

**National Federation of Community Broadcasters Testimony to the
House Appropriations Subcommittee on Labor, Health and Human Services,
Education and Related Agencies
Regarding the Fiscal Year 2009 Appropriations
for the Corporation for Public Broadcasting
Encompassed in the Fiscal Year 2007 Appropriation Legislation**

**Testimony of Carol Pierson
President and CEO
March 30, 2006**

Thank you for the opportunity to submit testimony to this Subcommittee regarding the appropriation for the Corporation for Public Broadcasting (CPB). As the President and CEO of the National Federation of Community Broadcasters, I speak on behalf of 250 community radio stations and related organizations across the country. Nearly half our members are rural stations and half are minority controlled stations. In addition, our members include many of the new Low Power FM stations that are putting new local voices on the airwaves. NFCB is the sole national organization representing this group of stations which provide service in the smallest communities of this country as well as the largest metropolitan areas.

In summary, the points we wish to make to this Subcommittee are that NFCB:

- Requests \$430 million in funding for CPB for FY 2009, a \$30 million increase over the FY 2008 advance appropriation;
- Requests \$40 million in FY2007 for conversion of public radio and television to digital broadcasting. Also supports funding for the Public TV interconnection system;
- Requests that advance funding for CPB is maintained to preserve journalistic integrity and facilitate planning and local fundraising by public broadcasters;
- Reject the Administration's proposal to rescind \$103 million of already-appropriated FY 2007 and 2008 CPB funds;
- Supports CPB activities in facilitating programming and services to Native American, African American and Latino radio stations;
- Supports CPB's efforts to help public radio stations utilize new distribution technologies and requests that the Subcommittee ensure that these technologies are available to all public radio services and not just the ones with the greatest resources.

Community Radio fully supports \$430 million in federal funding for the Corporation for Public Broadcasting in Fiscal Year 2009. Federal support distributed through CPB is an essential resource for rural stations and for those stations serving minority communities. These stations provide critical, life-saving information to their listeners and are often in communities with very small populations and limited economic bases, thus the community is unable to financially support the station without federal funds.

In larger towns and cities, sustaining grants from CPB enable Community Radio stations to provide a reliable source of noncommercial programming about the communities themselves. Local programming is an increasingly rare commodity in a nation that is dominated by national program services and concentrated ownership of the media.

For the past 30 years, CPB appropriations have been enacted two years in advance. This insulation has allowed public broadcasting to grow into a respected, independent, national resource that leverages its federal support with significant local funds. Knowing what funding will be available in advance has allowed local stations to plan for programming and community service and to explore additional non-governmental support to augment the federal funds. Most importantly, the insulation that advance funding provides “go[es] a long way toward eliminating both the risk of and the appearance of undue interference with and control of public broadcasting.” (*House Report 94-245.*)

For the last few years, CPB has increased support to rural stations and committed resources to help public radio take advantage of new technologies such as the Internet, satellite radio and digital broadcasting. We commend these activities which we feel provide better service to the American people but want to be sure that the smaller stations with more limited resources are not left out of this technological transition. A step in this direction is the \$3 million Internet Service Grant Fund that will help rural and minority stations serve their listeners and communities better through a website. We ask that the Subcommittee include language in the appropriation that will ensure that funds are available to help the entire public radio system utilize the new technologies, particularly rural and minority stations.

NFCB commends CPB for the leadership it has shown in supporting and fostering the programming services to Latino stations and to Native American stations. For example, Satélite Radio Bilingüe provides 24 hours of programming to stations across the United States and Puerto Rico addressing issues in Spanish of particular interest to the Latino population. At the same time, American Indian Radio on Satellite (AIROS) is distributing programming for the Native American stations, arguably the fastest growing group of stations. There are now over 33 stations controlled by and serving Native Americans.

Last year CPB funded the establishment of the Center for Native American Public Radio (CNAPR). Based on a comprehensive assessment of the Native American Radio System, CNAPR will develop new funding sources for Native stations and programming;

provide direct services to the Native Radio System; encourage collaborations; and represent the Native Radio System. These stations are critical in serving local isolated communities (all but one are on Indian Reservations) and in preserving cultures that are in danger of being lost. CPB's assessment recognized that "...Native Radio faces enormous challenges and operates in very difficult environments." CPB funding is critical to these rural, minority stations. CPB's funding of the Intertribal Native Radio Summit in 2001 helped to pull these isolated stations together into a system of stations that can support each other. The CPB assessment goes on to say "Nevertheless, the Native Radio system is relatively new, fragile and still needs help building its capacity at this time in its development." The Center for Native American Public Radio promises to leverage additional, new funding to ensure that these stations can continue to provide essential services to their communities.

CPB also funded a Summit for Latino Public Radio which took place in September 2002 in Rohnert Park, California, home of the first Latino Public Radio station. These Summits have expanded the circle of support for Native and Latino Public Radio and identified projects that will improve efficiency among the stations through collaborations and explore new ways of reaching the target audiences.

CPB plays a very important role for the public and Community Radio system. They are the convener of discussions on critical issues facing us as a system. They support research so that we have a better understanding of how we are serving listeners. And they provide funding to programming, new ventures, expansion to new listeners, and projects that improve the efficiency of the system. This is particularly important at a time when there are so many changes in the radio and media environment with new distribution technologies and media consolidation. An example of this support is the grant that NFCB received to update and publish our Public Radio Legal Handbook online. This provides easy-to-read information to stations about complying with governmental regulations so that stations can function legally and use their precious resources for programming instead of legal fees.

Finally, Community Radio supports \$40 million in FY 2007 for conversion to digital broadcasting by public radio and television. It is critical that this digital funding be in addition to the on-going operational support that CPB provides. The President's proposal that digital money should be taken from the FY 2007 CPB appropriation would effectively cut stations' grants by over 20%. This would have a devastating impact as stations trying to recover from hard economic times. And it would come at a time when the local voices of community and public radio are especially important to notify and support people during emergency situations and to help communities deal with the loss of loved ones—things that commercial radio is no longer able to do because of media consolidation.

While public television's digital conversion needs are mandated by the FCC, public radio is converting to digital to provide more public service and to keep up with what commercial radio is doing. The Federal Communications Commission has approved a standard for digital radio transmission. CPB has provided funding for 461 transmitters to convert to digital, is supporting additional research on AM radio conversion, and is

working with radio transmitter and receiver manufacturers to build in the capacity to provide a second channel of programming. Most exciting to public and community radio is the encouraging results of tests that National Public Radio has conducted, with funding from CPB, that indicate that stations can broadcast at least two high-quality signals, even while they continue to provide the analog signal. The development of second audio channels will potentially double the public service that public radio can provide, particularly in service to unserved and underserved communities. This initial funding still leaves nearly 400 radio transmitters that will ultimately need to convert to digital or be left behind.

Federal funds distributed by the CPB should be available to all public radio stations eligible for Federal equipment support through the Public Telecommunications Facilities Program (PTFP) of the National Telecommunications and Information Agency of the Department of Commerce. In previous years, Federal support for public radio has been distributed through the PTFP grant program. The PTFP criteria for funding are exacting, but allow for wider participation among public stations. Stations eligible for PTFP funding **and not** for CPB funding include small-budget, rural and minority controlled stations and the new Low Power FM service.

We appreciate Congress' direction to CPB that it utilize its digital conversion fund **for both radio and television** and ask that you ensure that the funds are used for both media. Congress stated, with regard to FY 2000 digital conversion funds:

*The required (digital) conversion will impose enormous costs on both individual stations and the public broadcasting system as a whole. Because television and radio infrastructures are closely linked, the conversion of television to digital will create immediate costs not only for television, **but also for public radio stations** (emphasis added). Therefore, the Committee has included \$15,000,000 to assist radio stations and television stations in the conversion to digitalization (S. Rpt. 105-300)*

Community Radio also supports funding for the public television interconnection system. Interconnection is vital to the delivery of the high quality programming that public broadcasting provides to the American people.

This is a period of tremendous change. Digital is transforming the way we do things; new distribution avenues like digital satellite broadcasting and the Internet are changing how we define the business we are in; the concentration of ownership in commercial radio makes public radio in general, and Community Radio in particular, more important as a local voice than we have ever been. New Low Power FM stations are providing new local voices in their communities. Community radio is providing essential local emergency information, programming about the local impact of the major global events taking place, culturally appropriate information and entertainment in the language of the native culture, as well as helping to preserve cultures that are dying out. During the natural disasters of this last year, radio proved once again to be the most dependable, available medium to get emergency information to the public.

During these challenging times, the role of CPB as a convener of the system becomes even more important. The funding that it provides will allow the smaller stations to participate along with the larger stations which have more resources, as we move into a new era of communications.

Thank you for your consideration of our testimony. If the Subcommittee has any questions or needs to follow-up on any of the points expressed above, please contact:

Carol Pierson, President and CEO
National Federation of Community Broadcasters
Telephone: 510 451-8200
Fax: 510-451-8208
E-mail: carol@nfc.org

The **NFCB** is a thirty-one-year-old grassroots organization which was established by, and continues to be supported by, our member stations. Large and small, rural and urban, the NFCB member stations are distinguished by their commitment to local programming, community participation and support. NFCB's 250 members come from across the United States, from Alaska to Florida, from every major market to the smallest Native American reservation. While the urban member stations provide alternative programming to communities that include New York, Minneapolis, San Francisco and other major markets, the rural members are often the sole source of local and national daily news and information in their communities. NFCB's membership reflects the true diversity of the American population: 41% of the members serve rural communities and 46% are minority radio services.

On Community Radio stations' airwaves examples of localism abound: on KWSO in Warm Springs, Oregon, you will hear morning drive programs in their Native language; throughout the California farming areas in the central valley, Radio Bilingüe programs five stations targeting low-income farm workers; in Chevak, Alaska, on KCUK you will hear the local weather reports and public service announcements in Cup'ik/Yup'ik Eskimo; in Dunmore, West Virginia, you will hear coverage of the local school board and county commission meetings; KABR in Alamo, New Mexico serves its small isolated Native American population with programming almost exclusively in Navajo; and on WWOZ you can hear the sounds and culture of New Orleans throughout the day and night.

In 1949 the first Community Radio station went on the air. From that day forward, Community Radio stations have been reliant on their local community for support. Today, many stations are partially funded through the Corporation for Public Broadcasting grant programs. CPB funds represent under 10% of the larger stations' budgets, but can represent up to 50% of the budget of the smallest rural stations.