

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

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

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

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

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

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

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

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

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

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

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

32 (e) Organizations that adhere to professional editorial
33 standards;

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

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

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

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

8 (i) Demonstrated economic impact; and

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

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

14 (a) Relative scale and community impact;

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

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

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

26 (4) Consistent with the department's authority under RCW
27 43.330.040, the department shall seek gifts, grants, and other
28 contributions from nonstate sources to carry out the purposes of this
29 section.

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

32 (1) The department shall establish a digital equity program to
33 create digital access and adoption resource coordinators, and
34 multimedia producer and trainer roles. The program shall award funds
35 to eligible entities on an annual basis, subject to the availability
36 of amounts appropriated for this specific purpose. The purpose of the
37 program is to ensure that every Washingtonian has resources to safely
38 and effectively access the internet and noncommercial media that
39 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.

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

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

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

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

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

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

30 (3) A public media broadcaster and digital equity tax in the
31 amount of 20 cents per month is imposed on all switched access lines
32 in the state. The amount of tax must be uniform for each line and
33 must be levied on no more than the number of switched access lines on
34 an account that is capable of simultaneous unrestricted outward
35 calling to the public switched telephone network. The tax imposed
36 under this subsection (3) must be remitted to the department by local
37 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

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

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

13 (2) The department may retain up to three percent of available
14 funds for evaluation and administration of the public media
15 broadcaster and digital equity programs created under sections 2 and
16 3 of this act.

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

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

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

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

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

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

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

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