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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1728

04/08/2013 Authored by Persell

The bill was read for the first time and referred to the Committee on State Government Finance and Veterans Affairs

1.1 A bill for an act
1.2 relating to state government; changing requirements for radio station grants;
1.3 appropriating money; amending Minnesota Statutes 2012, section 129D.14,
1.4 subdivisions 2, 3.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 129D.14, subdivision 2, is amended to read:

1.7 Subd. 2. **Definitions.** As used in this section, the terms defined in this subdivision
1.8 have the meanings given them.

1.9 (a) "Corporation for Public Broadcasting" or "CPB" means the nonprofit organization
1.10 established pursuant to United States Code, title 47, section 396.

1.11 (b) "Federal Communications Commission" or "FCC" means the federal agency
1.12 established pursuant to United States Code, title 47, section 151.

1.13 (c) "Licensee" means the individual or business entity to whom the Federal
1.14 Communications Commission has issued the license to operate a noncommercial radio
1.15 station.

1.16 (d) "Noncommercial radio station" means a station operated by a licensee as a
1.17 noncommercial educational radio station under a license ~~or program test authority~~ from
1.18 the Federal Communications Commission as a noncommercial educational radio station,
1.19 licensed to a community within the state and serving a segment of the population of
1.20 the state.

1.21 (e) "Operating income" may include:

1.22 (1) individual and other community contributions;

1.23 (2) all grants received from the Corporation for Public Broadcasting;

2.1 (3) grants received from foundations, corporations, or federal, state, or local agencies
 2.2 or other sources for the purpose of programming or general operating support;

2.3 (4) interest income;

2.4 (5) earned income;

2.5 (6) employee salaries paid through the federal Comprehensive Employment and
 2.6 Training Act, or other similar public employment programs, provided that only salary
 2.7 expended for employee duties directly relating to radio station operations shall be counted;

2.8 (7) employee salaries paid through supporting educational institutions, provided that
 2.9 only salary expended for employee duties directly relating to radio station operations
 2.10 shall be counted;

2.11 (8) direct operating costs provided by supporting educational institutions; and

2.12 (9) no more than \$15,000 in volunteer time calculated at the federal minimum wage.

2.13 The following are specifically excluded in determining a station's operating income:

2.14 (1) dollar representations in in-kind assistance from any source except as stipulated
 2.15 in clauses (8) and (9) above;

2.16 (2) grants or contributions from any source for the purpose of purchasing capital
 2.17 improvements or equipment; and

2.18 (3) noncommercial radio station grants received in the previous fiscal year pursuant
 2.19 to this section.

2.20 (f) "Local" means the area designated by the FCC's 60 dBu contour map.

2.21 Sec. 2. Minnesota Statutes 2012, section 129D.14, subdivision 3, is amended to read:

2.22 Subd. 3. **Eligibility.** (a) To qualify for a grant under this section, the licensee shall
 2.23 must:

2.24 ~~(a) (1) hold a valid noncommercial educational radio station license or program test~~
 2.25 authority classified as Class A or C FM, as defined under Code of Federal Regulations, title
 2.26 47, section 73.210, or Class C or D AM, as defined under Code of Federal Regulations, title
 2.27 47, section 73.21, in the state of Minnesota from the Federal Communications Commission;

2.28 ~~(b) (2) have facilities adequate to provide local program production and origination~~
 2.29 professional-grade broadcast equipment and professional-grade broadcast studio facilities,
 2.30 adhere to practical and professional engineering standards and practices for broadcast
 2.31 facilities, and not be operating under an FCC main studio waiver;

2.32 ~~(e) (3) employ a minimum of two full-time professional radio staff persons or the~~
 2.33 equivalent in part-time staff and agree to employ a minimum of two full-time professional
 2.34 radio staff persons or the equivalent in part-time staff throughout the fiscal year of the grant;

3.1 ~~(d)~~ (4) maintain a minimum daily broadcasting schedule of ~~(1)~~ the maximum
 3.2 allowed by its Federal Communications Commission license ~~or (2) 12 hours a day during~~
 3.3 ~~the first year of eligibility for state assistance, 15 hours a day during the second year of~~
 3.4 ~~eligibility and 18 hours a day during the third and following years of eligibility, unless~~
 3.5 otherwise dictated by the station's FCC license;

3.6 ~~(e)~~ (5) broadcast 365 days a year ~~or the maximum number of days allowed by its~~
 3.7 ~~Federal Communications Commission license, with an exception for power outages and~~
 3.8 natural disasters;

3.9 ~~(f)~~ (6) have a daily broadcast schedule devoted primarily to programming that serves
 3.10 ascertained community needs of an educational, informational or cultural nature within
 3.11 its primary signal area; however, a program schedule of a main channel carrier designed
 3.12 to further the principles of one or more particular religious philosophies or including 25
 3.13 percent or more religious programming on a broadcast day does not meet this criterion,
 3.14 nor does a program schedule of a main channel carrier designed primarily for in-school or
 3.15 professional in-service audiences;

3.16 ~~(g)~~ (7) originate ~~significant~~, at least 50 hours per week of locally produced
 3.17 programming designed to serve its community of license;

3.18 ~~(h)~~ (8) have a total annual operating income and budget of at least \$50,000;

3.19 ~~(i)~~ (9) have either a board of directors representing the community or a community
 3.20 advisory board that conducts advisory board meetings that are open to the public;

3.21 ~~(j)~~ (10) have a board of directors that: ~~(1)~~ (i) holds the portion of any meeting
 3.22 relating to the management or operation of the radio station open to the public and ~~(2)~~
 3.23 (ii) permits any person to attend any meeting of the board without requiring a person,
 3.24 as a condition to attendance at the meeting, to register the person's name or to provide
 3.25 any other information; ~~and~~

3.26 ~~(k)~~ (11) have met the criteria in clauses ~~(a)~~ (1) to ~~(j)~~ (10) for six months before it is
 3.27 eligible for state assistance under this section; and

3.28 (12) have a primary signal that is not operating under a time share agreement as
 3.29 defined by Code of Federal Regulations, title 47, section 73.561.

3.30 (b) The commissioner shall accept the judgment of Corporation for Public
 3.31 Broadcasting accepted audit when it is available on a station's eligibility for assistance
 3.32 under the criteria of this subdivision. If the station is not qualified for assistance or is
 3.33 qualified for but not receiving funding from the Corporation for Public Broadcasting, an
 3.34 independent audit is required to verify eligibility under paragraph (a), clause (8). If neither
 3.35 is available, the commissioner may accept a written declaration of eligibility signed by

4.1 an independent auditor, a certified public accountant, or the chief executive officer of the
4.2 station's parent organization ~~if it is an institution of education.~~

4.3 **Sec. 3. PUBLIC BROADCASTING; APPROPRIATION.**

4.4 \$392,000 in fiscal year 2014 and \$392,000 in fiscal year 2015 are appropriated from
4.5 the general fund to the commissioner of administration for community service grants
4.6 to public educational radio stations. This appropriation may be used to disseminate
4.7 emergency information in foreign languages. Grants must be allocated after considering
4.8 the recommendations of the Association of Minnesota Public Educational Radio Stations
4.9 according to Minnesota Statutes, section 129D.14.

4.10 **Sec. 4. PUBLIC EDUCATIONAL RADIO STATIONS; APPROPRIATION.**

4.11 \$117,000 in fiscal year 2014 and \$117,000 in fiscal year 2015 are appropriated from
4.12 the general fund to the commissioner of administration for equipment grants to public
4.13 educational radio stations for the purchase of equipment. This appropriation may be used
4.14 for the repair, rental, and purchase of equipment, including equipment under \$5,000. Grants
4.15 must be allocated after considering the recommendations of the Association of Minnesota
4.16 Public Educational Radio Stations according to Minnesota Statutes, section 129D.14.

4.17 **Sec. 5. REDUCTIONS SHARED.**

4.18 In the event a new public radio station becomes eligible for state funding during a
4.19 biennium and it is necessary to reduce the grant amount to existing grantees to fund the new
4.20 station or stations, the reduction shall be equal among all grantees, including Minnesota
4.21 Public Radio and the Association of Minnesota Public Educational Radio Stations.