



# WASHINGTON REPORT

NATIONAL ASSOCIATION OF EDUCATIONAL BROADCASTERS

---

Vol. III, No. 12X Dupont Circle Building, Washington 6, D.C. August 24, 1962

---

## A PRELIMINARY DISCUSSION OF THE EDUCATIONAL TELEVISION GRANT PROGRAM

(Ed. Note - At the request of the NAEB, the following interpretive article on Federal aid to ETV has been prepared by Dean W. Coston, designated as Dep. Asst. to the Secy. (ETV). It is hoped that this information will anticipate many of your questions and be helpful to you if you plan to apply for a Federal grant. If you care to refer to the text of the law, it was reprinted in the Washington Report of April 20, 1962 (Vol. III, No. 6).

Interest in P.L. 87-447 and its opportunities for advancing the development of educational television has been high. The Department has had many inquiries of both a general and specific nature which demonstrate that many organizations are prepared to apply for grant assistance at an early date.

While the Department is moving rapidly in establishing a program, there are problems of administration and interpretation which must be worked out carefully in order to assure a fair and speedy distribution of funds, after they become available. (The law authorized the appropriation of \$32,000,000 over a five year period. The Congress will appropriate these funds on a year-by-year basis).

The legislation gave responsibility to the Secretary of Health, Education, and Welfare, and the administrative structure will provide program direction and coordination in the Office of the Secretary. Operational aspects of the program will be carried out in the Office of Education, where a considerable body of experience in the administration of grants programs has been established. Several professional positions are being established within the Office to form a television unit which will prepare recommendations for the consideration of the Commissioner of Education and the Secretary of Health, Education, and Welfare, and to carry out the administrative duties required by law and regulations. Draft regulations, which will govern the operation of the program, are now being prepared by a special task group. Conferences and meetings are being held with national organizations and associations, with the Federal Communications Commission, and with expert consultants.

The rules and administrative procedures will be established to carry out the intent of the Congress as expressed in the legislation and its history. The purpose of the law is "to assist (through matching grants) in the construction of educational television broadcasting facilities." In carrying out this purpose, the law describes general guidelines for the administration of the program. It establishes categories of applicants eligible for consideration for grants, and broad objectives which will be circulated in regulations. It specifies maximum percentages of Federal participation in the cost

of any project and defines certain terms. The law gives authority to The Secretary to establish priorities for grant approvals and to make necessary rules and regulations. It recognizes the interest of the Federal Communications Commission by providing for consultation and close cooperation. Other provisions deal with record keeping, recapture of grant funds in case of discontinuance of education use and similar administrative procedure.

It is now anticipated that rules and application forms, together with an information brochure, will be issued by early fall, and that grant applications will be accepted shortly thereafter as funds become available.

Typical of the many questions which must be dealt with in the regulations are these: 1) What will be the effective date after which a project shall be considered as eligible for matching funds,? and 2) what are the specific types of project and items of transmission equipment which will be eligible for grant support? While neither of these questions can be finally answered at this time, some general statements can be made.

First, it seems clear that the Department could not be responsible for commitments made in advance of any project grant approval. The law, in setting forth the 25 percent credit provision, states that it applies to "equipment owned by the applicant on the date on which it files such application." This seems to indicate that the date of filing is the first date which could be considered for the initiation of a project.

Even using this date, however, can create serious problems for an applicant as well as for the Department. A project initiated after the date of filing, but before the final approval of the project application, would be initiated at the risk of disapproval or modification at the time of final determination. If, for example, an applicant filed for support in the purchase of a transmitter, and proceeded to install that transmitter in expectation of up to a 50 percent matching grant, it would tend to prejudice the freedom of the Department in considering the merit of the project. For example, if the Department, in its final decision, determined that a transmitter of higher power would be required for a more satisfactory project, the applicant would have a transmitter but no matching grant.

In order to minimize the risk to the applicant, therefore, and to permit the Department to make judgments without the pressures of accomplished fact, it would seem wisest to include as a part of a project only those acquisitions and installations made subsequent to final project approval by the Department.

While it is true that such an approach may lead to some delays in development of new projects, the necessity of protecting a Federal investment and the importance of reducing the risk of the applicant in purchasing and installing equipment which might not receive project approval require a businesslike approach. It is not believed that the delays which may be encountered between filing and approval will be significant enough to offset the necessity for sound financial policy. If, for good reason, it is necessary for an applicant to contract for the purchase of equipment before the project grant application is approved, the applicant should make certain that the contract contains a provision that the applicant will not be obligated to purchase in the event that his application is disapproved in whole or in part.

The second question, as to what constitutes a project, is also difficult to comment upon in the absence of specific determinations. Generally speaking, projects must be related to the operation of a noncommercial educational broadcast station, and must satisfy the general criteria of serving the greatest number of people in the greatest number of areas, and be adaptable to the broadest educational use. In the case of a

proposed new facility, the question is more easily answered in view of these criteria, but in the case of institutions and organizations already operating a facility, it is more complex.

The main thrust of the legislation is to activate new educational television broadcast stations, with provision also made for the expansion of existing facilities. It is clear that a proposal to activate one of the existing reserved channels by the construction of the necessary facilities would constitute a project; whether it would be an approvable project, however, would depend on how closely it met criteria to be fully set forth in regulations.

A proposal to expand or improve an existing facility would also have to meet certain criteria which relate to the need for expanded service and the extent to which the project would meet that need. What might expand the coverage of a facility? Certainly, increased power, new antenna, satellite station, and other projects which will make the signal available to more people over a larger area. Probably, projects to enable the station to extend significantly broadcast hours and reach different segments of the population.

It should be pointed out that the project consists of the acquisition and installation of transmission equipment and that both the Federal share and the local share of the cost of the project can be used only for that purpose. It is not possible, for example, to use all of the Federal share for acquisition and installation of transmission equipment and the local share for buildings and other things not included in the project.

It should also be made clear that the 25 percent credit provision does not mean that The Secretary may pay 25 percent of the cost of apparatus previously acquired simply because it is owned. The 25 percent provision only applies if an application for a new project is approved, in which case up to 25 percent of the cost of the apparatus already owned by the applicant may be added to the Federal grant, provided that the total payment with respect to the new project does not exceed 75 percent of its cost.

What constitutes new transmission equipment? Transmitters, towers, transmission line, antennas, transmitter control consoles, STL systems, video recorders and associated equipment are surely eligible, as will be certain studio equipment (cameras, film chains, microphones, switchers, etc.). The regulations to be promulgated will clarify some of the difficult questions that exist on borderline items. Buildings (which are excluded by law), desks, chairs, files, typewriters, etc., would not be included. Land acquisition and development, architect's fees and legal fees would not be legitimate parts of a project.

Another important aspect of program planning involves the role of State ETV agencies and State plans. The law provides that applicants shall notify the State agency of applications submitted to The Secretary, and The Secretary shall advise the State agency as to the disposition of the applications.

While the law does not require the Department to observe in every instance the wishes of a State agency in considering applications from within that State, it is clear that close cooperation with existing agencies is essential for prompt action "to assure proper coordination of construction."

Remarkable progress has been made in developing State and regional plans, and in coordinating the plans of individuals and groups within States. It is anticipated that use will be made of the important work of these agencies. It would be hoped that in those States where an agency is not yet established or a plan is not completely developed, action would be taken to institute and complete the necessary steps. It will not be the intent of the program to bypass the State agency, if in fact that agency is prepared to

cooperate in "expediting as much as possible the construction of additional educational television broadcasting facilities." Rather, the Department encourages the development of good plans which will help avoid duplications and conflicts within States with resulting delays and confusion. The existence of regional plans, too, will present still another source of information which will be useful in evaluating applications. These plans may be particularly helpful in assessing situations where service across State lines is contemplated, or where several inter-State jurisdictions are contemplating joint efforts.

While the Department is very much concerned with encouraging this kind of planning, however, it will of necessity consider applications individually and on their individual merits, as the law provides.

There are several areas in which prospective applicants can be working now, in anticipation of applying for matching grants. In those States which have ETV agencies, preliminary discussions concerning procedures might well be taking place, and coordination of activities in every State would be productive at this time.

Many prospective applicants will find it necessary to file with the Federal Communications Commission requests for channel reservation, construction permit, or modification. Some of this work could be instituted now. Discussion with the Commission, with equipment manufacturers, and with local persons interested in a project could be useful. Consulting engineers and legal services will be necessary in many instances, and these details could well be explored in advance of preparation of a project grant application.

The applicant must assure The Secretary that matching funds will be available, and the necessary funds to "construct, operate, and maintain" the facilities will be available when needed. It is the intention of the Department to require fairly detailed information concerning the financial structure of the construction and operation of the station, and prospective applicants should begin now to develop financial plans in the form of construction and operating budgets that would be helpful in determining the ability of the applicant to comply with the requirements of law. Applicants who expect to qualify for the 25 percent credit for equipment presently owned should be sure that their inventories and financial records concerning this equipment are accurate and current.

The applicant should also be prepared to demonstrate that he has made arrangements to serve the "broadest educational uses," and it would be desirable for the applicant to secure agreement from the educational and cultural organizations in the area proposed to be served that they will participate. (This would include colleges, school systems or districts, museums, art galleries, etc.)

Views and comments on the legislation and its implementation are most welcome, and will be of considerable assistance in developing regulations. Questions raised by people in the field, even if they cannot be answered at this point, will be helpful in determining problem areas which must be treated in the regulations.

Inquiries and comments should be addressed to:

Dr. John W. Bystrom  
Assistant to the Secretary (Educational Television)  
Office of the Secretary  
Department of Health, Education, and Welfare  
Washington 25, D.C.

Scanned from the National Association of Educational Broadcasters Records  
at the Wisconsin Historical Society as part of  
"Unlocking the Airwaves: Revitalizing an Early Public and Educational Radio Collection."



A collaboration among the Maryland Institute for Technology in the Humanities,  
University of Wisconsin-Madison Department of Communication Arts,  
and Wisconsin Historical Society.

Supported by a Humanities Collections and Reference Resources grant from  
the National Endowment for the Humanities



WISCONSIN  
HISTORICAL  
SOCIETY



WISCONSIN  
UNIVERSITY OF WISCONSIN-MADISON



Any views, findings, conclusions, or recommendations expressed in this publication/collection do not necessarily reflect those of the  
National Endowment for the Humanities.