G A O
Accountability * Integrity * Reliability
United States Government Accountability Office
Washington, DC 20548

B-304272

DATE: February 17, 2005

TO: HEADS OF DEPARTMENTS, AGENCIES, AND OTHERS CONCERNED

SUBJECT: PREPACKAGED NEWS STORIES

Since 1951, Congress has enacted an annual, governmentwide prohibition on the use of appropriated funds for purposes of "publicity or propaganda." During the past year, we found that several prepackaged news stories produced and distributed by certain government agencies violated this prohibition.[1] In the course of our work, we learned that prepackaged news stories have become common tools of the public relations industry, and that some federal agencies are adopting them as well. The purpose of this letter is to remind agencies of the constraints imposed by the publicity or propaganda prohibition on the use of prepackaged news stories and to advise vigilance to assure that agencies' activities comply with the prohibition. Importantly, prepackaged news stories can be utilized without violating the law, so long as there is clear disclosure to the television viewing audience that this material was prepared by or in cooperation with the government department or agency.

Prepackaged news stories are complete, audio-video presentations that may be included in video news releases, or VNRs.[2] They are intended to be indistinguishable from news segments broadcast to the public by independent television news organizations. To help accomplish this goal, these stories include actors or others hired to portray "reporters" and may be accompanied by suggested scripts that television news anchors can use to introduce the story during the broadcast. These practices allow prepackaged news stories to be broadcast, without alteration, as television news.

---

[1] B-303495, Jan. 4, 2005 (Office of National Drug Control Policy); B-302710, May 19, 2004 (Department of Health and Human Services).

[2] Among other things, typical VNRs may also contain "B-roll" video clips, advertisements, and public service announcements. As a general matter, B-roll video clips of government officials discussing programs do not violate the prohibition. Advertisements and public service announcements that include the appropriate disclosures are also not objectionable. *E.g.,* B-343495, Jan. 4, 2004, n.8; B-302710, May, 19, 2004, n.27; B-302504, Mar. 10, 2004.

The current publicity or propaganda prohibition states: "No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress." Consolidated Appropriations Act, 2005, Pub. L. No. 108-447, div. G, title II, § 624, 118 Stat. 2809, 3278 (Dec. 8, 2004). (The language of the prohibition has remained virtually unchanged since 1951.) We have previously taken exception to an agency's use of appropriated funds to produce printed materials that concealed the agency's role in sponsoring the materials. 66 Comp. Gen. 707 (1987) (State Department retained contractors to prepare and have published newspaper articles and op-ed pieces "as the ostensible position of persons not associated with the government"); B-223098, B-223098.2, Oct. 10, 1986 (Small Business Administration prepared and distributed to newspapers "suggested editorials . . . for publication as the ostensible editorial position of the recipient newspapers").

In two cases this past year, the agencies commissioned and distributed prepackaged news stories and introductory scripts about their activities that were designed to be indistinguishable from news stories produced by private news broadcasters. B-303495, Jan. 4, 2005; B-302710, May 19, 2004. In neither case did the agency include any statement or other indication in its news stories that disclosed to the television viewing audience, the target of the purported news stories, that the agency wrote and produced those news stories. In other words, television-viewing audiences did not know that stories they watched on television news programs *about the government* were, in fact, prepared *by the government*. We concluded that those prepackaged news stories violated the publicity or propaganda prohibition.[3]

While agencies generally have the right to disseminate information about their policies and activities, agencies may not use appropriated funds to produce or distribute prepackaged news stories intended to be viewed by television audiences that conceal or do not clearly identify for the television viewing audience that the agency was the source of those materials. It is not enough that the contents of an agency's communication may be unobjectionable. Neither is it enough for an agency to identify itself to the broadcasting organization as the source of the prepackaged news story.

As we stated in B-302710, "In a modest but meaningful way, the publicity or propaganda restriction helps to mark the boundary between an agency making information available to the public and agencies creating news reports unbeknownst to the receiving audience." *See also* B-303495, Jan. 4, 2005, n.29. This is not the only marker Congress has enacted to delineate the boundaries between the government

---

[3]Because the agencies had no appropriation available for covert propaganda purposes, they also violated the Antideficiency Act's prohibition on obligations in excess of available budget authority, 31 U.S.C. § 1341(a). B-303495, Jan. 4, 2005; B-302710, May 19, 2004.

and the free American press. *See, e.g.,* 22 U.S.C. §§ 1461, 1461-1a (restricting the domestic dissemination of news reports originally created by the government for broadcast abroad). Statutory limits on the domestic dissemination of U.S. government-produced news reports reflect concern that allowing the government to produce domestic news broadcasts would infringe upon the freedom of the press and constitute (or at least give the appearance of) an attempt to control public opinion. B-118654-O.M., Apr. 17, 1979.

Agency officials should scrutinize any proposed prepackaged news stories to ensure appropriate disclosures. Should you or your staff have questions concerning the application of these principles in particular cases, our Office of General Counsel is available to assist on an informal consultative basis or, as necessary, on a formal decision basis. Please contact Susan A. Poling, Managing Associate General Counsel, at 202-512-2667, or Thomas H. Armstrong, Assistant General Counsel, at 202-512-8257.

David M. Walker
Comptroller General
of the United States