



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 5, 2004

S. 2645

Public Broadcasting Reauthorization Act of 2004

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on July 21, 2004*

SUMMARY

S. 2645 would authorize grants to the Corporation for Public Broadcasting (CPB) through 2011. These reauthorizations would extend the Public Broadcasting Fund and public telecommunications facilities grant program through 2011, as well as authorize funding for the transition to digital technology through 2009 and the Satellite Interconnection Fund for 2005. Appropriations of the authorized amounts would result in additional outlays of \$350 million in 2005 and \$3.1 billion over the 2005-2011 period. Enacting the bill would not affect direct spending or revenues.

S. 2645 contains no intergovernmental or private-sector mandates as defined by the Unfunded Mandates Reform Act (UMRA). To the extent that the CPB provides grants to publically owned stations, CBO estimates the bill would provide significant benefits to state, local, and tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2645 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

	By Fiscal Year, in Millions							
	2004	2005	2006	2007	2008	2009	2010	2011
SPENDING SUBJECT TO APPROPRIATION								
Spending for the Corporation for Public Broadcasting Under Current Law								
Budget Authority ^a	437	390	400	0	0	0	0	0
Estimated Outlays	437	390	400	0	0	0	0	0
Proposed Changes:								
Public Broadcasting Fund								
Authorization Level	0	0	0	416	432	450	468	487
Estimated Outlays	0	0	0	416	432	450	468	487
Digital Technology								
Authorization Level	0	50	50	40	30	20	0	0
Estimated Outlays	0	50	50	40	30	20	0	0
Satellite Interconnection Fund								
Authorization Level	0	250	0	0	0	0	0	0
Estimated Outlays	0	250	0	0	0	0	0	0
Public Telecommunications Facilities								
Program Grants								
Authorization Level	0	50	52	54	56	58	61	63
Estimated Outlays	0	50	52	54	56	58	61	63
Total Changes								
Authorization Level	0	350	102	510	518	528	529	550
Estimated Outlays	0	350	102	510	518	528	529	550
Spending for Public Broadcasting Under S. 2645								
Estimated Authorization Level ^a	437	740	502	510	518	528	529	550
Estimated Outlays	437	740	502	510	518	528	529	550

a. The 2004 level is the amount appropriated for that year. The Public Broadcasting Fund also has received appropriations for 2005 and 2006.

BASIS OF ESTIMATE

CBO assumes that the bill would be enacted near the start of fiscal year 2005 and that the authorized amounts will be appropriated for each year.

Public Broadcasting Fund

The bill would authorize grants for the Corporation for Public Broadcasting through 2011. Under current law, funding for the CPB has been provided through 2006 by appropriations acts. Funding for the CPB is provided two years in advance of its availability. Thus, the appropriation provided in the 2004 act becomes available in 2006.

S. 2645 would authorize the appropriation of specific amounts for each year from 2007 to 2011, with the levels climbing from \$416 million in 2007 to \$487 million in 2011. Assuming the appropriation of the authorized amounts, the resulting outlays would be \$416 million in 2007, and \$2,253 million over the 2007-2011 period.

Grants for the Transition to Digital Technology

S. 2645 would authorize funding to be used to facilitate the transition from analog to digital technology and for the acquisition or production of digital programming. Specifically, the bill would authorize the appropriation of \$50 million in 2005 and 2006 and lesser amounts for next three years. Assuming the appropriation of the authorized amounts, CBO estimates those provisions would result in outlays of \$50 million in 2005 and \$190 million over the 2005-2009 period.

Satellite Interconnection Fund

The bill would authorize the appropriation of \$250 million in 2005 for the Satellite Interconnection Fund. If the full amount is not appropriated for that year, the funding authorization would continue in subsequent years until a cumulative total of \$250 million has been appropriated. CBO assumes that the full amount is appropriated and spent in 2005.

Public Telecommunications Facilities Program Grants

S. 2645 would reauthorize funding for grants to assist in the planning and construction of public telecommunications facilities, including analog and digital broadcast facilities and equipment. The authorized levels under the bill would gradually rise from \$50 million in 2005 to \$63 million in 2011. Assuming the authorized amounts are appropriated, outlays would total \$50 million in 2005 and \$395 million over the 2005-2011 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2645 contains no intergovernmental or private-sector mandates as defined in UMRA. To the extent that the CPB provides grants to publically owned stations, CBO estimates the bill would provide significant benefits to state, local, and tribal governments.

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