



Federal Communications Commission
Washington, D.C. 20554

August 6, 2015

DA 15-891

Small Entity Compliance Guide

Carriage of Digital Television Broadcast Signals: Amendment to Part 76 of the Commission's Rules

**FCC 15-65
CS Docket No. 98-120**

This Guide is prepared in accordance with the requirements of Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996. It is intended to help small entities—small businesses, small organizations (non-profits), and small governmental jurisdictions—comply with the new rules adopted in the above-referenced FCC rulemaking docket(s). This Guide is not intended to replace the rules and, therefore, final authority rests solely with the rules. Although we have attempted to cover all parts of the rules that might be especially important to small entities, the coverage may not be exhaustive. This Guide may, perhaps, not apply in a particular situation based upon the circumstances, and the FCC retains the discretion to adopt approaches on a case-by-case basis that may differ from this Guide, where appropriate. Any decisions regarding a particular small entity will be based on the statute and regulations.

In any civil or administrative action against a small entity for a violation of rules, the content of the Small Entity Compliance Guide may be considered as evidence of the reasonableness or appropriateness of proposed fines, penalties or damages. Interested parties are free to file comments regarding this Guide and the appropriateness of its application to a particular situation; the FCC will consider whether the recommendations or interpretations in the Guide are appropriate in that situation. The FCC may decide to revise this Guide without public notice to reflect changes in the FCC's approach to implementing a rule, or to clarify or update the text of the Guide. Direct your comments and recommendations, or calls for further assistance, to the FCC's Consumer Center:

**1-888-CALL-FCC (1-888-225-5322)
TTY: 1-888-TELL-FCC (1-888-835-5322)
Fax: 202-418-0232**

OBJECTIVES OF THE PROCEEDING

In the *Sixth Report and Order* (“*Order*”) in CS Docket No. 98-120 (FCC 15-65), the Commission adopts a proposal filed jointly by the American Cable Association and the National Association of Broadcasters that modifies and extends the exemption from the requirement to carry high definition (“HD”) broadcast signals under “material degradation” provisions of the Communications Act of 1934, as amended, otherwise known as the “HD carriage exemption.” The Commission granted the HD carriage exemption to certain small cable systems in 2008 and extended the exemption in 2012. The exemption was slated to expire on June 12, 2015 without action by the Commission. In the *Order*, the Commission finds that the joint proposal strikes a reasonable balance between the interests of broadcast stations in having their HD signals transmitted without material degradation and the technical and financial constraints that some small cable operators continue to experience.

COMPLIANCE REQUIREMENTS

1. The joint proposal adopted in the *Order* contains the following provisions:
 - HD Carriage Exemption Eligibility after June 12, 2015: A small cable system not offering any programming in HD is exempt from the HD carriage requirement. Beginning December 12, 2016, a system utilizing the HD carriage exemption shall no longer be eligible to use it once the system offers any programming in HD.
 - Notice: Beginning December 12, 2016, at the time a small cable system utilizing the HD carriage exemption offers any programming in HD, the system must give notice that it is offering HD programming to all broadcast stations in its market that are carried on its system.
 - Transition for Some Systems: A cable system utilizing the HD carriage exemption on June 12, 2015 that does not qualify for the HD carriage exemption on or after June 13, 2015 must come into compliance by December 12, 2016. A cable system that becomes ineligible for the HD carriage exemption after December 12, 2016 would be expected to come into compliance promptly.
 - Revisions to Definition of “Small” Cable System: “Small” cable systems eligible for the HD carriage exemption would be redefined as those: (i) serving 1,500 (rather than 2,500) or fewer subscribers, and not affiliated with a cable operator serving more than 2 percent (rather than 10 percent) of all MVPD subscribers, or (ii) having an activated channel capacity of 552 MHz or less.
2. **Compliance Date.** The *Order* will become effective thirty (30) days after the date of its publication in the *Federal Register*. The *Order* was published in the *Federal Register* on July 23, 2015; thus, with the exception of the “Notice” rule, the *Order* will take effect on July 23, 2015. The “Notice” rule will not become effective until publication of a notice in the *Federal Register* announcing OMB approval and the effective date of that rule.

INTERNET LINKS

- Sixth Report and Order (FCC 15-65)

https://apps.fcc.gov/edocs_public/attachmatch/FCC-15-65A1.docx

- Federal Register summary of Sixth Report and Order

<https://www.federalregister.gov/articles/2015/06/23/2015-15251/carriage-of-digital-television-broadcast-signals>