

COMMENTS OF THE FEDERAL COMMUNICATIONS COMMISSION  
ON S. 3558, AN ACT TO AMEND THE COMMUNICATIONS ACT  
OF 1934 TO PROVIDE CONTINUED FINANCING FOR THE  
CORPORATION FOR PUBLIC BROADCASTING.

S. 3558, the "Public Broadcasting Financing Act of 1970", is designed to carry out the President's recommendation, as set forth in his Message on Education Reform, to extend Federal support of the Corporation for Public Broadcasting. It would authorize annual appropriations for the Corporation through fiscal year 1973. Such sums as may be necessary would be authorized for each of the three fiscal years of 1971 through 1973. The Act would also encourage public support of the Corporation by providing for a Federal contribution equivalent to the non-Federal contributions given to the Corporation. Paragraph (2) of section 396(k) of the Communications Act, which limits grants or contracts to any one station or for any one project to \$250,000 for fiscal years 1969 and 1970, would not be extended.

The Commission supports these provisions as a needed extension of the interim financing for the Corporation for Public Broadcasting which had been earlier provided in Public Laws 90-129, 90-294, and 91-97, and also supports the deletion of paragraph (2) of section 396(k) of the existing law which has an unduly restrictive effect on the operations of the Corporation.

We note that a portion of the annual Federal funding would be based on matching the dollars raised by the Corporation from non-Federal sources. The Commission favors the anticipated stimulation of increased contributions from private sources through the incentive offered in this matching process.

Most important, however, is the provision authorizing "for each of the next three fiscal years" after 1970 the appropriation of "such sums as may be necessary". Authorizing funds for the Corporation for a three year period will permit the Corporation to grow in an orderly and planned way so important to a new undertaking. We believe that the Corporation's need for funds will likely increase during this three year period. The open end provision for authorization of such sums as may be necessary, taken together with the above matching process, will thus provide suitable flexibility to meet these rising needs.

The Commission wishes to stress, however, as it has in the past, the crucial importance of obtaining for the Corporation at the earliest possible time a permanent financial base not dependent upon annual appropriations. The Committee will recall that the Carnegie Commission recommended establishment of permanent financing of a very substantial order at an early date. Too great a delay in finding the permanent financing solution will adversely affect the development of the Corporation and thus of the nation's noncommercial educational system. The

Commission believes that there is no matter of greater importance or significance than this, in "promoting the larger and more effective use of radio in the public interest" (section 303(g) of the Communications Act of 1934, as amended).

Section 3 of this Act, which was added by the Senate, would amend section 399 of the Communications Act of 1934, as amended (47 U.S.C. 399), which provides that "no noncommercial educational broadcasting station may engage in editorializing or may support or oppose any candidate for political office." The new section would direct the Commission to prescribe appropriate regulations to require that broadcast stations which receive assistance under this title keep records, including audio recordings, for a reasonable period of time, of each program broadcast which involves an issue of public importance and furnish such records to the Commission upon request. The Commission in turn would make these records available to the public, at the requesting party's cost, under such circumstances and conditions as may be reasonable and appropriate.

The Senate Commerce Committee Report indicates that this provision will facilitate the resolution of any question involving a station's impartiality or fairness in the area of programs involving issues of public importance, such as public affairs and news type programs. The Report makes clear that the amendment is in no way intended to infringe upon the autonomy

of local stations or interfere with program production or content. The Commission presently does not require that broadcast stations, either commercial or noncommercial, retain audio tapes of programs. We have not received significant numbers of complaints involving abuse of the fairness doctrine by non-commercial stations, nor have we had any difficulty in resolving them in the absence of a requirement for the making and retention of audio recordings. We do not believe, therefore, that the requirement is necessary.

Adopted: *June 11, 1970*