



AN BILLE CRAOLACHÁIN (MAOINIÚ) 2003
BROADCASTING (FUNDING) BILL 2003

EXPLANATORY AND FINANCIAL MEMORANDUM

Purpose of Bill

1. The purpose of the Bill is to establish a new Broadcasting Funding Scheme for television and radio programmes, to be funded by 5% of the net television licence fee receipts, and to be administered by the Broadcasting Commission of Ireland (BCI). The Bill outlines the general objectives and framework of the scheme, which is to be prepared by the BCI and agreed with the Minister for Communications, Marine and Natural Resources.

Financial Implications

2. The scheme and the cost of its administration will be funded by 5% of the net television licence fee receipts, which will amount to about €8 million per year. Costs to the BCI of administration (including additional staff) may be in the region of €400,000 per year, ie 5% of the total amount. The full value of the licence fee receipts (less collection costs) currently goes to RTE to fund its public broadcasting service.

Staffing Implications

3. The BCI is likely to require additional staff to administer the scheme, and these costs will be covered by the 5% payment.

Provisions Of Bill

Summary

4. The Bill provides that 5% of the net television licence fee revenue will be allocated to the Broadcasting Funding Scheme, to be administered by the BCI, to support (i) new radio and television programmes on Irish culture, heritage and experience, (ii) new radio and television programmes to improve adult literacy skills, and (iii) the archiving of programme material.

Section 1 — Interpretation

5. This is a standard provision which defines terms used in the Bill.

Section 2 — Broadcasting funding scheme

6. This provides for the preparation of a grant scheme by the BCI, the terms of which are to be agreed with the Minister.

7. *Subsection (1)* requires the BCI to prepare a scheme or schemes for the Minister's approval for the granting of funds to support —

- (a) new television and radio programmes on Irish culture, identity and experience, including history, the natural environment, historical buildings, folk, rural and vernacular heritage, traditional and contemporary art, the Irish experience in European and international contexts, and such programmes in the Irish language,
- (b) new television and radio programmes to improve adult literacy, including such programmes in Irish, and
- (c) the archiving of programme material produced in the State.

8. *Subsection (2)* provides that the scheme will apply to programmes—

- (a) broadcast on a free television service which provides near universal coverage in the State or broadcast on a cable or MMD (multipoint microwave distribution) system as part of a community content contract under the Broadcasting Act 2001, or
- (b) broadcast on radio services operated by RTE or licensed by the BCI.

9. *Subsections (3) and (4)* are general provisions in relation to the scheme, such as applications, terms and conditions, and arrangements for funding.

10. *Subsection (5)* provides that the BCI may amend or revoke a scheme.

11. *Subsection (6)* provides that the Minister may direct the BCI to prepare, amend or revoke a scheme.

12. *Subsection (7)* provides that an amendment or revocation of a scheme requires the Minister's approval.

13. *Subsection (8)* provides that an approved scheme will be carried out by the BCI in accordance with its terms.

14. *Subsection (9)* provides that the scheme will be laid before the Oireachtas.

Section 3 — Objectives of scheme

15. *Subsection (1)* provides that, in relation to programmes on culture and heritage, the objectives of the scheme are to—

- (a) develop high quality programmes based on Irish culture, heritage and experience,
- (b) develop such programmes in the Irish language,
- (c) increase the availability of such programmes to audiences in the State,
- (d) represent the diversity of Irish culture,
- (e) record oral heritage and aspects of heritage which are disappearing, under threat, or have not been previously recorded, and
- (f) develop local and community broadcasting.

16. *Subsection (2)* provides that the objective in relation to archiving of programme material is to develop an integrated approach in this area, including the development of suitable storage processes and formats and the accessing of material .

17. *Subsection (3)* provides that the BCI must have regard to the objectives in developing the scheme and in considering applications.

Section 4 — Amounts to be paid by Minister to scheme

18. *Subsection (1)* defines terms for the purposes of the section.

19. *Subsection (2)* provides for payments by the Minister equivalent to 5% of the net revenue received from the sale of television licences. This will be in the region of €8 million per year and will cover grant payments and administration costs.

20. *Subsections (3) and (4)* provide for amendments to the Broadcasting Authority (Amendment) Act 1976, in relation to payments to RTE, and to the Broadcasting Authority Act 1960 in relation to the definition of broadcasting licence fee.

Section 5 — Review of scheme

21. This provides for a review of the scheme every 3 years, or at such other time as may be requested by the Minister.

Section 6 — Details of scheme to be included in accounts and reports of Commission

22. This requires the BCI to keep accounts of the scheme as part of its annual accounts, which are audited by the Comptroller and Auditor General, and to report on the scheme in its annual report.

Section 7 — Winding up and dissolution of scheme

23. *Subsection (1)* provides for the winding-up of the scheme by direction of the Minister, with the consent of the Minister for Finance and for payment of any remaining monies to the Minister, to be paid subsequently to RTE.

24. *Subsections (2) and (4)* provide that on satisfactory winding-up of the scheme, the Minister will dissolve the scheme by order and lay that order before each House of the Oireachtas.

25. *Subsection (3)* provides that, on commencement of a dissolution order, no further scheme may be made under *section 2*.

Section 8 — Expenses

26. This is a standard provision in relation to payment of expenses incurred by the Minister in the administration of the Act.

Section 10 — Short title

27. This sets out the short title to the Bill.

*Roinn Cumarsáide, Mara agus Acmhainní Nádurtha,
Deireadh Fómhair, 2003.*