESPECT TO CERTAIN PROGRAMMING

20 SEC. 5. Section 396(a) of the Communications Act of
21 1934 (47 U.S.C. 396(a)) is amended—

22 (1) by redesignating paragraphs (6) and (7) as
23 paragraphs (7) and (8), respectively; and

24 (2) by inserting immediately after paragraph (5)
25 the following new paragraph:

1 “(6) it is in the public interest to encourage the
2 development of programming that involves creative
3 risks and that addresses the needs of unserved and
4 underserved audiences, particularly children and
5 minorities;”.

6 **EXERCISE OF BUSINESS JUDGMENT BY CORPORATION**

7 **SEC. 6.** Section 396(g)(2)(B)(ii) of the Communications
8 Act of 1934 (47 U.S.C. 396(g)(2)(B)(ii)) is amended by strik-
9 ing “contract or”.

10 **ALLOCATION OF CORPORATION FUNDING**

11 **SEC. 7.** (a) Section 396(k)(3)(A)(i) of the Communica-
12 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)(i)) is amended—

13 (1) by amending subclause (I) to read as follows:

14 “(I) \$10,200,000 shall be available for the admin-
15 istrative expenses of the Corporation for fiscal year
16 1989, and for each succeeding fiscal year the amount
17 which shall be available for such administrative ex-
18 penses shall be the sum of the amount made available
19 to the Corporation under this subclause for such ex-
20 penses in the preceding fiscal year plus the greater of
21 4 percent of such amount or a percentage of such
22 amount equal to the percentage change in the Con-
23 sumer Price Index, except that none of the amounts al-
24 located under subclauses (II), (III), and (IV) and
25 clause (v) shall be used for any administrative expenses
26 of the Corporation and not more than 5 percent of all

1 the amounts appropriated into the Fund available for
2 allocation for any fiscal year shall be available for such
3 administrative expenses;”;

4 (2) subclause (II) is amended to read as follows:

5 “(II) 6 percent of such amounts shall be available
6 for expenses incurred by the Corporation for capital
7 costs relating to telecommunications satellites, the pay-
8 ment of programming royalties and other fees, the
9 costs of interconnection facilities and operations (as
10 provided in clause (iv)(I), and grants which the Corpo-
11 ration may make for assistance to stations that broad-
12 cast programs in languages other than English, and if
13 the available funding level permits, for projects and ac-
14 tivities that will enhance public broadcasting;” and

15 (3) in subclause (III), by striking “clause (ii)(I)”
16 and inserting in lieu thereof “clause (ii)”.

17 (b) Section 396(k)(3)(A)(ii)(II) of the Communications
18 Act of 1934 (47 U.S.C. 396(k)(3)(A)(ii)(II)) is amended by
19 striking “for public” and inserting in lieu, thereof the follow-
20 ing: “, and in accordance with any plan implemented under
21 paragraph (6)(A), for national public”.

22 (c) Clause (iii) of section 396(k)(3)(A) of the Communica-
23 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
24 read as follows:

1 “(iii) Of the amounts allocated under clause (i)(IV) for
2 any fiscal year—

3 “(I) 70 percent of such amounts shall be available
4 for distribution among the licensees and permittees of
5 public radio stations pursuant to paragraph (6)(B);

6 “(II) 7 percent of such amounts shall be available
7 for distribution under subparagraph (B)(i) for public
8 radio programming; and

9 “(III) 23 percent of such amounts shall be avail-
10 able for distribution among the licensees and permittees
11 of public radio stations pursuant to paragraph (6)(B),
12 solely to be used for acquiring or producing program-
13 ming that is to be distributed nationally and is designed
14 to serve the needs of a national audience.”.

15 (d) Clause (v) of section 396(k)(3)(A) of the Communica-
16 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
17 read as follows:

18 “(v) Of the interest on the amounts appropriated into
19 the Fund which is available for allocation for any fiscal
20 year—

21 “(I) 75 percent shall be available for distribution
22 for the purposes referred to in clause (ii)(II); and

23 “(II) 25 percent shall be available for distribution
24 for the purposes referred to in clause (iii) (II) and
25 (III).”.

1 (e) Section 396(k)(3)(A)(iv)(I) of the Communications
2 Act of 1934 (47 U.S.C. 396(k)(3)(A)(iv)(I)) is amended by
3 striking “Subject to the provisions of clause (v),” and insert-
4 ing in lieu thereof the following: “From the amount provided
5 pursuant to clause (i)(II),”.

6 (f) Subparagraph (B)(i) of section 396(k)(3) of the Com-
7 munications Act of 1934 (47 U.S.C. 396(k)(3)) is amended to
8 read as follows:

9 “(B)(i) The Corporation shall utilize the funds allocated
10 pursuant to subparagraph (A)(ii)(II) and subparagraph
11 (A)(iii)(II) to make grants for production of public television
12 or radio programs by independent producers and production
13 entities and public telecommunications entities, producers of
14 national children’s educational programming, and producers
15 of programs addressing the needs and interests of minorities,
16 and for acquisition of such programs by public telecommuni-
17 cations entities. The Corporation may make grants to public
18 telecommunications entities and producers for the production
19 of programs in languages other than English. Of the funds
20 utilized pursuant to this clause, a substantial amount shall be
21 distributed to independent producers and production entities,
22 producers of national children’s educational programming,
23 and producers of programming addressing the needs and in-
24 terests of minorities for the production of programs.”.

1 (g) Section 396(k)(3) of the Communications Act of
2 1934 (47 U.S.C. 396(k)(3)) is amended by striking subpara-
3 graphs (C) and (D).

4 (h) Paragraph (6)(A) of section 396(k) of the Communi-
5 cations Act of 1934 (47 U.S.C. 396(k)) is amended to read as
6 follows:

7 “(6)(A) The Corporation shall conduct a study and pre-
8 pare a plan, in consultation with public television licensees
9 (or designated representatives of those licensees) and the
10 Public Broadcasting Service, on how funds available to the
11 Corporation under paragraph (3)(A)(ii)(II) can be best allocat-
12 ed to meet the objectives of this Act with regard to national
13 public television programming. The plan, which shall be
14 based on the conclusions resulting from the study, shall be
15 submitted by the Corporation to the Congress not later than
16 January 31, 1990. Unless directed otherwise by an Act of
17 Congress, the Corporation shall implement the plan during
18 the first fiscal year beginning after the fiscal year in which
19 the plan is submitted to Congress.”.

20 (i) Section 396(k)(6)(B) of the Communications Act of
21 1934 (47 U.S.C. 396(k)(6)(B)) is amended by inserting imme-
22 diately after the first sentence the following new sentence:
23 “The Corporation shall assist radio stations to maintain and
24 improve their service where public radio is the only broadcast
25 service available.”.

1 (j) Section 396(k)(7) of the Communications Act of 1934
2 (47 U.S.C. 396(k)(7)) is amended by inserting “(ii)(I) and
3 (iii)(I)” immediately after “paragraph (3)(A)”.

4 **INDEPENDENT PRODUCTION**

5 **SEC. 8.** Section 396(k)(3)(B) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(3)(B)) is amended by adding at the
7 end the following new clause:

8 “(iii)(I) For fiscal year 1990 and succeeding fiscal years,
9 the Corporation shall, in carrying out its obligations under
10 clause (i) with respect to public television programming, pro-
11 vide adequate funds for an independent production service.

12 “(II) Such independent production service shall be sepa-
13 rate from the Corporation and shall be incorporated under the
14 laws of the District of Columbia for the purpose of contract-
15 ing with the Corporation for the expenditure of funds for the
16 production of public television programs by independent pro-
17 ducers and independent production entities.

18 “(III) The Corporation shall work with organizations or
19 associations of independent producers or independent produc-
20 tion entities to develop a plan and budget for the operation of
21 such service that is acceptable to the Corporation.

22 “(IV) The Corporation shall ensure that the funds pro-
23 vided to such independent production service shall be used
24 exclusively in pursuit of the Corporation’s obligation to

1 expand the diversity and innovativeness of programming
2 available to public broadcasting.

3 “(V) The Corporation shall report annually to Congress
4 regarding the activities and expenditures of the independent
5 production service. At the end of fiscal year 1992, the Corpo-
6 ration shall submit a report to Congress evaluating the per-
7 formance of the independent production service in light of its
8 mission to expand the diversity and innovativeness of pro-
9 gramming available to public broadcasting.”.

10 NEEDS OF MINORITIES AND OTHER GROUPS

11 SEC. 9. (a) Section 396 of the Communications Act of
12 1934 (47 U.S.C. 396) is amended by adding at the end the
13 following new subsection:

14 “(m)(1) Prior to July 1, 1989, and every three years
15 thereafter, the Corporation shall compile an assessment of
16 the needs of minority and diverse audiences, the plans of
17 public broadcasting entities and public telecommunications
18 entities to address such needs, the ways radio and television
19 can be used to help these underrepresented groups, and pro-
20 jections concerning minority employment by public broad-
21 casting entities and public telecommunications entities. Such
22 assessment shall address the needs of racial and ethnic mi-
23 norities, new immigrant populations, people for whom Eng-
24 lish is a second language, and adults who lack basic reading
25 skills.

1 “(2) Commencing July 1, 1989, the Corporation shall
2 prepare an annual report on the provision by public broad-
3 casting entities and public telecommunications entities of
4 service to the audiences described in paragraph (1). Such
5 report shall address programming (including that which is
6 produced by minority producers), training, minority employ-
7 ment, and efforts by the Corporation to increase the number
8 of minority public radio and television stations eligible for
9 financial support from the Corporation.

10 “(3) As soon as they have been prepared, each assess-
11 ment and annual report required under paragraphs (1) and (2)
12 shall be submitted to Congress.”.

13 (b) Section 398(b)(1) of the Communications Act of
14 1934 (47 U.S.C. 398(b)(1)) is amended by inserting, immedi-
15 ately after “‘recipients’”, the following: “in accordance
16 with the equal employment opportunity regulations of the
17 Commission,”.

18 PROHIBITION AGAINST EDITORIALIZING

19 SEC. 10. (a) Section 399 of the Communications Act of
20 1934 (47 U.S.C. 399) is amended by striking the first
21 sentence.

22 (b) The heading of such section is amended by striking
23 “EDITORIALIZING AND”.

100TH CONGRESS
2D SESSION

H. R. 4118

IN THE SENATE OF THE UNITED STATES

OCTOBER 20 (legislative day, OCTOBER 18), 1988

Received

AN ACT

To amend and extend the authorization of appropriations for
public broadcasting, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE

4 SECTION 1. This Act may be cited as the "Public Tele-
5 communications Act of 1988".

6 PUBLIC TELECOMMUNICATIONS FACILITIES

7 AUTHORIZATIONS

8 SEC. 2. Section 391 of the Communications Act of 1934
9 (47 U.S.C. 391) is amended—

10 (1) by striking "and" after "1987,"; and

11 (2) by inserting "\$36,000,000 for fiscal year
12 1989, \$39,000,000 for fiscal year 1990, and

1 \$42,000,000 for fiscal year 1991,” immediately after
2 “1988,”.

3 CORPORATION FOR PUBLIC BROADCASTING

4 AUTHORIZATIONS

5 SEC. 3. Section 396(k)(1)(C) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

7 (1) by striking “and 1990” and inserting in lieu
8 thereof “1990, 1991, 1992, and 1993”;

9 (2) by striking “50 percent” and inserting in lieu
10 thereof “40 percent”;

11 (3) by striking “and” after “fiscal year 1989,”;
12 and

13 (4) by inserting before the period at the end there-
14 of the following: “, \$245,000,000 for fiscal year 1991,
15 \$265,000,000 for fiscal year 1992, and \$285,000,000
16 for fiscal year 1993”.

17 PUBLIC BROADCASTING SATELLITE INTERCONNECTION

18 FUND

19 SEC. 4. (a) Section 396(k) of the Communications Act of
20 1934 (47 U.S.C. 396(k)) is amended by adding at the end
21 thereof the following new paragraph:

22 “(10)(A) There is hereby established in the Treasury a
23 fund which shall be known as the Public Broadcasting Satel-
24 lite Interconnection Fund (hereinafter in this subsection re-
25 ferred to as the ‘Satellite Interconnection Fund’), to be ad-
26 ministered by the Secretary of the Treasury.

1 “(B) There is authorized to be appropriated to the Satel-
2 lite Interconnection Fund, for fiscal year 1991, the amount of
3 \$200,000,000. If such amount is not appropriated in full for
4 fiscal year 1991, the portion of such amount not yet appro-
5 priated is authorized to be appropriated for fiscal years 1992
6 and 1993. Funds appropriated to the Satellite Interconnec-
7 tion Fund shall remain available until expended.

8 “(C) The Secretary of the Treasury shall make available
9 and disburse to the Corporation, at the beginning of fiscal
10 year 1991 and of each succeeding fiscal year thereafter, such
11 funds as have been appropriated to the Satellite Interconnec-
12 tion Fund for the fiscal year in which such disbursement is to
13 be made.

14 “(D) Notwithstanding any other provision of this sub-
15 section except paragraphs (4), (5), (8), and (9), all funds ap-
16 propriated to the Satellite Interconnection Fund and interest
17 thereon—

18 “(i) shall be distributed by the Corporation to the
19 licensees and permittees of noncommercial educational
20 television broadcast stations providing public telecom-
21 munications services or the national entity they desig-
22 nate for satellite interconnection purposes and to those
23 public telecommunications entities participating in the
24 public radio satellite interconnection system or the na-
25 tional entity they designate for satellite interconnection

1 purposes, exclusively for the capital costs of the re-
2 placement, refurbishment, or upgrading of their nation-
3 al satellite interconnection systems and associated
4 maintenance of such systems; and

5 “(ii) shall not be used for the administrative costs
6 of the Corporation, the salaries or related expenses of
7 Corporation personnel and members of the Board, or
8 for expenses of consultants and advisers to the
9 Corporation.”.

10 (b) On or before March 1, 1990, the Corporation for
11 Public Broadcasting, on behalf of the public radio and public
12 television licensees and permittees (or their designated repre-
13 sentatives), shall submit to Congress a report by such licens-
14 ees or permittees (or their representatives) detailing the satel-
15 lite replacement needs of public radio and public television,
16 the difference in cost between leasing satellite transponder
17 capacity and buying such capacity, and the availability of pri-
18 vate sector rather than Federal financing.

19 **FINDING WITH RESPECT TO CERTAIN PROGRAMMING**

20 **SEC. 5.** Section 396(a) of the Communications Act of
21 1934 (47 U.S.C. 396(a)) is amended—

22 (1) by redesignating paragraphs (6) and (7) as
23 paragraphs (7) and (8), respectively; and

24 (2) by inserting immediately after paragraph (5)
25 the following new paragraph:

1 “(6) it is in the public interest to encourage the
2 development of programming that involves creative
3 risks and that addresses the needs of unserved and
4 underserved audiences, particularly children and
5 minorities;”.

6 **EXERCISE OF BUSINESS JUDGMENT BY CORPORATION**

7 **SEC. 6.** Section 396(g)(2)(B)(ii) of the Communications
8 Act of 1934 (47 U.S.C. 396(g)(2)(B)(ii)) is amended by strik-
9 ing “contract or”.

10 **ALLOCATION OF CORPORATION FUNDING**

11 **SEC. 7.** (a) Section 396(k)(3)(A)(i) of the Communica-
12 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)(i)) is amended—

13 (1) by amending subclause (I) to read as follows:

14 “(I) \$10,200,000 shall be available for the admin-
15 istrative expenses of the Corporation for fiscal year
16 1989, and for each succeeding fiscal year the amount
17 which shall be available for such administrative ex-
18 penses shall be the sum of the amount made available
19 to the Corporation under this subclause for such ex-
20 penses in the preceding fiscal year plus the greater of
21 4 percent of such amount or a percentage of such
22 amount equal to the percentage change in the Con-
23 sumer Price Index, except that none of the amounts al-
24 located under subclauses (II), (III), and (IV) and
25 clause (v) shall be used for any administrative expenses
26 of the Corporation and not more than 5 percent of all

1 the amounts appropriated into the Fund available for
2 allocation for any fiscal year shall be available for such
3 administrative expenses;”;

4 (2) subclause (II) is amended to read as follows:

5 “(II) 6 percent of such amounts shall be available
6 for expenses incurred by the Corporation for capital
7 costs relating to telecommunications satellites, the pay-
8 ment of programming royalties and other fees, the
9 costs of interconnection facilities and operations (as
10 provided in clause (iv)(I)), and grants which the Corpo-
11 ration may make for assistance to stations that broad-
12 cast programs in languages other than English, and if
13 the available funding level permits, for projects and ac-
14 tivities that will enhance public broadcasting;” and

15 (3) in subclause (III), by striking “clause (ii)(I)”
16 and inserting in lieu thereof “clause (ii)”.

17 (b) Section 396(k)(3)(A)(ii)(II) of the Communications
18 Act of 1934 (47 U.S.C. 396(k)(3)(A)(ii)(II)) is amended by
19 striking “for public” and inserting in lieu, thereof the follow-
20 ing: “, and in accordance with any plan implemented under
21 paragraph (6)(A), for national public”.

22 (c) Clause (iii) of section 396(k)(3)(A) of the Communica-
23 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
24 read as follows:

1 “(iii) Of the amounts allocated under clause (i)(IV) for
2 any fiscal year—

3 “(I) 70 percent of such amounts shall be available
4 for distribution among the licensees and permittees of
5 public radio stations pursuant to paragraph (6)(B);

6 “(II) 7 percent of such amounts shall be available
7 for distribution under subparagraph (B)(i) for public
8 radio programming; and

9 “(III) 23 percent of such amounts shall be avail-
10 able for distribution among the licensees and permittees
11 of public radio stations pursuant to paragraph (6)(B),
12 solely to be used for acquiring or producing program-
13 ming that is to be distributed nationally and is designed
14 to serve the needs of a national audience.”.

15 (d) Clause (v) of section 396(k)(3)(A) of the Communica-
16 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
17 read as follows:

18 “(v) Of the interest on the amounts appropriated into
19 the Fund which is available for allocation for any fiscal
20 year—

21 “(I) 75 percent shall be available for distribution
22 for the purposes referred to in clause (ii)(II); and

23 “(II) 25 percent shall be available for distribution
24 for the purposes referred to in clause (iii) (II) and
25 (III).”.

1 (e) Section 396(k)(3)(A)(iv)(I) of the Communications
2 Act of 1934 (47 U.S.C. 396(k)(3)(A)(iv)(I)) is amended by
3 striking “Subject to the provisions of clause (v),” and insert-
4 ing in lieu thereof the following: “From the amount provided
5 pursuant to clause (i)(II),”.

6 (f) Subparagraph (B)(i) of section 396(k)(3) of the Com-
7 munications Act of 1934 (47 U.S.C. 396(k)(3)) is amended to
8 read as follows:

9 “(B)(i) The Corporation shall utilize the funds allocated
10 pursuant to subparagraph (A)(ii)(II) and subparagraph
11 (A)(iii)(II) to make grants for production of public television
12 or radio programs by independent producers and production
13 entities and public telecommunications entities, producers of
14 national children’s educational programming, and producers
15 of programs addressing the needs and interests of minorities,
16 and for acquisition of such programs by public telecommuni-
17 cations entities. The Corporation may make grants to public
18 telecommunications entities and producers for the production
19 of programs in languages other than English. Of the funds
20 utilized pursuant to this clause, a substantial amount shall be
21 distributed to independent producers and production entities,
22 producers of national children’s educational programming,
23 and producers of programming addressing the needs and in-
24 terests of minorities for the production of programs.”.

1 (g) Section 396(k)(3) of the Communications Act of
2 1934 (47 U.S.C. 396(k)(3)) is amended by striking subpara-
3 graphs (C) and (D).

4 (h) Paragraph (6)(A) of section 396(k) of the Communi-
5 cations Act of 1934 (47 U.S.C. 396(k)) is amended to read as
6 follows:

7 “(6)(A) The Corporation shall conduct a study and pre-
8 pare a plan, in consultation with public television licensees
9 (or designated representatives of those licensees) and the
10 Public Broadcasting Service, on how funds available to the
11 Corporation under paragraph (3)(A)(ii)(II) can be best allocat-
12 ed to meet the objectives of this Act with regard to national
13 public television programming. The plan, which shall be
14 based on the conclusions resulting from the study, shall be
15 submitted by the Corporation to the Congress not later than
16 January 31, 1990. Unless directed otherwise by an Act of
17 Congress, the Corporation shall implement the plan during
18 the first fiscal year beginning after the fiscal year in which
19 the plan is submitted to Congress.”.

20 (i) Section 396(k)(6)(B) of the Communications Act of
21 1934 (47 U.S.C. 396(k)(6)(B)) is amended by inserting imme-
22 diately after the first sentence the following new sentence:
23 “The Corporation shall assist radio stations to maintain and
24 improve their service where public radio is the only broadcast
25 service available.”.

1 (j) Section 396(k)(7) of the Communications Act of 1934
2 (47 U.S.C. 396(k)(7)) is amended by inserting “(ii)(I) and
3 (iii)(I)” immediately after “paragraph (3)(A)”.

4 INDEPENDENT PRODUCTION

5 SEC. 8. Section 396(k)(3)(B) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(3)(B)) is amended by adding at the
7 end the following new clause:

8 “(iii)(I) For fiscal year 1990 and succeeding fiscal years,
9 the Corporation shall, in carrying out its obligations under
10 clause (i) with respect to public television programming, pro-
11 vide adequate funds for an independent production service.

12 “(II) Such independent production service shall be sepa-
13 rate from the Corporation and shall be incorporated under the
14 laws of the District of Columbia for the purpose of contract-
15 ing with the Corporation for the expenditure of funds for the
16 production of public television programs by independent pro-
17 ducers and independent production entities.

18 “(III) The Corporation shall work with organizations or
19 associations of independent producers or independent produc-
20 tion entities to develop a plan and budget for the operation of
21 such service that is acceptable to the Corporation.

22 “(IV) The Corporation shall ensure that the funds pro-
23 vided to such independent production service shall be used
24 exclusively in pursuit of the Corporation’s obligation to

1 expand the diversity and innovativeness of programming
2 available to public broadcasting.

3 “(V) The Corporation shall report annually to Congress
4 regarding the activities and expenditures of the independent
5 production service. At the end of fiscal year 1992, the Corpo-
6 ration shall submit a report to Congress evaluating the per-
7 formance of the independent production service in light of its
8 mission to expand the diversity and innovativeness of pro-
9 gramming available to public broadcasting.”.

10 NEEDS OF MINORITIES AND OTHER GROUPS

11 SEC. 9. (a) Section 396 of the Communications Act of
12 1934 (47 U.S.C. 396) is amended by adding at the end the
13 following new subsection:

14 “(m)(1) Prior to July 1, 1989, and every three years
15 thereafter, the Corporation shall compile an assessment of
16 the needs of minority and diverse audiences, the plans of
17 public broadcasting entities and public telecommunications
18 entities to address such needs, the ways radio and television
19 can be used to help these underrepresented groups, and pro-
20 jections concerning minority employment by public broad-
21 casting entities and public telecommunications entities. Such
22 assessment shall address the needs of racial and ethnic mi-
23 norities, new immigrant populations, people for whom Eng-
24 lish is a second language, and adults who lack basic reading
25 skills.

1 SCRAMBLING OF PUBLIC BROADCASTING SERVICE

2 PROGRAMMING

3 SEC. 11. Section 705 of the Communications Act of
4 1934 (47 U.S.C. 605) is amended—

5 (1) by redesignating subsections (c), (d), and (e) as
6 subsections (d), (e), and (f), respectively; and

7 (2) by inserting after subsection (b) the following
8 new subsection:

9 “(c) No person shall encrypt or continue to encrypt sat-
10 ellite delivered programs included in the National Program
11 Service of the Public Broadcasting Service and intended for
12 public viewing by retransmission by television broadcast sta-
13 tions; except that as long as at least one unencrypted satellite
14 transmission of any program subject to this subsection is pro-
15 vided, this subsection shall not prohibit additional encrypted
16 satellite transmissions of the same program.”.

17 EFFECTIVE DATES

18 SEC. 12. This Act and the amendments made by this
19 Act are effective on the date of enactment of this Act, except
20 that the amendments made by section 6 and 7(d) are effective
21 on October 1, 1989.

Passed the House of Representatives October 19,
1988.

Attest: DONNARD K. ANDERSON,
Clerk.

1 \$42,000,000 for fiscal year 1991," immediately after
2 "1988,".

3 CORPORATION FOR PUBLIC BROADCASTING

4 AUTHORIZATIONS

5 SEC. 3. Section 396(k)(1)(C) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

7 (1) by striking "and 1990" and inserting in lieu
8 thereof "1990, 1991, 1992, and 1993";

9 (2) by striking "50 percent" and inserting in lieu
10 thereof "40 percent";

11 (3) by striking "and" after "fiscal year 1989,";
12 and

13 (4) by inserting before the period at the end there-
14 of the following: ", \$245,000,000 for fiscal year 1991,
15 \$265,000,000 for fiscal year 1992, and \$285,000,000
16 for fiscal year 1993".

17 PUBLIC BROADCASTING SATELLITE INTERCONNECTION

18 FUND

19 SEC. 4. (a) Section 396(k) of the Communications Act of
20 1934 (47 U.S.C. 396(k)) is amended by adding at the end
21 thereof the following new paragraph:

22 "(10)(A) There is hereby established in the Treasury a
23 fund which shall be known as the Public Broadcasting Satel-
24 lite Interconnection Fund (hereinafter in this subsection re-
25 ferred to as the 'Satellite Interconnection Fund'), to be ad-
26 ministered by the Secretary of the Treasury.

1 “(B) There is authorized to be appropriated to the Satel-
2 lite Interconnection Fund, for fiscal year 1991, the amount of
3 \$200,000,000. If such amount is not appropriated in full for
4 fiscal year 1991, the portion of such amount not yet appro-
5 priated is authorized to be appropriated for fiscal years 1992
6 and 1993. Funds appropriated to the Satellite Interconnec-
7 tion Fund shall remain available until expended.

8 “(C) The Secretary of the Treasury shall make available
9 and disburse to the Corporation, at the beginning of fiscal
10 year 1991 and of each succeeding fiscal year thereafter, such
11 funds as have been appropriated to the Satellite Interconnec-
12 tion Fund for the fiscal year in which such disbursement is to
13 be made.

14 “(D) Notwithstanding any other provision of this sub-
15 section except paragraphs (4), (5), (8), and (9), all funds ap-
16 propriated to the Satellite Interconnection Fund and interest
17 thereon—

18 “(i) shall be distributed by the Corporation to the
19 licensees and permittees of noncommercial educational
20 television broadcast stations providing public telecom-
21 munications services or the national entity they desig-
22 nate for satellite interconnection purposes and to those
23 public telecommunications entities participating in the
24 public radio satellite interconnection system or the na-
25 tional entity they designate for satellite interconnection

1 purposes, exclusively for the capital costs of the re-
2 placement, refurbishment, or upgrading of their nation-
3 al satellite interconnection systems and associated
4 maintenance of such systems; and

5 “(ii) shall not be used for the administrative costs
6 of the Corporation, the salaries or related expenses of
7 Corporation personnel and members of the Board, or
8 for expenses of consultants and advisers to the
9 Corporation.”.

10 (b) On or before March 1, 1990, the Corporation for
11 Public Broadcasting, on behalf of the public radio and public
12 television licensees and permittees (or their designated repre-
13 sentatives), shall submit to Congress a report by such licens-
14 ees or permittees (or their representatives) detailing the satel-
15 lite replacement needs of public radio and public television,
16 the difference in cost between leasing satellite transponder
17 capacity and buying such capacity, and the availability of pri-
18 vate sector rather than Federal financing.

19 FINDING WITH RESPECT TO CERTAIN PROGRAMMING

20 SEC. 5. Section 396(a) of the Communications Act of
21 1934 (47 U.S.C. 396(a)) is amended—

22 (1) by redesignating paragraphs (6) and (7) as
23 paragraphs (7) and (8), respectively; and

24 (2) by inserting immediately after paragraph (5)
25 the following new paragraph:

1 “(6) it is in the public interest to encourage the
2 development of programming that involves creative
3 risks and that addresses the needs of unserved and
4 underserved audiences, particularly children and
5 minorities;”.

6 EXERCISE OF BUSINESS JUDGMENT BY CORPORATION

7 SEC. 6. Section 396(g)(2)(B)(ii) of the Communications
8 Act of 1934 (47 U.S.C. 396(g)(2)(B)(ii)) is amended by strik-
9 ing “contract or”.

10 ALLOCATION OF CORPORATION FUNDING

11 SEC. 7. (a) Section 396(k)(3)(A)(i) of the Communica-
12 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)(i)) is amended—

13 (1) by amending subclause (I) to read as follows:

14 “(I) \$10,200,000 shall be available for the admin-
15 istrative expenses of the Corporation for fiscal year
16 1989, and for each succeeding fiscal year the amount
17 which shall be available for such administrative ex-
18 penses shall be the sum of the amount made available
19 to the Corporation under this subclause for such ex-
20 penses in the preceding fiscal year plus the greater of
21 4 percent of such amount or a percentage of such
22 amount equal to the percentage change in the Con-
23 sumer Price Index, except that none of the amounts al-
24 located under subclauses (II), (III), and (IV) and
25 clause (v) shall be used for any administrative expenses
26 of the Corporation and not more than 5 percent of all

1 the amounts appropriated into the Fund available for
2 allocation for any fiscal year shall be available for such
3 administrative expenses;”;

4 (2) subclause (II) is amended to read as follows:

5 “(II) 6 percent of such amounts shall be available
6 for expenses incurred by the Corporation for capital
7 costs relating to telecommunications satellites, the pay-
8 ment of programming royalties and other fees, the
9 costs of interconnection facilities and operations (as
10 provided in clause (iv)(I)), and grants which the Corpo-
11 ration may make for assistance to stations that broad-
12 cast programs in languages other than English, and if
13 the available funding level permits, for projects and ac-
14 tivities that will enhance public broadcasting;” and

15 (3) in subclause (III), by striking “clause (ii)(I)”
16 and inserting in lieu thereof “clause (ii)”.

17 (b) Section 396(k)(3)(A)(ii)(II) of the Communications
18 Act of 1934 (47 U.S.C. 396(k)(3)(A)(ii)(II)) is amended by
19 striking “for public” and inserting in lieu, thereof the follow-
20 ing: “, and in accordance with any plan implemented under
21 paragraph (6)(A), for national public”.

22 (c) Clause (iii) of section 396(k)(3)(A) of the Communica-
23 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
24 read as follows:

1 “(iii) Of the amounts allocated under clause (i)(IV) for
2 any fiscal year—

3 “(I) 70 percent of such amounts shall be available
4 for distribution among the licensees and permittees of
5 public radio stations pursuant to paragraph (6)(B);

6 “(II) 7 percent of such amounts shall be available
7 for distribution under subparagraph (B)(i) for public
8 radio programming; and

9 “(III) 23 percent of such amounts shall be avail-
10 able for distribution among the licensees and permittees
11 of public radio stations pursuant to paragraph (6)(B),
12 solely to be used for acquiring or producing program-
13 ming that is to be distributed nationally and is designed
14 to serve the needs of a national audience.”.

15 (d) Clause (v) of section 396(k)(3)(A) of the Communica-
16 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
17 read as follows:

18 “(v) Of the interest on the amounts appropriated into
19 the Fund which is available for allocation for any fiscal
20 year—

21 “(I) 75 percent shall be available for distribution
22 for the purposes referred to in clause (ii)(II); and

23 “(II) 25 percent shall be available for distribution
24 for the purposes referred to in clause (iii) (II) and
25 (III).”.

1 (e) Section 396(k)(3)(A)(iv)(I) of the Communications
2 Act of 1934 (47 U.S.C. 396(k)(3)(A)(iv)(I)) is amended by
3 striking “Subject to the provisions of clause (v),” and insert-
4 ing in lieu thereof the following: “From the amount provided
5 pursuant to clause (i)(II),”.

6 (f) Subparagraph (B)(i) of section 396(k)(3) of the Com-
7 munications Act of 1934 (47 U.S.C. 396(k)(3)) is amended to
8 read as follows:

9 “(B)(i) The Corporation shall utilize the funds allocated
10 pursuant to subparagraph (A)(ii)(II) and subparagraph
11 (A)(iii)(II) to make grants for production of public television
12 or radio programs by independent producers and production
13 entities and public telecommunications entities, producers of
14 national children’s educational programming, and producers
15 of programs addressing the needs and interests of minorities,
16 and for acquisition of such programs by public telecommuni-
17 cations entities. The Corporation may make grants to public
18 telecommunications entities and producers for the production
19 of programs in languages other than English. Of the funds
20 utilized pursuant to this clause, a substantial amount shall be
21 distributed to independent producers and production entities,
22 producers of national children’s educational programming,
23 and producers of programming addressing the needs and in-
24 terests of minorities for the production of programs.”.

1 (g) Section 396(k)(3) of the Communications Act of
2 1934 (47 U.S.C. 396(k)(3)) is amended by striking subpara-
3 graphs (C) and (D).

4 (h) Paragraph (6)(A) of section 396(k) of the Communi-
5 cations Act of 1934 (47 U.S.C. 396(k)) is amended to read as
6 follows:

7 “(6)(A) The Corporation shall conduct a study and pre-
8 pare a plan, in consultation with public television licensees
9 (or designated representatives of those licensees) and the
10 Public Broadcasting Service, on how funds available to the
11 Corporation under paragraph (3)(A)(ii)(II) can be best allocat-
12 ed to meet the objectives of this Act with regard to national
13 public television programming. The plan, which shall be
14 based on the conclusions resulting from the study, shall be
15 submitted by the Corporation to the Congress not later than
16 January 31, 1990. Unless directed otherwise by an Act of
17 Congress, the Corporation shall implement the plan during
18 the first fiscal year beginning after the fiscal year in which
19 the plan is submitted to Congress.”.

20 (i) Section 396(k)(6)(B) of the Communications Act of
21 1934 (47 U.S.C. 396(k)(6)(B)) is amended by inserting imme-
22 diately after the first sentence the following new sentence:
23 “The Corporation shall assist radio stations to maintain and
24 improve their service where public radio is the only broadcast
25 service available.”.

1 (j) Section 396(k)(7) of the Communications Act of 1934
2 (47 U.S.C. 396(k)(7)) is amended by inserting “(ii)(I) and
3 (iii)(I)” immediately after “paragraph (3)(A)”.

4 INDEPENDENT PRODUCTION

5 SEC. 8. Section 396(k)(3)(B) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(3)(B)) is amended by adding at the
7 end the following new clause:

8 “(iii)(I) For fiscal year 1990 and succeeding fiscal years,
9 the Corporation shall, in carrying out its obligations under
10 clause (i) with respect to public television programming, pro-
11 vide adequate funds for an independent production service.

12 “(II) Such independent production service shall be sepa-
13 rate from the Corporation and shall be incorporated under the
14 laws of the District of Columbia for the purpose of contract-
15 ing with the Corporation for the expenditure of funds for the
16 production of public television programs by independent pro-
17 ducers and independent production entities.

18 “(III) The Corporation shall work with organizations or
19 associations of independent producers or independent produc-
20 tion entities to develop a plan and budget for the operation of
21 such service that is acceptable to the Corporation.

22 “(IV) The Corporation shall ensure that the funds pro-
23 vided to such independent production service shall be used
24 exclusively in pursuit of the Corporation’s obligation to

1 expand the diversity and innovativeness of programming
2 available to public broadcasting.

3 “(V) The Corporation shall report annually to Congress
4 regarding the activities and expenditures of the independent
5 production service. At the end of fiscal year 1992, the Corpo-
6 ration shall submit a report to Congress evaluating the per-
7 formance of the independent production service in light of its
8 mission to expand the diversity and innovativeness of pro-
9 gramming available to public broadcasting.”.

10 NEEDS OF MINORITIES AND OTHER GROUPS

11 SEC. 9. (a) Section 396 of the Communications Act of
12 1934 (47 U.S.C. 396) is amended by adding at the end the
13 following new subsection:

14 “(m)(1) Prior to July 1, 1989, and every three years
15 thereafter, the Corporation shall compile an assessment of
16 the needs of minority and diverse audiences, the plans of
17 public broadcasting entities and public telecommunications
18 entities to address such needs, the ways radio and television
19 can be used to help these underrepresented groups, and pro-
20 jections concerning minority employment by public broad-
21 casting entities and public telecommunications entities. Such
22 assessment shall address the needs of racial and ethnic mi-
23 norities, new immigrant populations, people for whom Eng-
24 lish is a second language, and adults who lack basic reading
25 skills.

100TH CONGRESS
2D SESSION

H. R. 4118

IN THE SENATE OF THE UNITED STATES

OCTOBER 20 (legislative day, OCTOBER 18), 1988

Received

AN ACT

To amend and extend the authorization of appropriations for public broadcasting, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE

4 SECTION 1. This Act may be cited as the "Public Tele-
5 communications Act of 1988".

6 PUBLIC TELECOMMUNICATIONS FACILITIES

7 AUTHORIZATIONS

8 SEC. 2. Section 391 of the Communications Act of 1934
9 (47 U.S.C. 391) is amended—

10 (1) by striking "and" after "1987,"; and

11 (2) by inserting "\$36,000,000 for fiscal year
12 1989, \$39,000,000 for fiscal year 1990, and

1 \$42,000,000 for fiscal year 1991," immediately after
2 "1988,".

3 CORPORATION FOR PUBLIC BROADCASTING

4 AUTHORIZATIONS

5 SEC. 3. Section 396(k)(1)(C) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

7 (1) by striking "and 1990" and inserting in lieu
8 thereof "1990, 1991, 1992, and 1993";

9 (2) by striking "50 percent" and inserting in lieu
10 thereof "40 percent";

11 (3) by striking "and" after "fiscal year 1989,";
12 and

13 (4) by inserting before the period at the end there-
14 of the following: ", \$245,000,000 for fiscal year 1991,
15 \$265,000,000 for fiscal year 1992, and \$285,000,000
16 for fiscal year 1993".

17 PUBLIC BROADCASTING SATELLITE INTERCONNECTION

18 FUND

19 SEC. 4. (a) Section 396(k) of the Communications Act of
20 1934 (47 U.S.C. 396(k)) is amended by adding at the end
21 thereof the following new paragraph:

22 "(10)(A) There is hereby established in the Treasury a
23 fund which shall be known as the Public Broadcasting Satel-
24 lite Interconnection Fund (hereinafter in this subsection re-
25 ferred to as the 'Satellite Interconnection Fund'), to be ad-
26 ministered by the Secretary of the Treasury.

1 “(B) There is authorized to be appropriated to the Satel-
2 lite Interconnection Fund, for fiscal year 1991, the amount of
3 \$200,000,000. If such amount is not appropriated in full for
4 fiscal year 1991, the portion of such amount not yet appro-
5 priated is authorized to be appropriated for fiscal years 1992
6 and 1993. Funds appropriated to the Satellite Interconnec-
7 tion Fund shall remain available until expended.

8 “(C) The Secretary of the Treasury shall make available
9 and disburse to the Corporation, at the beginning of fiscal
10 year 1991 and of each succeeding fiscal year thereafter, such
11 funds as have been appropriated to the Satellite Interconnec-
12 tion Fund for the fiscal year in which such disbursement is to
13 be made.

14 “(D) Notwithstanding any other provision of this sub-
15 section except paragraphs (4), (5), (8), and (9), all funds ap-
16 propriated to the Satellite Interconnection Fund and interest
17 thereon—

18 “(i) shall be distributed by the Corporation to the
19 licensees and permittees of noncommercial educational
20 television broadcast stations providing public telecom-
21 munications services or the national entity they desig-
22 nate for satellite interconnection purposes and to those
23 public telecommunications entities participating in the
24 public radio satellite interconnection system or the na-
25 tional entity they designate for satellite interconnection

1 purposes, exclusively for the capital costs of the re-
2 placement, refurbishment, or upgrading of their nation-
3 al satellite interconnection systems and associated
4 maintenance of such systems; and

5 “(ii) shall not be used for the administrative costs
6 of the Corporation, the salaries or related expenses of
7 Corporation personnel and members of the Board, or
8 for expenses of consultants and advisers to the
9 Corporation.”.

10 (b) On or before March 1, 1990, the Corporation for
11 Public Broadcasting, on behalf of the public radio and public
12 television licensees and permittees (or their designated repre-
13 sentatives), shall submit to Congress a report by such licens-
14 ees or permittees (or their representatives) detailing the satel-
15 lite replacement needs of public radio and public television,
16 the difference in cost between leasing satellite transponder
17 capacity and buying such capacity, and the availability of pri-
18 vate sector rather than Federal financing.

19 FINDING WITH RESPECT TO CERTAIN PROGRAMMING

20 SEC. 5. Section 396(a) of the Communications Act of
21 1934 (47 U.S.C. 396(a)) is amended—

22 (1) by redesignating paragraphs (6) and (7) as
23 paragraphs (7) and (8), respectively; and

24 (2) by inserting immediately after paragraph (5)
25 the following new paragraph:

1 “(6) it is in the public interest to encourage the
2 development of programming that involves creative
3 risks and that addresses the needs of unserved and
4 underserved audiences, particularly children and
5 minorities;”.

6 **EXERCISE OF BUSINESS JUDGMENT BY CORPORATION**

7 **SEC. 6.** Section 396(g)(2)(B)(ii) of the Communications
8 Act of 1934 (47 U.S.C. 396(g)(2)(B)(ii)) is amended by strik-
9 ing “contract or”.

10 **ALLOCATION OF CORPORATION FUNDING**

11 **SEC. 7.** (a) Section 396(k)(3)(A)(i) of the Communica-
12 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)(i)) is amended—

13 (1) by amending subclause (I) to read as follows:

14 “(I) \$10,200,000 shall be available for the admin-
15 istrative expenses of the Corporation for fiscal year
16 1989, and for each succeeding fiscal year the amount
17 which shall be available for such administrative ex-
18 penses shall be the sum of the amount made available
19 to the Corporation under this subclause for such ex-
20 penses in the preceding fiscal year plus the greater of
21 4 percent of such amount or a percentage of such
22 amount equal to the percentage change in the Con-
23 sumer Price Index, except that none of the amounts al-
24 located under subclauses (II), (III), and (IV) and
25 clause (v) shall be used for any administrative expenses
26 of the Corporation and not more than 5 percent of all

1 the amounts appropriated into the Fund available for
2 allocation for any fiscal year shall be available for such
3 administrative expenses;”;

4 (2) subclause (II) is amended to read as follows:

5 “(II) 6 percent of such amounts shall be available
6 for expenses incurred by the Corporation for capital
7 costs relating to telecommunications satellites, the pay-
8 ment of programming royalties and other fees, the
9 costs of interconnection facilities and operations (as
10 provided in clause (iv)(I)), and grants which the Corpo-
11 ration may make for assistance to stations that broad-
12 cast programs in languages other than English, and if
13 the available funding level permits, for projects and ac-
14 tivities that will enhance public broadcasting;” and

15 (3) in subclause (III), by striking “clause (ii)(I)”
16 and inserting in lieu thereof “clause (ii)”.

17 (b) Section 396(k)(3)(A)(ii)(II) of the Communications
18 Act of 1934 (47 U.S.C. 396(k)(3)(A)(ii)(II)) is amended by
19 striking “for public” and inserting in lieu, thereof the follow-
20 ing: “, and in accordance with any plan implemented under
21 paragraph (6)(A), for national public”.

22 (c) Clause (iii) of section 396(k)(3)(A) of the Communica-
23 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
24 read as follows:

1 “(iii) Of the amounts allocated under clause (i)(IV) for
2 any fiscal year—

3 “(I) 70 percent of such amounts shall be available
4 for distribution among the licensees and permittees of
5 public radio stations pursuant to paragraph (6)(B);

6 “(II) 7 percent of such amounts shall be available
7 for distribution under subparagraph (B)(i) for public
8 radio programming; and

9 “(III) 23 percent of such amounts shall be avail-
10 able for distribution among the licensees and permittees
11 of public radio stations pursuant to paragraph (6)(B),
12 solely to be used for acquiring or producing program-
13 ming that is to be distributed nationally and is designed
14 to serve the needs of a national audience.”.

15 (d) Clause (v) of section 396(k)(3)(A) of the Communica-
16 tions Act of 1934 (47 U.S.C. 396(k)(3)(A)) is amended to
17 read as follows:

18 “(v) Of the interest on the amounts appropriated into
19 the Fund which is available for allocation for any fiscal
20 year—

21 “(I) 75 percent shall be available for distribution
22 for the purposes referred to in clause (ii)(II); and

23 “(II) 25 percent shall be available for distribution
24 for the purposes referred to in clause (iii) (II) and
25 (III).”.

1 (e) Section 396(k)(3)(A)(iv)(I) of the Communications
2 Act of 1934 (47 U.S.C. 396(k)(3)(A)(iv)(I)) is amended by
3 striking “Subject to the provisions of clause (v),” and insert-
4 ing in lieu thereof the following: “From the amount provided
5 pursuant to clause (i)(II),”.

6 (f) Subparagraph (B)(i) of section 396(k)(3) of the Com-
7 munications Act of 1934 (47 U.S.C. 396(k)(3)) is amended to
8 read as follows:

9 “(B)(i) The Corporation shall utilize the funds allocated
10 pursuant to subparagraph (A)(ii)(II) and subparagraph
11 (A)(iii)(II) to make grants for production of public television
12 or radio programs by independent producers and production
13 entities and public telecommunications entities, producers of
14 national children’s educational programming, and producers
15 of programs addressing the needs and interests of minorities,
16 and for acquisition of such programs by public telecommuni-
17 cations entities. The Corporation may make grants to public
18 telecommunications entities and producers for the production
19 of programs in languages other than English. Of the funds
20 utilized pursuant to this clause, a substantial amount shall be
21 distributed to independent producers and production entities,
22 producers of national children’s educational programming,
23 and producers of programming addressing the needs and in-
24 terests of minorities for the production of programs.”.

1 (g) Section 396(k)(3) of the Communications Act of
2 1934 (47 U.S.C. 396(k)(3)) is amended by striking subpara-
3 graphs (C) and (D).

4 (h) Paragraph (6)(A) of section 396(k) of the Communi-
5 cations Act of 1934 (47 U.S.C. 396(k)) is amended to read as
6 follows:

7 “(6)(A) The Corporation shall conduct a study and pre-
8 pare a plan, in consultation with public television licensees
9 (or designated representatives of those licensees) and the
10 Public Broadcasting Service, on how funds available to the
11 Corporation under paragraph (3)(A)(ii)(II) can be best allocat-
12 ed to meet the objectives of this Act with regard to national
13 public television programming. The plan, which shall be
14 based on the conclusions resulting from the study, shall be
15 submitted by the Corporation to the Congress not later than
16 January 31, 1990. Unless directed otherwise by an Act of
17 Congress, the Corporation shall implement the plan during
18 the first fiscal year beginning after the fiscal year in which
19 the plan is submitted to Congress.”.

20 (i) Section 396(k)(6)(B) of the Communications Act of
21 1934 (47 U.S.C. 396(k)(6)(B)) is amended by inserting imme-
22 diately after the first sentence the following new sentence:
23 “The Corporation shall assist radio stations to maintain and
24 improve their service where public radio is the only broadcast
25 service available.”.

1 (j) Section 396(k)(7) of the Communications Act of 1934
2 (47 U.S.C. 396(k)(7)) is amended by inserting “(ii)(I) and
3 (iii)(I)” immediately after “paragraph (3)(A)”.

4 **INDEPENDENT PRODUCTION**

5 **SEC. 8.** Section 396(k)(3)(B) of the Communications Act
6 of 1934 (47 U.S.C. 396(k)(3)(B)) is amended by adding at the
7 end the following new clause:

8 “(iii)(I) For fiscal year 1990 and succeeding fiscal years,
9 the Corporation shall, in carrying out its obligations under
10 clause (i) with respect to public television programming, pro-
11 vide adequate funds for an independent production service.

12 “(II) Such independent production service shall be sepa-
13 rate from the Corporation and shall be incorporated under the
14 laws of the District of Columbia for the purpose of contract-
15 ing with the Corporation for the expenditure of funds for the
16 production of public television programs by independent pro-
17 ducers and independent production entities.

18 “(III) The Corporation shall work with organizations or
19 associations of independent producers or independent produc-
20 tion entities to develop a plan and budget for the operation of
21 such service that is acceptable to the Corporation.

22 “(IV) The Corporation shall ensure that the funds pro-
23 vided to such independent production service shall be used
24 exclusively in pursuit of the Corporation’s obligation to

1 expand the diversity and innovativeness of programming
2 available to public broadcasting.

3 “(V) The Corporation shall report annually to Congress
4 regarding the activities and expenditures of the independent
5 production service. At the end of fiscal year 1992, the Corpo-
6 ration shall submit a report to Congress evaluating the per-
7 formance of the independent production service in light of its
8 mission to expand the diversity and innovativeness of pro-
9 gramming available to public broadcasting.”.

10 NEEDS OF MINORITIES AND OTHER GROUPS

11 SEC. 9. (a) Section 396 of the Communications Act of
12 1934 (47 U.S.C. 396) is amended by adding at the end the
13 following new subsection:

14 “(m)(1) Prior to July 1, 1989, and every three years
15 thereafter, the Corporation shall compile an assessment of
16 the needs of minority and diverse audiences, the plans of
17 public broadcasting entities and public telecommunications
18 entities to address such needs, the ways radio and television
19 can be used to help these underrepresented groups, and pro-
20 jections concerning minority employment by public broad-
21 casting entities and public telecommunications entities. Such
22 assessment shall address the needs of racial and ethnic mi-
23 norities, new immigrant populations, people for whom Eng-
24 lish is a second language, and adults who lack basic reading
25 skills.

