

Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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MEDIA BUREAU SEEKS COMMENT ON ONLINE POLITICAL FILE AND PETITION FOR RECONSIDERATION FILED BY THE TELEVISION STATION GROUP

MM Docket No. 00-168

Comments Due: August 26, 2013 Reply Comments Due: September 23, 2013

1. In this Public Notice, the Media Bureau seeks comment on the impact of the rules adopted by the Commission in the *Second Report and Order* in MM Docket Nos. 00-168 and 00-44, ¹ requiring broadcast television stations to post their political files online. We seek comment also on the Petition for Reconsideration of the *Second Report and Order* filed by the Television Station Group. ²

2. <u>Background</u>. In the *Second Report and Order*, the Commission required stations to post their public files online in a Commission-hosted database rather than maintaining the files locally at their main studios. With respect to political file documents that must be maintained in the public file, the Commission required stations that are affiliated with the top four national networks (ABC, NBC, CBS, and Fox) and that are licensed to serve communities in the top 50 Designated Market Areas ("DMAs) to post these documents online as part of the online public file, but exempted all other stations from posting their political file documents to their online public file until July 1, 2014.³ The Commission stated that, by July 1, 2013, the Media Bureau would issue a Public Notice seeking comment on the impact of this online posting requirement for the political file so that the Commission can consider whether any changes should be made to the requirement before it takes effect for other stations.⁴ The Media Bureau is issuing this Public Notice consistent with the Commission's commitment in the *Second Report and Order*.

3. The online public file requirement adopted in the *Second Report and Order* replaced the decades-old requirement that commercial and noncommercial television stations maintain public files at

¹ Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations, Extension of the Filing Requirement for Children's Television Programming Report, Second Report and Order, 27 FCC Rcd 4535 (2012) ("Second Report and Order"). The effective date of the new online public file requirements was August 2, 2012.

² See Petition for Reconsideration, Television Station Group, MM Docket Nos. 00-168 and 00-44 (June 11, 2012) ("Petition for Reconsideration").

³ *Id.* at 4536-7, \P 3.

⁴ *Id*.

their main studios with a requirement to post most of the documents in those files to a central, online public file hosted by the Commission. The Commission's goals were to modernize the procedures television broadcasters use to inform the public about how they are serving their communities, make information concerning broadcast service more accessible to the public, and reduce broadcasters' cost of compliance. The political file component of the public inspection file provides information about requests by political candidates and other political advertisers to purchase television advertising time, including the station's disposition of each request and the rate charged for the broadcast time.

4. Stations were required to upload new public file documents to the online database starting August 2, 2012.⁵ Stations were given six months from this date to upload documents that were already in their public inspection file.⁶ However, the Commission did not require stations to upload their existing political files to the online database;⁷ rather, stations were required only to upload new political file content on a going-forward basis.⁸ In addition, to better ensure that the Commission can accommodate television broadcasters' online filings and to confine any unforeseen start-up difficulties to those stations that are best able to address them, the Commission phased in the new political file posting requirement by, as noted above, limiting it for the first two years, until July 1, 2014, to affiliates of ABC, CBS, NBC, and Fox networks in the top-50 markets.⁹

5. To date, over 361,000 documents have been uploaded into the online public file, including over 66,000 documents in political files. During the month leading up to the November 6, 2012 general election, stations uploaded nearly 27,000 documents to political files, peaking at 1582 documents uploaded on November 5. In addition, the public file has attracted over 2.5 million pageviews on 500,000 unique visits to the site. The busiest day was September 11, 2012, on which the site attracted 5,296 visits.

6. <u>Online Political File</u>. We hereby request comment on how moving online the political file has impacted the approximately 240 stations that are currently subject to this requirement. We seek comment generally on the experience of this initial group of stations in posting their political files online as well as the public's experience in accessing this information. Have stations encountered particular obstacles in connection with posting documents to the online political file? Has online posting become easier over time as station personnel have become more familiar with the process and as the Commission has made improvements to its online database?¹⁰ Are there other steps the Commission could take to

⁹ *Id.* at 4536-7, ¶ 3.

⁵ The National Association of Broadcasters ("NAB") filed a petition for review of the *Second Report and Order* with the U.S. Court of Appeals for the District of Columbia Circuit. *Nat'l Assoc. of Broadcasters* v. FCC, No. 12-1225 (D.C. Cir. May 21, 2012). NAB sought an emergency stay of the *Second Report and Order* from the FCC and the D.C. Circuit Court of Appeals; both requests were denied. *Standardized and Enhanced Disclosure Requirements for Television Broadcast Licensee Public Interest Obligations*, 27 FCC Rcd 7683 (2012); *Order, Nat'l Assoc. of Broadcasters* v. FCC, No. 12-1225 (D.C. Cir. July 27, 2012). On January 18, 2013, NAB filed an unopposed motion to hold further proceedings in the case before the D.C. Circuit in abeyance pending (1) FCC action on the petition for reconsideration filed by the Television Station Group and (2) the Commission's opening of a notice and comment period concerning these rules, prior to July 1, 2013, to consider whether changes to the requirements are warranted. On February 12, 2013, the court granted NAB's motion to hold proceedings in abeyance. *Order, Nat'l Assoc. of Broadcasters v. FCC*, No. 12-1225 (D.C. Cir. February 12, 2013).

⁶ The six-month deadline expired February 4, 2013. See Public Notice, Television Broadcast Stations Reminded of the Upcoming Public Inspection File Deadline, DA 13-120, rel. January 30, 2013.

⁷ These documents must continue to be maintained at the station, however, until the end of the two-year retention period.

⁸ Second Report and Order, 27 FCC Rcd at 4536, ¶ 2 and at 4551, ¶ 33.

¹⁰ In October 2012, the Commission announced the availability of a new, pre-generated "Terms and Disclosures" folder in the online database where stations can upload explanations for any terms, abbreviations or other language (continued....)

make its online database more user-friendly? We also ask members of the public, including political candidates and their representatives, who review the online political file to comment on whether they have found it easy to access information in the file, whether there are other improvements that we could make to the database to facilitate access and review of this material, and whether the ability to view the political file online has been beneficial.

7. In addition, we seek comment on the ability of stations that are currently exempt from the political posting requirement to comply with the July 1, 2014 deadline. Are there changes we should make to our rules or our database to facilitate compliance for stations that will be subject to the online political file requirements for the first time next year? We note that more than 200 television stations that are not currently subject to the online political file requirement have posted at least one document into the online political file. We invite these stations to provide us with information about their experiences in uploading political file documents to the Commission's database.

8. <u>Petition for Reconsideration</u>. Finally, we also seek comment on the Petition for Reconsideration of the *Second Report and Order* filed on June 11, 2012 by the Television Station Group, a group of large television station owners. The petition requests that the Commission reconsider the online political file requirement in the *Second Report and Order* on the ground that it is not in the public interest for stations to disclose online specific, spot-by-spot information about the rates charged for advertisements placed by candidates or those placed by other parties that concern candidates.¹¹ Although the Commission's rules formerly required that this information be made publicly available in hard-copy in the station's local political files, the petition argues that disclosure online of this sensitive pricing information is anti-competitive, disrupts markets, and is not contemplated by current campaign finance disclosure statutes.¹² As an alternative, the petition proposes, among other things, that the Commission require television stations to continue to make this specific rate information available in hard-copy in their local political files and, in addition, that the Commission permit stations, on an opt-in basis, to post to the Commission's database the aggregate amount of money spent by a sponsor of political advertisements on the station in lieu of posting specific rate information online.¹³

9. The Public Interest Public Airwaves Coalition ("PIPAC") opposes the petition on the ground that allowing stations to post only aggregate data regarding political ads would be contrary to the Commission's efforts to modernize its reporting systems and to promote transparency and data-driven policymaking.¹⁴ PIPAC also argues that the Television Station Group proposal would make it more difficult for the public to obtain specific information in the political file as paper files are costly and time consuming to view.¹⁵ Finally, PIPAC also argues that aggregated information is insufficient to enable the public to ascertain whether stations are meeting their statutory obligations with respect to lowest unit rate, equal opportunities, and public disclosure of the sources of political ads.¹⁶

¹¹ See Petition for Reconsideration at 1-2, 5.

¹² *Id.* at 2.

¹³ Id. at 5.

¹⁴ See Ex Parte Communication, MM Docket No. 00-168, (February 11, 2013), at 1-2.

¹⁵ *Id.* at 2.

¹⁶ Id.

⁽Continued from previous page)

necessary for a full understanding of any documents posted to the online political file. The Commission also announced it was continuing work on other improvements to the online public file including a public search feature, RSS feeds for easy identification of new documents filed, and a feature permitting broadcaster access to the interface through Dropbox. *See* Public Notice, *New Features in Online Public Inspection File System Announced*, DA 12-1578, rel. October 3, 2012.

10. We seek comment on the issues raised by the petition and opposition. Would the voluntary nature of the proposal affect the usefulness of the data collected? In addition, we invite comment on whether there are other mechanisms that the Commission should consider to improve consumer access to relevant data regarding political ads.

11. Permit-but-Disclose. This proceeding, including both the online political file inquiry and the Petition for Reconsideration, will be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.¹⁷ Persons making *ex parte* presentations must file a copy of any written presentation or memorandum summarizing any oral presentation within two business days after the presentation (unless a different unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral ex parte presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable, .pdf). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

12. <u>Comments and Replies</u>. Interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments and Reply Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).¹⁸

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <u>http://fjallfoss.fcc.gov/ecfs2/</u>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by firstclass or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of <u>before</u> entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

¹⁷ See 47 C.F.R. §§ 1.1200 et seq.

¹⁸ See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

 U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, SW, Washington DC 20554.

13. <u>Availability of Documents.</u> Comments, reply comments, and ex parte submissions will be available for public inspection during regular business hours in the FCC Reference Center, Federal Communications Commission, 445 12th Street, SW, CY-A257, Washington, DC 20554. These documents will also be available via ECFS. Documents will be available electronically in ASCII, Microsoft Word, and/or Adobe Acrobat.

14. <u>People with Disabilities</u>. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to <u>fcc504@fcc.gov</u> or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (TTY).

15. <u>Additional Information</u>. For additional information on this proceeding, contact Kim Matthews, <u>Kim.Matthews@fcc.gov</u>, of the Media Bureau, Policy Division, (202) 418-2154. Press contact: Janice Wise (202- 418-8165; <u>Janice.Wise@fcc.gov</u>).

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