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## The issue:

As Congress works to address the deepening crisis faced by businesses across the country, legislators should provide immediate relief to local radio and television stations to ensure they can stay on the air and continue to serve and inform their communities throughout the COVID-19 pandemic and beyond.

## Here's why:

Radio and television broadcasters are on the front lines of the nation's COVID-19 response, informing and educating communities to help keep people safe. In addition to around-the-clock news coverage that keeps the public apprised of ever-changing government recommendations, broadcasters have donated a tremendous amount of airtime – worth nearly 100 million dollars – to public service announcements aimed at preventing the spread of COVID-19.

Local broadcasters rely on advertising revenue to fund their operations and provide critical local news and emergency updates. As local businesses grind to a halt across the country, this ad revenue from local restaurants, car dealers and retail stores, among others has taken a significant hit. Analysts suggest that this trend will only worsen, and advertising carried by traditional media could decline by as much as 43 percent in the near term, according to a nationwide survey.

As a result of this unprecedented and sudden loss in revenue, broadcast stations have been devastated, forcing many to reduce their workforce and others to shut down completely. For example:

- A radio broadcaster in the Florida panhandle that operates six stations has lost approximately 65-70 percent of its revenue in March alone, forcing it to reduce its workforce from 45 to seven employees.
- A small radio broadcaster in rural Minnesota has lost an estimated 90 percent of advertising revenue due to the ordered closure of businesses and the suspension of the Minnesota Twins baseball season, whose games the station carries for residents in the northern part of the state.
- A television broadcaster that operates two major stations in Indianapolis, employing over 200 people in the city, has already lost \$1.8 million in advertising revenue for those stations.
- A radio broadcaster in Phoenix that operates four stations will likely be compelled to lay off half of its 47 employees in the coming weeks.
- A family-owned radio broadcaster that has been serving rural Mainers for over 45 years was forced to shut down its five stations completely at the end of March.

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# Provide Relief for Broadcasters Struggling to Survive the COVID-19 Crisis

## The bottom line:

As Congress enacts additional COVID-19 stimulus and relief measures, it should include provisions that help bring immediate liquidity to struggling local radio and television stations that are needed now more than ever. Without relief, the local journalism and essential public services that broadcasters provide will begin to disappear. Many of these stations – particularly smaller radio stations – may never return.

Earlier this year, bipartisan teams of Congressional broadcast champions introduced the Local News and Emergency Information Act of 2020. In the Senate, Sens. Maria Cantwell (WA), John Boozman (AR), Amy Klobuchar (MN), Joni Ernst (IA), and Chuck Schumer (NY) led this effort, amid 14 total current cosponsors. Reps. David Cicilline (RI-01) and Jim Sensenbrenner (WI-05) introduced the House companion bill, which currently stands at 25 cosponsors. This legislation would allow radio and television broadcasters to access the Paycheck Protection Program (PPP) run by the Small Business Administration (SBA), based on the employee count at their individual locations. Additionally, the Heroes Act passed by the House in May and again in an updated form in October contains this language clarifying broadcasters' PPP eligibility. NAB applauds these modifications to the PPP and supports including similar language in any final coronavirus relief package.

For these reasons, local broadcasters urge Congress to consider:

- Modifications to the existing Small Business Administration Paycheck Protection Program and Distressed Sector Lending Program to expand broadcasters' eligibility and access to both programs.
- Appropriating and directing federal advertising dollars for specific programs where community outreach is needed (e.g. census, drug and opioid abuse prevention, election information) for spending on local media, including those serving minority communities.
- Designating a portion of stimulus funds provided to businesses for their recovery efforts for advertising on local media.