

WHAT'S UP IN WASHINGTON FOR BROADCASTERS

Montana Broadcasters Association
June 26, 2016

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There are Always Legal Issues....

- The TV spectrum auction and its aftermath
- AM improvement/FM translators
- Online Public File for Radio
- Political broadcasting/sponsorship ID
- Music rights
- Lots of other issues

TV - Taking Your Spectrum

- It's a reality – bidding finishes next week for reverse auction – but will there be enough money from wireless for auction to finish in one “stage”?
- Issues about post-auction repacking
 - Enough money allocated to pay for it?
 - Enough time – 39 months – to get it done?
 - FM issues too for co-located stations
- LPTV and TV translator issues remain too
 - Enough spectrum for them to find places to relocate?
 - Will there be a set-aside channel or two for Google and unlicensed devices?

More on the New TV

● ATSC 3.0

- Proposal to allow voluntary transition - some stations stay behind to multicast in old digital format
- Allows all sorts of new technology – better mobile reception, data, ultra-high definition – all in IP formats compatible with digital devices
- FCC just starting review – but hopes for roll-out with post-auction repack

What's Up With AM Radio?

- Lots of translators for AM stations already granted, more to come through 250 mile waiver process for big AMs in late July, and more in a 2017 open application window
- Further thought on issues including:
 - Reduced skywave protection for Class A stations
 - Relaxed main studio obligations
 - More relaxed interference rules between AM stations – more interference, but hope for more power in central service areas
 - More relaxed translator rules
- Not officially on the table yet
 - Cellularized AM and all-digital operation

Online Public File Coming for Radio

- All stations need to have files online by March 1, 2018
- Top 50 market stations with 5 or more employees effective date was Friday – but all stations can now start uploading documents into the online file and convert at will
- Need to upload Quarterly Issues Programs Lists and EEO Public File Reports for all of renewal terms – FCC does most of the rest – except “new” political documents that you upload
- Paper file for “old” political documents and letters from the public
- Exceptions can be granted but you’ll have to request and justify it

That Silly Season – What's New in Political Advertising

- \$540,000 fine for inadequate sponsorship ID on issue ad
- TV public file and PAC sponsorship issues pending

Old Issues to Consider

- ◉ Reasonable access – how much time to sell to candidates? Required for Federal candidates only
- ◉ Equal opportunities
 - Plan late-October access in advance
 - Watch for employee-candidates
 - Exempt programs

Lowest Unit Rates

- 45 days before primary, 60 before election
- Applies only to candidates – not parties (usually) nor issues
- Applies to state and local candidates as well as Federal ones

Lowest Unit Rates - More

- ⦿ Multiple lowest unit rates on each station – not just one
- ⦿ Lowest unit rate for each class of time on your station – class is any spots with different rights, or that runs in different time period
- ⦿ Candidates get advantage of all volume discounts even if they buy one spot

PAC and Issue Ads

- Issues about truth of political ads in PAC and issue ads
- Don't come up with candidate ads as you can't censor them
- But if you are put on notice of falsity of non-candidate ad, you need to investigate or have potential liability

Paperwork

- Ad disclosure statements
- Public file
 - Records of all “uses” of your station by candidate
 - Price, schedule, class of time, specifics as to when spots ran
 - All the same info for spots on Federal election or issues
 - Sponsor name and executive officers or directors for state and local issues

Music Issues Take Center Stage

- New streaming rates went into effect in 2016 – rates drop 1/3 for radio but performance complement issues now need to be dealt with
- Lots of issues now from the composer's side – ASCAP and BMI want new rights (and maybe higher royalties)
- Performance royalty still comes up regularly in DC discussions
- New performance rights issues from Flo & Eddie decision on pre-1972 sound recordings
- SESAC antitrust litigation – SESAC needs to negotiate industry-wide and go through arbitration before increasing rates – ASCAP and BMI royalty rates expiring too

Other content issues

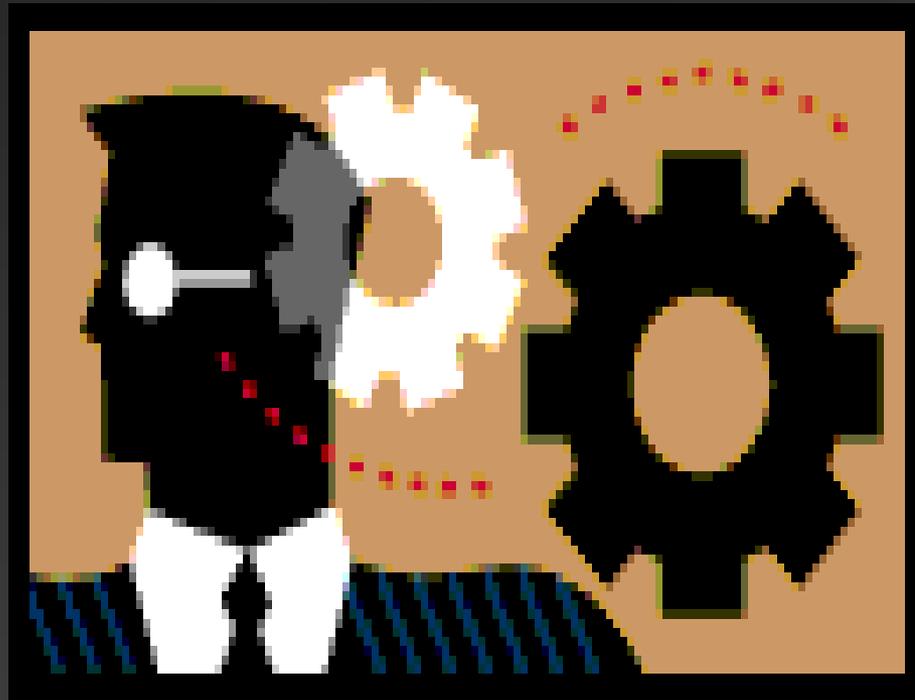
- Indecency – the FCC had been clearing up backlog of old indecency decisions – then big fine - \$325,000 for a 3 second slip on TV station
- Sponsorship identification is a big issue – can't run programming that was paid for without disclosing payment – FCC asked to take some of it online for radio
- Contest rules disclosure – rules changed to allow you to take it online – but you need to announce where the rules are

Odds and Ends

- ◉ Multiple ownership on the list for 2016
- ◉ TV retransmission consent “good faith negotiation” review
- ◉ Lots of Online issues – like pictures - get permission before using on your own website
- ◉ EEO audits and Mid-Term Reports
- ◉ Biennial ownership reports for all stations due in December 2017 – will need SSNs from every attributable owner
- ◉ Foreign ownership rule changes also in the works – liberalizing foreign ownership?
- ◉ EAS changes too

Now it's your turn...

- Time for your questions.....



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