

Privatize the Corporation for Public Broadcasting (CPB)

SAVINGS IN MILLIONS OF DOLLARS

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2016–2020	2016–2025
\$445	\$445	\$445	\$445	\$445	\$445	\$445	\$445	\$445	\$445	\$2,225	\$4,450

Heritage Recommendation:

Privatize the Corporation for Public Broadcasting (CPB). This proposal saves \$445 million annually, and \$4.5 billion over 10 years.

Rationale:

In 2012, total spending on public broadcasting, derived from all federal and non-federal sources, amounted to \$2.8 billion. In that year, 82 percent of this spending came from non-federal sources. The CPB made up only \$444 million, or 16 percent, of this amount. Without federal funding for the CPB, services such as the Public Broadcasting Service (PBS) and National Public Radio (NPR), which receive funding from the CPB, could make up the lost money by increasing revenues from corporate sponsors, foundations, and members.

The goal of CPB is also increasingly met by other media sources. The range of television options has increased dramatically since the CPB was created in 1967. At that time, households faced very limited television options. In 2013, the average household had 189 channels.

Additional Reading:

- Emily Goff, “Why Big Bird’s Federal Subsidies Need to Go,” *The Daily Signal*, October 14, 2012, <http://dailysignal.com/2012/10/14/why-big-birds-federal-subsides-need-to-go/>.
- Glenn J. McLoughlin and Mark Gurevitz, “The Corporation for Public Broadcasting: Federal Funding and Issues,” Congressional Research Service, January 7, 2014, <http://fas.org/sgp/crs/misc/RS22168.pdf>.

Calculations:

Savings are expressed as budget authority and were calculated by using the FY 2014 enacted spending levels as found in page 3 of CPB, “Corporation for Public Broadcasting Appropriation Request and Justification: FY 2014 and FY 2016,” April 2013, http://www.cpb.org/appropriation/justification_14-16.pdf. While most other spending items are assumed to grow at the same rate as discretionary spending as specified in the CBO’s most recent August 2014 baseline, we assume that the spending on the CPB would hold steady at \$445 million per year because spending on CPB has not grown in recent years (it was \$444 million in 2012 and will be \$445 million for 2014–2016).