

April 15, 2021

TO: Public Media General Managers
FROM: Pat Harrison, CPB president and CEO
RE: Distribution Plan for the American Rescue Plan Act Stabilization Funds

The CPB Board of Directors has unanimously approved a distribution plan for the \$175 million of emergency stabilization funds for public media. The funds were included in the American Rescue Plan Act (American Rescue Act), which was signed into law on March 11, 2021.¹

Together with the \$75 million provided to CPB for public media stations through the CARES Act, Congress has now provided CPB with \$250 million in emergency stabilization funding, the amount requested by CPB with the support of the public media stations and national organizations in March 2020.

In doing so, Congress has recognized the value of public media stations' educational programming and services; their efforts to provide citizens with accurate information at a time when it is most needed; and the impact of the non-federal financial losses stations are taking as a result of the coronavirus pandemic.

In developing an equitable distribution plan for the \$175 million, CPB worked closely with an advisory group of public radio and television system representatives. Further, CPB held listening sessions with station groups, totaling more than 140 general managers.

The work of the advisory group was informed by the language of the Act and the intent of Congress that funds should be used to maintain programming and services and preserve small and rural stations threatened by declines in non-Federal revenues. The advisory group was also guided by the set of principles adopted during the development of the CARES Act distribution plan: simplicity in the funding methodology, equity and meaningfulness in the amounts provided, and a process and outcome that could be easily communicated and understood by grantees and interested audiences. The advisory group focused on the diversity of stations—size, license type, geography, and community needs as it considered various distribution formulas.

Ultimately, the advisory group found that the most equitable and impactful distribution plan would be achieved by (1) splitting the \$175 million in stabilization funds equally between television and radio grantees;² (2) that the CARES Act formula, which prioritized funding to

¹ As enacted, the American Rescue Plan Act provides \$175 million “to prevent, prepare for, and respond to coronavirus, including for fiscal stabilization grants to public telecommunications entities (emphasis added), as defined in section 397 of the Communications Act of 1934 (47 U.S.C. 397), with no deduction for administrative or other costs of the Corporation, to maintain programming and services and preserve small and rural stations threatened by declines in non-Federal revenues. The term public telecommunications entities referred to in Section 397 of the Communications Act of 1934 (47 U.S.C. 397) “means any enterprise which—(A) is a public broadcast station or a noncommercial telecommunications entity; and (B) disseminates public telecommunications services to the public.”

² The stabilization funding is being provided to address an on-going, economic hardship. It is not subject to CPB's statutory funding allocations. The decision to split the stabilization funding equally between television and radio grantees was made in

small, rural, and/or minority stations, be used to distribute \$100 million of the \$175 million; and (3) that the remaining \$75 million be distributed according to the respective television and radio Community Service Grant (CSG) formulas, which take into account stations' service to rural communities, the number of transmitters needed to cover large geographic areas, and the amount raised in non-federal financial support (NFFS).

The use of this distribution approach resulted in the following:

- (1) In keeping with Congressional intent, \$98 million of the \$175 million (or 56%) is directed to small and/or rural licensees;
- (2) Every radio licensee received a minimum of 122% of its CARES Act funding;
- (3) Public radio licensees or public radio stations serving a predominantly minority audience received a minimum of 180% of their CARES Act funding; and
- (4) Every television licensee received a minimum of 162% of its CARES Act funding.

CPB is distributing the American Rescue Act stabilization grants to each of the 553 CPB-qualified grantees in a single payment in accordance with grantees' payment method on record in CPB's Integrated Station Information System. Each head of Grantee will receive a Grant award offer from CPB in DocuSign sent by email. CPB will process payment once a signatory, who is authorized to accept grants on behalf of the station, completes and returns the document. The funds are considered restricted in the same manner that Community Service Grant funds are restricted under the provisions of the 2021 Television and Radio CSG General Provisions and Eligibility Criteria, and as required by the Communications Act. The funds have no expenditure period.

More information about the use and reporting requirements of these funds can be found in our Frequently Asked Questions (FAQ) document attached.

I want to express our deep appreciation to Congress for their strong, bipartisan support of public media. I would also like to thank the advisory group, led by COO Michael Levy and assisted by CPB's Senior Vice President of Radio, Journalism and CSG Services Kathy Merritt and former CPB Senior Vice President and public television general manager Ted Krichels for their efforts in developing a thoughtful plan for equitably distributing these much-needed funds in a way that honors Congress' intent.

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view of this period of extraordinary economic hardship and is limited to the distribution of the funds provided under the American Rescue Plan Act.