

By Representatives Stearns and Berry

Promoting and funding public media and digital equity.

1       AN ACT Relating to promoting and funding public media and digital  
2 equity; adding new sections to chapter 43.330 RCW; adding a new  
3 chapter to Title 82 RCW; creating a new section; and prescribing  
4 penalties.

5       BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6       NEW SECTION.     **Sec. 1.**     The legislature recognizes that every  
7 Washingtonian should have access to trusted, noncommercial media that  
8 informs, educates, and connects our communities. The legislature  
9 further recognizes that media is a valuable commodity that  
10 contributes to the vitality of the state and the cultural integrity  
11 of the state's communities.

12       The legislature finds that noncommercial media provides a  
13 significant public benefit by providing information related to public  
14 safety, emergency broadcasting, public service announcements,  
15 community events, and educational partnerships.

16       The legislature also finds that increased funding for  
17 noncommercial media's annual operations and projects will likely  
18 increase revenue for rural economies and local businesses and create  
19 opportunities to increase community connection and build a diverse  
20 workforce. The legislature recognizes that different regions of the  
21 state have different needs, and residents should have the autonomy to

discern and craft strategies to meet their regional needs while coordinating with each other and statewide.

The legislature also finds an urgent need to engage and educate communities for coordination of existing resources, capacity building, and establishing groundwork to support digital equity for more coordinated emergency services, efficiencies, partnerships, streamlined data collection, and group fund development that will contribute to regional economic development in a manner that is multilingual and culturally responsive.

Therefore, it is the intent of the legislature to establish new funding for public media and digital equity.

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The department shall establish a public media broadcaster program to promote public media. The department shall award funds to eligible entities on an annual basis, subject to the availability of amounts appropriated for this specific purpose. The sole purpose of the program is to ensure that every Washingtonian has access to noncommercial media that informs, educates, and connects Washington communities.

(2) The department must identify eligibility criteria for the program. In establishing the criteria, the department shall prioritize:

(a) Community, public radio, or television organizations based in the state;

(b) Noncommercial, nonreligious, and not-for-profit organizations;

(c) Broadcasters that do not include a paywall for core program services;

(d) Organizations that have provided service in the state for a minimum of seven years prior to the award;

(e) Organizations that adhere to professional editorial standards;

(f) Organizations whose service includes public safety, emergency broadcasting, public service announcements, access to the arts, community event promotion, and not-for-profit partnerships;

(g) Organizations that make music accessible to everyone, build audiences for the arts by promoting events happening in the

community, and provide a platform for artists to reach their audience and build careers;

(h) Organizations whose service includes community activation, free community events calendaring, educational impacts, partnership with public schools as defined in RCW 28A.150.010, and services for young adults after high school graduation, including but not limited to mentoring, internships, or fellowships;

(i) Demonstrated economic impact; and

(j) Operations including public transparency and reporting, including but not limited to annual service and impact reports or audits.

(3) The department must identify criteria to prioritize awards under the program. The criteria must include:

(a) Relative scale and community impact;

(b) That 85 percent of the funding awards must be provided to broadcasters that have a budget in excess of \$1,000,000. An entity may receive an award of up to eight percent of its annual operating expenses or \$1,500,000, whichever is greater;

(c) That 15 percent of the funding awards must be provided to broadcasters who have a budget of less than \$1,000,000 and serve rural or frontier counties or urban counties with a hyper-local audience. These awards may be used for annual operations or projects, and must be a minimum of \$5,000 and no more than eight percent of the broadcaster's annual operating expenses; and

(d) That all awards must be spent within the state.

(4) Consistent with the department's authority under RCW 43.330.040, the department shall seek gifts, grants, and other contributions from nonstate sources to carry out the purposes of this section.

NEW SECTION. **Sec. 3.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The department shall establish a digital equity program to create digital access and adoption resource coordinators, and multimedia producer and trainer roles. The program shall award funds to eligible entities on an annual basis, subject to the availability of amounts appropriated for this specific purpose. The purpose of the program is to ensure that every Washingtonian has resources to safely and effectively access the internet and noncommercial media that informs, educates, and connects Washington communities.

1 (2) For purposes of funding digital equity, the department must  
2 identify eligibility criteria for the program. In establishing the  
3 criteria, the department shall prioritize:

4 (a) Community anchor institutions such as a school, library,  
5 health clinic, health center, hospital or other medical provider,  
6 public safety entity, institution of higher education, public housing  
7 organization, or community support organization that facilitate  
8 greater use of broadband service by underserved populations;

9 (b) Accountable communities of health, public access, education,  
10 and government television stations;

11 (c) Workforce development councils, as defined in RCW 28C.18.010;

12 (d) Washington State University extension offices; and

13 (e) Operations including public transparency and reporting,  
14 including but not limited to annual service and impact reports or  
15 audits.

16 (3) The program must include digital access resource coordinators  
17 who will work with coalitions, networks, and broadband action teams  
18 that provide online skill building to create safe ways to engage and  
19 educate communities about artificial intelligence and online safety.

20 (4) The coordinators must:

21 (a) Coordinate content for a central resource database;

22 (b) Coordinate and build referral networks;

23 (c) Produce virtual, in-person events, and community connection  
24 time to build the groundwork for collaboration and database updating;

25 (d) Coordinate and share strategies with broadband action teams  
26 that focus on network infrastructure and workforce development;

27 (e) Provide information that is multilingual, culturally  
28 responsive, and responsive to the regional community needs; and

29 (f) Notify the community about grant and funding opportunities.

30 (5) The program must include multimedia producers and trainers  
31 who will increase capacity and support existing community and  
32 government media and stations with technical expertise and training.

33 (6) The producers and trainers must:

34 (a) Coordinate with community and government media and stations  
35 on eligible content;

36 (b) Identify apprenticeship opportunities;

37 (c) Provide training; and

38 (d) Identify opportunities for creative economy and small  
39 business intersections.

(7) The program must provide space for trainings, computer labs, studios, pods, booths, and mobile recording and broadcast equipment.

(8) Consistent with the department's authority under RCW 43.330.040, the department shall seek gifts, grants, and other contributions from nonstate sources to carry out the purposes of this section.

NEW SECTION.     **Sec. 4.**     (1)(a) A public media broadcaster and digital equity tax in the amount of 20 cents per month is imposed on the use of all radio access lines by subscribers whose place of primary use is located within the state and by consumers whose retail transactions occur within the state.

(b) The tax imposed under this subsection (1) must be remitted to the department by radio communications service companies, including those companies that resell radio access lines, and sellers of prepaid wireless telecommunications service, on a tax return provided by the department.

(c) For the purposes of this subsection (1), the retail transaction occurs at the location where the transaction is sourced under RCW 82.32.520(3)(c).

(2) A public media broadcaster and digital equity tax in the amount of 20 cents per month is imposed on all interconnected voice over internet protocol service lines in the state. The amount of tax must be uniform for each line and must be levied on no more than the number of voice over internet protocol service lines on an account that is capable of simultaneous unrestricted outward calling to the public switched telephone network. The tax imposed under this subsection (2) must be remitted to the department by interconnected voice over internet protocol service companies on a tax return provided by the department.

(3) A public media broadcaster and digital equity tax in the amount of 20 cents per month is imposed on all switched access lines in the state. The amount of tax must be uniform for each line and must be levied on no more than the number of switched access lines on an account that is capable of simultaneous unrestricted outward calling to the public switched telephone network. The tax imposed under this subsection (3) must be remitted to the department by local exchange companies on a tax return provided by the department.

1 (4) Tax proceeds collected pursuant to this section must be  
2 deposited by the treasurer into the public media broadcaster and  
3 digital equity account created in section 7 of this act.

4 NEW SECTION. **Sec. 5.** (1) Except as provided otherwise in  
5 subsection (2) of this section:

6 (a) The public media broadcaster and digital equity tax on radio  
7 access lines must be collected from the subscriber by the radio  
8 communications service company, including those companies that resell  
9 radio access lines, providing the radio access line to the  
10 subscriber, and the seller of prepaid wireless telecommunications  
11 services.

12 (b) The public media broadcaster and digital equity tax on  
13 interconnected voice over internet protocol service lines must be  
14 collected from the subscriber by the interconnected voice over  
15 internet protocol service company providing the interconnected voice  
16 over internet protocol service line to the subscriber.

17 (c) The public media broadcaster and digital equity tax on  
18 switched access lines must be collected from the subscriber by the  
19 local exchange company.

20 (d) The amount of the tax must be stated separately on the  
21 billing statement that is sent to the subscriber.

22 (2)(a) The public media broadcaster and digital equity tax  
23 imposed by this chapter must be collected from the consumer by the  
24 seller of a prepaid wireless telecommunications service for each  
25 retail transaction occurring in this state.

26 (b) The department must transfer all tax proceeds remitted by a  
27 seller under this subsection (2) to the public media broadcaster and  
28 digital equity account created in section 7 of this act.

29 (c) The taxes required by this subsection (2) to be collected by  
30 the seller must be separately stated in any sales invoice or  
31 instrument of sale provided to the consumer.

32 NEW SECTION. **Sec. 6.** (1)(a) The public media broadcaster and  
33 digital equity tax imposed by this chapter must be paid by the  
34 subscriber to the radio communications service company providing the  
35 radio access line, the local exchange company, or the interconnected  
36 voice over internet protocol service company providing the  
37 interconnected voice over internet protocol service line.

1 (b) Each radio communications service company, local exchange  
2 company, and interconnected voice over internet protocol service  
3 company must collect from the subscriber the full amount of the taxes  
4 payable. The public media broadcaster and digital equity tax required  
5 by this chapter to be collected by a company or seller must be held  
6 in trust by the company or seller until paid to the department. Any  
7 radio communications service company, local exchange company, or  
8 interconnected voice over internet protocol service company that  
9 appropriates or converts the tax collected to its own use or to any  
10 use other than the payment of the tax to the extent that the money  
11 collected is not available for payment on the due date as prescribed  
12 in this chapter is guilty of a gross misdemeanor.

13 (2) If any radio communications service company, local exchange  
14 company, or interconnected voice over internet protocol service  
15 company fails to collect the public media broadcaster and digital  
16 equity tax or, after collecting the tax, fails to pay it to the  
17 department in the manner prescribed by this chapter, whether such  
18 failure is the result of its own act or the result of acts or  
19 conditions beyond its control, the company or seller is personally  
20 liable to the state for the amount of the tax, unless the company or  
21 seller has taken from the buyer in good faith documentation, in a  
22 form and manner prescribed by the department, stating that the buyer  
23 is not a subscriber or consumer or is otherwise not liable for the  
24 public media broadcaster and digital equity tax.

25 (3) The amount of tax, until paid by the subscriber to the radio  
26 communications service company, local exchange company,  
27 interconnected voice over internet protocol service company, or the  
28 department, constitutes a debt from the subscriber to the company, or  
29 from the consumer to the seller. Any company or seller that fails or  
30 refuses to collect the tax as required with intent to violate the  
31 provisions of this chapter or to gain some advantage or benefit,  
32 either direct or indirect, and any subscriber or consumer who refuses  
33 to pay any tax due under this chapter is guilty of a misdemeanor. The  
34 public media broadcaster and digital equity tax required by this  
35 chapter to be collected by the radio communications service company,  
36 local exchange company, or interconnected voice over internet  
37 protocol service company must be stated separately on the billing  
38 statement that is sent to the subscriber.

39 (4) If a subscriber has failed to pay to the radio communications  
40 service company, local exchange company, or interconnected voice over

internet protocol service company the public media broadcaster and digital equity tax imposed by this chapter and the company or seller has not paid the amount of the tax to the department, the department may, in its discretion, proceed directly against the subscriber or consumer for collection of the tax, in which case a penalty of 10 percent may be added to the amount of the tax for failure of the subscriber or consumer to pay the tax to the company or seller, regardless of when the tax is collected by the department.

NEW SECTION.     **Sec. 7.**     (1) The public media broadcaster and digital equity account is created in the state treasury. All receipts from the tax imposed pursuant to this chapter must be deposited into the account. Moneys may only be spent after appropriation.

(2) The department may retain up to three percent of available funds for evaluation and administration of the public media broadcaster and digital equity programs created under sections 2 and 3 of this act.

(3) The remaining funds must be distributed as follows:

(a) 80 percent must be used to fund grants under the public media broadcaster program established under section 2 of this act; and

(b) 20 percent must be used to fund grants under the digital equity program established under section 3 of this act.

(4) Moneys in the account may not be used to supplant general fund appropriations for public media and digital equity.

NEW SECTION.     **Sec. 8.**     A city or county may not impose a tax, measured on a per line basis, on radio access lines, interconnected voice over internet protocol service lines, or switched access lines, for the purpose of funding public media and digital equity.

NEW SECTION.     **Sec. 9.**     The definitions in RCW 82.14B.020 apply throughout this chapter.

NEW SECTION.     **Sec. 10.**    Sections 4 through 9 of this act constitute a new chapter in Title 82 RCW.

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