

Redbook

LBO Analysis of Executive Budget Proposal

Broadcast Educational Media Commission

Jorge Valdebenito, Economist

February 2025

TABLE OF CONTENTS

Quick look.....	1
Agency overview	2
Analysis of FY 2026-FY 2027 budget proposal.....	2
Summary of executive recommendations.....	2
Broadcast Education Operating, Media Services, Facility Rental, and Affiliate Services (ALIs 935430, 935608, 935650, and 935603).....	2
Content Development, Acquisition, and Distribution (ALI 935410).....	4
Statehouse News Bureau and Ohio Government Telecommunications Operations (ALIs 935401, 935402, and 935605).....	5

Attachment:

Appropriation Spreadsheet

LBO Redbook

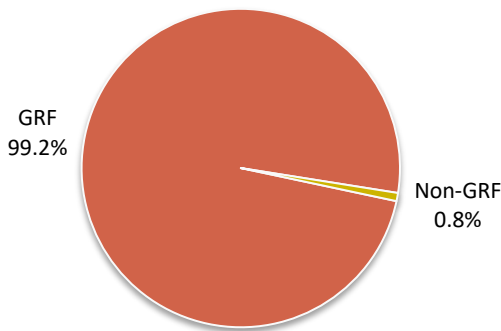
Broadcast Educational Media Commission

Quick look...

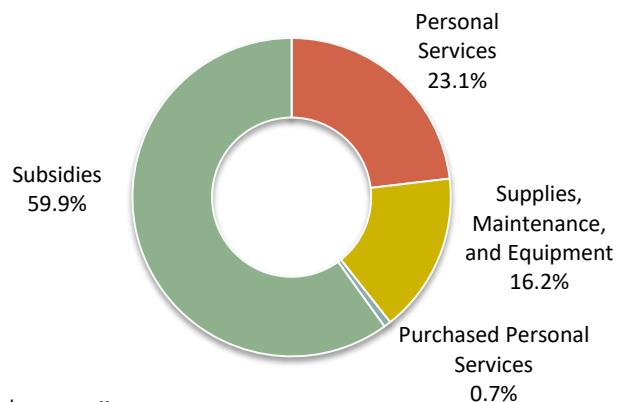
- The Broadcast Educational Media Commission (BEMC) is responsible for the state’s educational broadcasting services, including educational television and radio and radio reading services.
- BEMC provides financial assistance and technical services to six radio reading services, 11 public television stations, and 15 public radio stations.
- As of February 2025, BEMC employs 21 full-time permanent employees.
- Total budget recommendations: \$11.1 million in each of FY 2026 and FY 2027.
 - Nearly all (99.2%) of the total funding over the biennium comes from the GRF.
 - GRF funding proposed to increase 3.3% in FY 2026 and 0.7% in FY 2027.
 - About 54% of budget is spent on subsidy payments to outside entities.

Fund Group	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
General Revenue (GRF)	\$10,836,761	\$10,633,000	\$10,980,106	\$11,053,969
Dedicated Purpose (DPF)	\$4,900	\$7,900	\$60,000	\$60,000
Internal Service Activity (ISA)	\$4,000	\$4,000	\$59,659	\$4,200
Total	\$10,845,661	\$10,644,900	\$11,099,765	\$11,118,169
% change	--	-1.9%	4.3%	0.2%
<i>GRF % change</i>	--	-1.9%	3.3%	0.7%

**Chart 1: BEMC Budget by Fund Group
FY 2026-FY 2027 Biennium**



**Chart 2: BEMC Budget by Expense Category
FY 2026-FY 2027 Biennium**



Biennial total: \$22.2 million

Agency overview

The Broadcast Educational Media Commission (BEMC) promotes access to and the use of educational broadcasting services, including public television and radio and radio reading services. BEMC does so by providing broadcast operations services to public broadcasting stations and managing the distribution of operating subsidies for educational television and radio, radio reading services, the Ohio Government Telecommunications Service, and the Statehouse News Bureau.

BEMC’s governing authority consists of 11 members nine of which are appointed and required to be members of the public. The nine public members may include public officials or employees or individuals who have an interest in educational broadcast media demonstrated through service on boards or advisory councils of educational television and radio stations, educational technology agencies, or radio reading services or through service or experience in broadcast media, education, or government administration. The appointed members serve four-year terms. The Commission’s other two members are the Director of Education and Workforce and the Chancellor of Higher Education or their designees. As of February 2025, BEMC employs a staff of 21 full-time employees, led by the Executive Director, who is appointed by BEMC.

Analysis of FY 2026-FY 2027 budget proposal

Summary of executive recommendations

The executive proposal recommends BEMC appropriations totaling \$22.2 million over the FY 2026-FY 2027 biennium, of which 99.2% is supported by the General Revenue Fund (GRF) and 0.8% by four non-GRF funds.

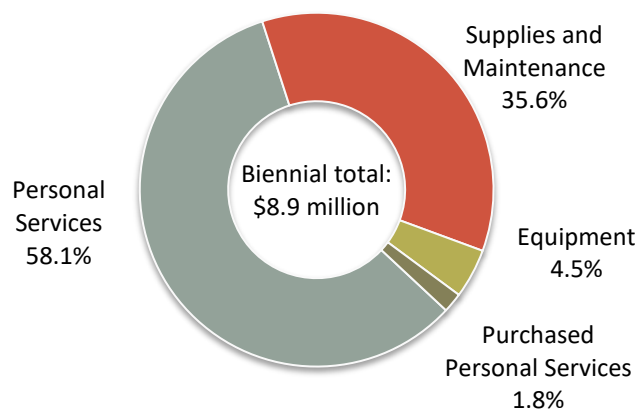
Broadcast Education Operating, Media Services, Facility Rental, and Affiliate Services (ALIs 935430, 935608, 935650, and 935603)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 935430, Broadcast Education Operating					
\$3,726,341	\$3,693,081	\$4,311,761	\$4,108,000	\$4,324,706	\$4,398,569
% change	-0.9%	16.8%	-4.7%	5.3%	1.7%
Fund 5FK0 ALI 935608, Media Services					
\$700	\$250	\$250	\$500	\$50,000	\$50,000
% change	-64.3%	0.0%	100.0%	9,900.0%	0.0%
Fund 5VB0 ALI 935650, Facility Rental					
\$22,400	\$5,000	\$4,650	\$7,400	\$10,000	\$10,000
% change	-77.7%	-7.0%	59.1%	35.1%	0.0%

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 4F30 ALI 935603, Affiliate Services					
\$4,000	\$4,000	\$4,000	\$4,000	\$4,200	\$4,200
% change	0.0%	0.0%	0.0%	5.0%	0.0%

This group of line items supports BEMC’s operating expenses, including costs for payroll and fringe benefits, supplies and maintenance (such as rent, information technology, and other services provided by the Department of Administrative Services (DAS) and the Office of Budget and Management (OBM)), and equipment. GRF ALI 935430, Broadcast Education Operating, funds the daily operations of BEMC, including network services to Ohio’s public broadcasters, agency administration, and information technology initiatives. As Chart 3 shows, 58% of BEMC’s recommended funding for operations will be used for payroll-related costs for BEMC staff while 36% will be used for costs associated with information technology, rent, utilities, and other supplies and maintenance expenses. The remainder supports information technology equipment purchases and purchased services contracts.

Chart 3: BEMC Operating Expenses by Expense Category, FY 2026-FY 2027 Biennium



Most of GRF ALI 935430 funds BEMC’s broadcast operations services, which provide various services to its affiliated public television and radio stations. BEMC operates a full-time joint master control center for public broadcasting and maintains round-the-clock monitoring of the live video feeds that are provided to affiliates. It also provides network traffic and scheduling resources for the affiliates and maintains an archive of content for rebroadcasting. The facility, located in Columbus, enables BEMC to broadcast all of Ohio’s 11 public television channels. BEMC connects to Ohio’s public television stations in a statewide system through the Ohio Academic Resources Network (OARnet), a dedicated high speed fiber optic network for Ohio’s public institutions. BEMC utilizes National Public Radio’s satellite systems as a provider for distribution to Ohio’s public radio stations. BEMC’s facilities and broadcast and technical services reduce the burden on individual stations with respect to operations to allow more time to focus on content, enhance sharing of content between stations, and provide adequate redundancy in the case of a disaster. One of BEMC’s main challenges, however, is maintaining technology. The Commission’s broadcasting operations require a large amount of technology and hardware that is constantly in use, including servers, encoders, and decoders. As a result, BEMC reports that the useful life of this equipment is short, typically three to five years. In addition to funds received in the operating budget, BEMC typically receives capital appropriations to upgrade equipment.

The increased GRF funding recommended by the Governor in ALI 935430 will be used to support scheduled staff salary increases, small-scale building repairs, increased utility costs, various other fees charged by suppliers to support its broadcasting equipment, and higher OARnet and equipment maintenance costs.

Fund 5KF0 ALI 935608, Media Services, supports statewide video conferencing services for state agencies and institutions of higher education. Historically, it has been supported by subscription fees paid by state agencies and higher education institutions associated with the use of the video conferencing services. However, no new revenue is expected in this fund as many educational institutions moved to Zoom and other such connectivity services in the wake of the COVID-19 pandemic. This item will use Fund 5FK0’s cash balance to purchase goods and services related to video conferencing, including annual membership in the Ohio Distance Learning Association and Zoom licenses. The proposed appropriation increase will support BEMC’s increasing costs for maintenance of its broadcasting infrastructure.

Fund 5VB0 ALI 935650, Facility Rental, pays a portion of BEMC’s building rent and has been supported by payments from East Central Ohio Educational Service Center (ECOESC) to rent classroom space to provide online classes. As of January 1, 2025, ECOESC no longer subleases this space. BEMC is in the process of seeking new organizations to sublease a portion of the facility.

Fund 4F30 ALI 935603, Affiliate Services, is supported by fees charged for additional services, such as satellite connections to affiliated entities and other state, federal, and private entities. BEMC uses the funds to purchase internet address registration from the American Registry of Internet Numbers (ARIN) for broadcast operations, public broadcasting partners, and information technology centers.

Content Development, Acquisition, and Distribution (ALI 935410)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 935410, Content Development, Acquisition, and Distribution					
\$3,909,231	\$3,909,231	\$3,909,000	\$3,909,000	\$3,909,000	\$3,909,000
% change	0.0%	0.0%	0.0%	0.0%	0.0%

This line item funds subsidies to Ohio’s public television and radio stations and radio reading services for the development, acquisition, and distribution of information resources for educational use in the classroom and online. It is comprised of the earmarks listed in the table below. The earmarks are funded based on a set percentage distribution: the telecommunications operating subsidy receives about 68% of the line item, radio reading services receive 7%, and educational television stations receive the remaining 25% for multimedia programming. The Governor’s proposal provides flat funding for the line item. Additional details follow the table.

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Telecommunications Operating Subsidy	\$2,650,000	\$2,650,000	\$2,650,000
Educational Television Stations	\$965,000	\$965,000	\$965,000
Radio Reading Services	\$294,000	\$294,000	\$294,000
Total	\$3,909,000	\$3,909,000	\$3,909,000
% change	--	0.0%	0.0%

Telecommunications Operating Subsidy

The budget earmarks \$2.6 million in each fiscal year to subsidize the operating costs of Ohio’s eight public television broadcasters (operating a total of 11 stations) and 15 public radio broadcasters. Funds are distributed based on a formula BEMC developed in consultation with Ohio’s public television stations and radio stations and is based on the type of television and radio station. Each fiscal year, television stations receive about \$2.0 million, while radio stations receive \$662,500 in subsidies. The broadcasters distribute the payments they receive to their individual stations.

Educational Television Stations

The budget earmarks \$965,000 in each fiscal year for educational television stations. The funds are to be divided equally among the 11 television stations (each station receiving up to \$87,727 annually) for the production of interactive instructional programming that aligns with Ohio’s academic content standards.

Radio Reading Services

The budget earmarks \$294,000 in each fiscal year to subsidize the operating costs of Ohio’s six radio reading service operators. These operators provide daily broadcasts of printed materials such as newspapers, magazines, and books to visually impaired Ohioans. Payments are allocated according to the number of production hours for local programming and averaged \$49,000 per station in FY 2025.

Statehouse News Bureau and Ohio Government Telecommunications Operations (ALIs 935401, 935402, and 935605)

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 935401, Statehouse News Bureau					
\$382,893	\$382,893	\$383,000	\$383,000	\$402,000	\$402,000
% change	0.0%	0.0%	0.0%	5.0%	0.0%

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 935402, Ohio Government Telecommunications Services					
\$1,919,526	\$2,009,526	\$2,233,000	\$2,233,000	\$2,344,400	\$2,344,400
% change	4.7%	11.1%	0.0%	5.0%	0.0%
Fund 4T20 ALI 935605, Government Television/Telecommunications Operating					
\$0	\$0	\$0	\$0	\$55,459	\$0
% change	--	--	--	--	-100.0%

These items provide operating subsidies for the Statehouse News Bureau (SNB) and Ohio Government Telecommunications (OGT). As the sole dedicated news outlets for Ohio government, SNB and OGT provide coverage of governmental activities for Ohio's citizens. SNB provides news reports of legislative and other activities for broadcast on SNB's website and Ohio's 15 public radio stations and their affiliates. In addition, SNB produces a weekly half-hour video program, which focuses on the latest statewide news and events and is made available for broadcast on Ohio's public television stations.

While SNB is primarily responsible for news reports of state government events, OGT broadcasts activities of the executive, legislative, and judicial branches of government and other public affairs programming through the Ohio Channel. The broadcasts are aired on cable access channels and Ohio's public television stations. In addition to archiving these broadcasts, OGT makes the footage available on its website for Ohio's citizens. OGT produces educational documentaries on Ohio civics, history, government, and culture for use in Ohio's schools as well as for broadcast on public television stations. OGT is also responsible for coordinating all media events for members of the General Assembly and events at the Statehouse.

OGT's recommended funding in FY 2026 increases by \$111,400 (5.0%) compared to the FY 2025 estimate and remains flat in FY 2027. OGT will use the increased funding to upgrade video storage system capacity, as all recordings are archived, transcribed, and marked. OGT currently provides coverage of all House and Senate sessions and legislative committees. OGT also covers live events for other government agencies, including addresses from the Governor, State Board of Education and Controlling Board meetings, live coverage of Ohio Supreme Court sessions, and more. The increase will support maintaining system infrastructure, enhance the quality and consistency of government coverage, and provide for the archiving and distribution of coverage to all citizens of Ohio. The executive proposal also includes a one-time appropriation of \$55,459 in FY 2026 in Fund 4T20 ALI 935605, Government Television/Telecommunications Operating. The funds will support OGT equipment using existing reserves from the Governmental Television and Telecommunications Operating Fund (Fund 4T20).

The executive proposal for SNB recommends an increase of \$19,000 (5.0%) in FY 2026 and remains flat in FY 2027. At these funding levels, SNB will be able to maintain its existing staff of three positions. The increase in funds will also help to transfer cassette tape archives, stretching back to the late 1970s, to a digital format so they can be archived, preserved, and searched. The project is already underway, and it does not require additional staff.

**FY 2026 - FY 2027 Appropriations - As Introduced
All Fund Groups - Detail**

Main Operating Appropriations Bill

Detail by Agency			FY 2024	Estimate FY 2025	Introduced FY 2026	Introduced FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
ETC Broadcast Educational Media Commission								
GRF	935401	Statehouse News Bureau	\$383,000	\$383,000	\$402,000	\$402,000	4.96%	0.00%
GRF	935402	Ohio Government Telecommunications Services	\$2,233,000	\$2,233,000	\$2,344,400	\$2,344,400	4.99%	0.00%
GRF	935410	Content Development, Acquisition, and Distribution	\$3,909,000	\$3,909,000	\$3,909,000	\$3,909,000	0.00%	0.00%
GRF	935430	Broadcast Education Operating	\$4,311,761	\$4,108,000	\$4,324,706	\$4,398,569	5.28%	1.71%
General Revenue Fund Subtotal			\$10,836,761	\$10,633,000	\$10,980,106	\$11,053,969	3.26%	0.67%
5FKO	935608	Media Services	\$250	\$500	\$50,000	\$50,000	9,900.00%	0.00%
5VBO	935650	Facility Rental	\$4,650	\$7,400	\$10,000	\$10,000	35.14%	0.00%
Dedicated Purpose Fund Group Subtotal			\$4,900	\$7,900	\$60,000	\$60,000	659.49%	0.00%
4F30	935603	Affiliate Services	\$4,000	\$4,000	\$4,200	\$4,200	5.00%	0.00%
4T20	935605	Government Television/Telecommunications Operating	\$0	\$0	\$55,459	\$0	N/A	-100.00%
Internal Service Activity Fund Group Subtotal			\$4,000	\$4,000	\$59,659	\$4,200	1,391.48%	-92.96%
Broadcast Educational Media Commission Total			\$10,845,661	\$10,644,900	\$11,099,765	\$11,118,169	4.27%	0.17%
Main Operating Appropriations Bill Total			\$10,845,661	\$10,644,900	\$11,099,765	\$11,118,169	4.27%	0.17%