

OPB UNDERWRITING POLICY

Adopted by the Board of Directors September 15, 2009

1. Background

OPB is an Oregon nonprofit corporation that operates television and radio stations, pursuant to noncommercial educational licenses issued by the Federal Communications Commission (“FCC”). To maintain the integrity of the licenses, all television or radio stations programmed by OPB must be operated in conformance with all applicable laws, including FCC rules.

Public broadcasting depends on public support, a significant portion of which comes from underwriters. By law, when a public broadcaster accepts funding from an underwriter, it must identify the underwriter without broadcasting any “advertisement” on its behalf. While the FCC periodically issues decisions that help illustrate what constitutes an impermissibly “promotional” announcement, ultimately, public broadcasting stations are charged with the good faith, discretionary responsibility to decide whether an announcement advertises on behalf of the underwriter. Therefore, the consistency and credibility of OPB’s underwriting practices affects both its ability to comply with the law and to continue successfully raising funds.

OPB has an excellent record in attracting underwriters and in complying with the law. Public broadcasting in general is recognized for high quality and reliability, maintaining high standards of journalism and public service. This motivates underwriters to make financial commitments to public broadcasters such as OPB. In turn, OPB must treat those underwriters fairly by making them aware of FCC rules and other guidelines, and ensuring their understanding of the public broadcasting environment in which listeners and viewers hear or see acknowledgment of their support.

2. Policy Purpose

OPB recognizes its duty to determine which programming and on-air material will best serve the public interest and maintain the noncommercial nature of public broadcasting. To that end, OPB retains discretion over the format, subject matter, duration, and scheduling of all broadcast material, including underwriting announcements. The purpose of this policy is to ensure that OPB:

- Complies with FCC underwriting rules and regulations and all other applicable laws.
- Reviews public broadcasting resources, such as the Public Broadcasting Service (“PBS”) and National Public Radio (“NPR”) underwriting guidelines, to ensure consistency in OPB’s underwriting announcements.
- Makes underwriting decisions in the best interests of OPB’s mission and business needs.
- Continues to earn the public’s trust by providing a noncommercial service.

3. Review and Revision of Underwriting Announcements

- (a) OPB will review every proposed local radio and television underwriting announcement for compliance with this Policy.
- (b) OPB will require revisions to proposed announcements to the extent it deems necessary to comply with FCC rules and regulations, all other applicable laws, and, where appropriate, the guidelines issued by PBS and NPR.
- (c) OPB will require revisions to proposed announcements to the extent OPB deems advisable in view of the station's underwriting goals, business needs, and the public interest.
- (d) OPB will be particularly cognizant of special considerations underlying announcements directed at children or aired during children's programming and OPB may, using its discretion, reject, require revisions to, or require rescheduling of, underwriting announcements that would air during or adjacent to children's programming.

4. Restricted Categories

- (a) OPB reserves the right to reject any underwriter and/or announcement for any reason OPB deems appropriate and in the interest of its audience and members.

Accordingly, and without limiting the scope of its discretion, OPB does not accept underwriting announcements referring to:

- "Adult" products and services.

- (b) Certain underwriting announcements may be limited or prohibited by law. Accordingly, OPB does not accept underwriting announcements referring to:

- Tobacco products.
- Prescription drugs and medical devices.

- (c) All material that is broadcast or otherwise made public by OPB must be legal and in conformance with OPB policies. Accordingly, and without limiting the scope of its discretion, OPB does not accept underwriting announcements:

- From organizations or individuals whose activities are illegal.
- If doing so would violate an established OPB policy (e.g., Nondiscrimination Policy, Employee Ethics Policy, Conflict of Interest Policy, Editorial Policy).

- (d) The Internal Revenue Service ("IRS") and the FCC regulate OPB's ability to broadcast political content. Furthermore, in keeping with its role as a trusted source of educational material, entertainment and information, it is OPB's policy to remain neutral on controversial topics of any kind, including but not limited to politics and religion. Therefore, OPB does not accept underwriting announcements from:

- Political parties or political candidates.
 - Individuals or organizations working to influence elections, legislation, or regulatory outcomes if, in OPB’s sole discretion, a Reasonable Listener would find the message to be primarily political in content or tone.
 - Religiously affiliated organizations, if, in OPB’s sole discretion, a Reasonable Listener would find the message to be primarily religious in content or tone.
- (e) FCC regulations do not apply to underwriting announcements appearing online. However, IRS regulations and other laws may apply. Accordingly, OPB reserves the right to reject any online underwriter and/or announcement or require revision of any online underwriting announcement for any reason OPB deems appropriate and in the interest of its audience and members.
- (f) In exercising its discretion to accept or reject particular underwriters or underwriting announcements, OPB will adhere to the OPB Editorial Policy which, among other things, requires OPB staff to remain independent from the undue influence of any internal or external source.

5. The “Reasonable Listener” Standard

Certain underwriting will be evaluated as described above by applying a “Reasonable Listener” standard. In deciding whether to accept or decline underwriting on the basis of political or religious content, OPB Management will consider whether a reasonable listener or viewer would find the underwriting message to be primarily political or religious in content or tone.

6. Oversight

- (a) OPB Management will be responsible for day-to-day underwriting content and decisions.
- (b) OPB Management will draft detailed procedures when and as necessary for staff to follow to ensure compliance with this Policy.
- (c) OPB Management will exercise appropriate oversight to ensure that OPB staff complies in all material regards with this Policy.
- (d) In the event that a particular underwriting decision may have a significant public impact or be deemed controversial, OPB Management will consult in advance with the Board of Directors, if possible; otherwise OPB Management will notify the Board within a reasonable period of time.
- (e) This Policy will be reviewed annually by the Board of Directors.