

116TH CONGRESS
2D SESSION

H. R. 6913

To protect local media, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2020

Mr. RYAN (for himself, Ms. NORTON, Mr. HUFFMAN, Ms. BARRAGÁN, Mr. SUOZZI, Mr. GONZALEZ of Texas, Mrs. LURIA, Ms. PINGREE, Mr. CARTWRIGHT, Mr. SOTO, Mr. CONNOLLY, Mr. RASKIN, Mr. CRIST, Mr. EVANS, Mr. COHEN, Ms. JACKSON LEE, Mr. SERRANO, Ms. JOHNSON of Texas, Mr. LEVIN of California, Mrs. KIRKPATRICK, Ms. KAPTUR, and Mr. KILMER) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Oversight and Reform, Small Business, Energy and Commerce, and Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To protect local media, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REQUIREMENT TO ADVERTISE WITH LOCAL**
4 **MEDIA.**

5 (a) REQUIREMENT.—

6 (1) IN GENERAL.—Each executive agency shall
7 expend with local media—

1 (A) during the period that begins on the
2 date of the enactment of this section and ends
3 on December 31, 2020, 50 percent of the funds
4 obligated by the agency for advertising activities
5 and underwriting activities during such period;
6 and

7 (B) during any period that begins on or
8 after January 1, 2021, 25 percent of the funds
9 obligated by the agency for advertising activities
10 and underwriting activities during the applica-
11 ble period.

12 (2) LIMITATION.—Of the funds required to be
13 expended under paragraph (1), at least 45 percent
14 of such funds shall be expended equally between
15 newspapers, television stations, and radio stations
16 that are local media.

17 (b) USE OF FUNDS.—Each executive agency shall—

18 (1) expend the funds required to be expended
19 under subsection (a) in a nonpartisan and nonideo-
20 logical manner; and

21 (2) ensure that the funds are expended with
22 local media on a geographically equitable basis.

23 (c) REPORT TO CONGRESS.—Not later than 180 days
24 after the date of the enactment of this section, and each
25 year thereafter, an executive agency shall submit a report

1 to Congress (and any committee of jurisdiction) on, with
2 respect to the prior year, funds expended by the agency
3 for advertising activities and underwriting activities, in-
4 cluding funds expended by the agency with local media
5 in accordance with subsection (a).

6 (d) DEFINITIONS.—In this section:

7 (1) EXECUTIVE AGENCY.—The term “executive
8 agency” has the meaning given that term in section
9 102 of title 31, United States Code.

10 (2) PUBLIC BROADCAST STATION.—The term
11 “public broadcast station” has the meaning given
12 the term under section 397 of the Communications
13 Act of 1934 (47 U.S.C. 397).

14 (3) UNDERWRITING ACTIVITY.—The term “un-
15 derwriting activity” means a payment by an execu-
16 tive agency to a public broadcast station, or to sup-
17 port the production of programming to be broadcast
18 on such a station, in exchange for or with the expec-
19 tation of an announcement on the station receiving
20 such payment or a station broadcasting such pro-
21 gramming that acknowledges the financial support
22 by such agency of such station or programming.

1 **SEC. 2. SMALL BUSINESS ASSISTANCE.**

2 (a) PAYCHECK PROTECTION PROGRAM.—Section
3 7(a)(36)(D)(iv) of the Small Business Act (15 U.S.C.
4 636(a)(36)(D)(iv)) is amended—

5 (1) in subclause (II), by striking “and” at the
6 end;

7 (2) in subclause (III), by striking the period at
8 the end and inserting “; and”; and

9 (3) by adding at the end the following new sub-
10 clause:

11 “(IV) any business concern with
12 not more than 500 employees that, as
13 of the date on which the covered loan
14 is disbursed, is assigned a North
15 American Industry Classification Sys-
16 tem code of 511110, 515111, 515112,
17 or 519130.”.

18 (b) ASSISTANCE.—The Commission shall supply local
19 media who qualify for a loan under section 7(a)(36) of
20 the Small Business Act (15 U.S.C. 636(a)(36)), or any
21 other loan administered by the Small Business Adminis-
22 tration, any information as may be necessary to connect
23 such local media with the Small Business Administration.

24 **SEC. 3. EMERGENCY JOBS FOR JOURNALISM TAX CREDIT.**

25 (a) IN GENERAL.—In the case of an employer which
26 is a qualified local media company, there shall be allowed

1 as a credit against the tax imposed by section 3111(a)
2 of the Internal Revenue Code of 1986 for each calendar
3 quarter an amount equal to 30 percent of the qualified
4 first-year newsroom wages paid by such employer with re-
5 spect to such calendar quarter.

6 (b) LIMITATIONS AND REFUNDABILITY.—

7 (1) DOLLAR LIMITATION PER EMPLOYEE.—The
8 aggregate credits allowed under subsection (a) (for
9 all calendar quarters) shall not exceed \$20,000 with
10 respect to any employee.

11 (2) CREDIT LIMITED TO CERTAIN EMPLOYMENT
12 TAXES.—The credit allowed by subsection (a) with
13 respect to any calendar quarter shall not exceed the
14 tax imposed by section 3111(a) of such Code for
15 such calendar quarter (reduced by any other credits
16 enacted before the date of the enactment of this Act
17 which are allowed against such tax for such quarter)
18 on the wages paid with respect to the employment
19 of all employees of the employer.

20 (3) REFUNDABILITY OF EXCESS CREDIT.—

21 (A) IN GENERAL.—If the amount of the
22 credit under subsection (a) exceeds the limita-
23 tion of paragraph (2) for any calendar quarter,
24 such excess shall be treated as an overpayment

1 that shall be refunded under sections 6402(a)
2 and 6413(b) of such Code.

3 (B) TREATMENT OF PAYMENTS.—For pur-
4 poses of section 1324 of title 31, United States
5 Code, any amounts due to an employer under
6 this paragraph shall be treated in the same
7 manner as a refund due from a credit provision
8 referred to in subsection (b)(2) of such section.

9 (c) QUALIFIED FIRST-YEAR WAGES.—For purposes
10 of this section, the term “qualified first-year wages”
11 means, with respect to any employee, wages (as defined
12 in section 51(c) of the Internal Revenue Code of 1986,
13 without regard to paragraph (4) thereof) attributable to
14 service rendered as such an employee during the 1-year
15 period beginning with the day the individual begins work
16 for the employer, but only if such wages are for services
17 provided in the news division of such employer, including
18 service as a reporter, staff writer, news producer, or engi-
19 neer.

20 (d) QUALIFIED LOCAL MEDIA COMPANY.—For pur-
21 poses of this section, the term “qualified local media com-
22 pany” means any employer which is local media.

23 (e) CERTAIN INDIVIDUALS INELIGIBLE.—

24 (1) RELATED INDIVIDUALS.—Rules similar to
25 the rules of section 51(i)(1) of the Internal Revenue

1 Code of 1986 shall apply for purposes of this sec-
2 tion.

3 (2) NONQUALIFYING REHIRES.—No wages shall
4 be taken into account under subsection (a) with re-
5 spect to any employee if such individual had been
6 employed by the employer at any time prior to the
7 hiring date of such employee and after the date of
8 the introduction of this Act.

9 (f) APPLICATION OF CERTAIN OTHER RULES.—Ex-
10 cept as otherwise provided by the Secretary of the Treas-
11 ury (or the Secretary's delegate), rules similar to the rules
12 of subsections (j) and (k) of section 51 and section 52
13 shall apply for purposes of this section.

14 (g) SPECIAL RULES.—

15 (1) DENIAL OF DOUBLE BENEFIT.—For pur-
16 poses of chapter 1 of such Code, the gross income
17 of the employer, for the taxable year which includes
18 the last day of any calendar quarter with respect to
19 which a credit is allowed under this section, shall be
20 increased by the amount of such credit. Any wages
21 taken into account in determining the credit allowed
22 under this section shall not be taken into account for
23 purposes of determining any other credit allowed
24 against any tax imposed under the Internal Revenue
25 Code of 1986.

1 (2) ELECTION NOT TO HAVE SECTION APPLY.—

2 This section shall not apply with respect to any em-
3 ployer for any calendar quarter if such employer
4 elects (at such time and in such manner as the Sec-
5 retary of the Treasury (or the Secretary's delegate)
6 may prescribe) not to have this section apply.

7 (3) CERTAIN TERMS.—Any term used in this
8 section which is also used in chapter 21 of such
9 Code (and is not otherwise defined for purposes of
10 this section) shall have the same meaning as when
11 used in such chapter.

12 (h) REGULATIONS.—The Secretary of the Treasury
13 (or the Secretary's delegate) shall prescribe such regula-
14 tions or other guidance as may be necessary to carry out
15 the purposes of this section, including—

16 (1) regulations or other guidance to prevent the
17 avoidance of the purposes of the limitations under
18 this section;

19 (2) regulations or other guidance to minimize
20 compliance and record-keeping burdens under this
21 section;

22 (3) regulations or other guidance providing for
23 waiver of penalties for failure to deposit amounts in
24 anticipation of the allowance of the credit allowed
25 under this section; and

1 (4) regulations or other guidance for recap-
2 turing the benefit of credits determined under this
3 section in cases where there is a subsequent adjust-
4 ment to the credit determined under subsection (a).

5 (i) APPLICATION OF SECTION.—This section shall
6 apply only to wages paid during calendar quarters ending
7 after the date of the enactment of this Act and beginning
8 before January 1, 2022.

9 (j) TRANSFERS TO FEDERAL OLD-AGE AND SUR-
10 VIVORS INSURANCE TRUST FUND.—There are hereby ap-
11 propriated to the Federal Old-Age and Survivors Insur-
12 ance Trust Fund and the Federal Disability Insurance
13 Trust Fund established under section 201 of the Social
14 Security Act (42 U.S.C. 401) amounts equal to the reduc-
15 tion in revenues to the Treasury by reason of this section
16 (without regard to this subsection). Amounts appropriated
17 by the preceding sentence shall be transferred from the
18 general fund at such times and in such manner as to rep-
19 licate to the extent possible the transfers which would have
20 occurred to such Trust Fund had this section not been
21 enacted.

22 **SEC. 4. PUBLICATION OF WRITTEN NEWS ARTICLES AS TAX-**
23 **EXEMPT PURPOSE.**

24 (a) IN GENERAL.—Section 501(c)(3) of the Internal
25 Revenue Code of 1986 is amended by inserting “or for

1 the publication (including electronic publication) of writ-
 2 ten news articles by an independent or community-based
 3 written news and electronic publication,” after “animals,”.

4 (b) INCOME FROM ADVERTISING NOT UNRELATED
 5 BUSINESS TAXABLE INCOME.—Section 512(a) of the In-
 6 ternal Revenue Code of 1986 is amended by adding at the
 7 end the following new paragraph:

8 “(8) SPECIAL RULE APPLICABLE TO NEWS OR-
 9 GANIZATIONS DESCRIBED IN SECTION 501(C)(3).—In
 10 the case of an independent or community-based writ-
 11 ten news and electronic publication which is de-
 12 scribed in section 501(c)(3) and exempt from tax
 13 under section 501(a), the term ‘unrelated business
 14 taxable income’ does not include any amount attrib-
 15 utable to payments for advertisements in news publi-
 16 cations.”.

17 (c) EXPEDITED APPLICATION.—Section 508 of the
 18 Internal Revenue Code of 1986 is amended by adding at
 19 the end the following new subsection:

20 “(g) TIMING FOR APPROVAL OF APPLICATIONS BY
 21 NEWS ORGANIZATIONS.—In the case of an independent
 22 or community-based written news and electronic publica-
 23 tion which is described in section 501(c)(3), the Secretary
 24 shall approve or deny such organization for recognition of

1 501(c)(3) status not later than the date that is 12 months
2 after notice is given under subsection (a).”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply with respect to taxable years begin-
5 ning after the date of the enactment of this Act.

6 **SEC. 5. SENSE OF CONGRESS REGARDING THE READY TO**
7 **LEARN PROGRAM.**

8 It is the sense of Congress that the Corporation for
9 Public Broadcasting should, to the extent possible under
10 the agreement entered by the Corporation for Public
11 Broadcasting and the Department of Education under sec-
12 tion 4643 of the Elementary and Secondary Education
13 Act of 1965 (20 U.S.C. 7293), provide programming to
14 preschool, elementary, and secondary school children that
15 promotes digital literacy during the period in which such
16 children are unable to attend school due to the COVID-
17 19 pandemic.

18 **SEC. 6. DEFINITIONS.**

19 In this Act:

20 (1) COMMISSION.—The term “Commission”
21 means the Federal Communications Commission.

22 (2) LOCAL MEDIA.—The term “local media”
23 means a media vehicle (such as a newspaper, elec-
24 tronic publication, radio station, or television sta-
25 tion) that—

1 (A) primarily serves the communications
2 needs of regional or local communities; and

3 (B) focuses on localized issues and events.

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