## Before the **Federal Communications Commission** Washington, D.C. 20554

	ORDER	
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Sponsorship Identification Requirements	)	
	)	
In the Matter of	,	
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Adopted: April 3, 2020 Released: April 3, 2020

By the Chief, Media Bureau:

- The COVID-19 pandemic endangers numerous American lives with a respiratory illness that continues to spread at an alarming rate throughout the United States.\(^1\) On March 11, 2020, the World Health Organization declared that the COVID-19 outbreak is a pandemic.<sup>2</sup> On March 13, 2020, the President proclaimed that the COVID-19 outbreak in the United States constitutes a national emergency.<sup>3</sup>
- In this Order, the Media Bureau (Bureau) acts pursuant to the waiver authority granted in section 317(d) of the Communications Act, as amended, (the Act)<sup>4</sup> to waive the sponsorship identification requirements contained in section 317(a) of the Act,<sup>5</sup> and sections 73.1212(a)(1) and (a)(2)(i) of the Commission's rules, 6 in the limited circumstances described below relating to the outbreak of COVID-19. To ensure transparency in the broadcasting marketplace, these provisions ordinarily require the disclosure of content sponsors.
- The Bureau has learned that, as a result of the outbreak of COVID-19 and the associated social distancing requirements, suspension of regular business operations, and cancellation of events, many entities find they can no longer use the commercial advertising time they had previously purchased from broadcast television and radio stations. In many cases, the entities that purchased advertising time have suspended ordinary business operations, or they find that the planned advertising is no longer appropriate under the circumstances. In order to make use of the previously purchased advertising time, some of these advertising entities are seeking to donate the time for the purpose of broadcasting public service announcements (PSAs) prepared by, or on behalf of, the Centers for Disease Control and

<sup>&</sup>lt;sup>1</sup> See Centers for Disease Control and Prevention, Coronavirus (COVID-19), https://www.cdc.gov/coronavirus/2019-ncov/index.html (last visited Apr. 3, 2020); see also Johns Hopkins Coronavirus Resource Center, https://coronavirus.jhu.edu/map.html (last visited Apr. 3, 2020).

<sup>&</sup>lt;sup>2</sup> See World Health Organization, Director General's Opening Remarks at the Media Briefing on COVID-19 https://www.who.int/dg/speeches/detail/who-director-general-s-opening-remarks-at-the-media-briefing-on-covid-19---11-march-2020 (last visited Apr. 3, 2020).

<sup>&</sup>lt;sup>3</sup> Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak (Mar. 13, 2020), https://www.whitehouse.gov/presidential-actions/proclamation-declaring-nationalemergency-concerning-novel-coronavirus-disease-covid-19-outbreak/ (last visited Apr. 3, 2020).

<sup>&</sup>lt;sup>4</sup> See 47 U.S.C. § 317(d) (granting the Commission authority to waive the disclosure requirement contained in section 317 "in any case or class of cases with respect to which it determines that the public interest, convenience, or necessity does not require the broadcasting of such announcement.").

<sup>&</sup>lt;sup>5</sup> 47 U.S.C. § 317(a).

<sup>&</sup>lt;sup>6</sup> 47 CFR §§ 73.1212(a)(1) and (a)(2)(i).

Prevention (CDC), or other governmental agencies or public health authorities, regarding COVID-19.7 These PSAs would provide critical public health information to viewers and listeners and would identify the CDC, or other governmental agency or public health authority, as the source of the announcement. Notably, such PSAs would not display the name of the entity that had originally purchased and then donated the advertising time, which could run afoul of section 317(a) of the Act<sup>8</sup> and the Commission's sponsorship identification rules.<sup>9</sup>

- 4. Pursuant to section 317(a) of the Act and the Commission's implementing regulations, when a broadcast station transmits any matter for which money, service, or other valuable consideration is either directly or indirectly paid or promised to, or charged or accepted, by such station, the station, at the time of the broadcast, shall announce: (1) that such matter is sponsored, paid for, or furnished, either in whole or in part, and (2) by whom or on whose behalf such consideration was supplied. The donation of advertising time by one entity to another would ordinarily require a sponsorship identification providing the name of the entity that originally purchased the advertising time. In this particular instance, however, where the time is being donated for the broadcast of PSAs related to the COVID-19 pandemic by the CDC, other governmental entities, or public health authorities, such a disclosure requirement might undercut the reliability of these PSAs, which are providing essential information, often from an entity charged with tracking and limiting the spread of disease. Moreover, requiring that the name or corporate logo of the commercial entity that originally purchased the airtime be included in the PSA might discourage the donation of beneficial advertising time, as commercial entities might not wish to have their names or corporate logos directly associated with the provision of information about COVID-19 for fear of a negative association by consumers.
- 5. Section 317(d) of the Act states that the "Commission may waive the requirement of an announcement as provided in this section in any case or class of cases with respect to which it determines that the public interest, convenience, or necessity does not require the broadcasting of such announcement." We believe that the circumstances described herein constitute just such a class of cases. Here, the public interest, convenience, and necessity would be best served by encouraging entities that have previously purchased advertising time but can no longer use it to donate such time for the broadcast of COVID-19-related PSAs. The use of such donated advertising time could allow for the broadcast of numerous additional PSAs to the community during this national emergency and provide life-saving information to the public. Because such commercial entities might not want to associate their

<sup>&</sup>lt;sup>7</sup> As the Ad Council explains on its website, the objective of a PSA is to raise awareness or change behaviors and attitudes on a particular issue, and ordinarily the airing of PSAs relies on the donation of time by a media outlet. PSAs typically are sponsored by a nonprofit or government agency, whereas commercials are paid for by private companies who purchase airtime to run their ads. *See* https://www.adcouncil.org/About-Us/Frequently-Asked-Questions#What%E2%80%99s%20the%20difference%20between%20a%20commercial%20and%20a%20PSA (last visited Apr. 3, 2020). The Ad Council is a nonprofit organization that, through a collaboration among the advertising, media, and business communities, creates PSAs to inform the public about significant public issues and stimulate action on those issues.

<sup>8 47</sup> U.S.C. § 317(a).

<sup>&</sup>lt;sup>9</sup> 47 CFR §§ 73.1212(a)(1) and (a)(2)(i).

<sup>&</sup>lt;sup>10</sup> See 47 U.S.C. § 317(a) and 47 CFR §§ 73.1212(a)(1) and (a)(2)(i).

<sup>&</sup>lt;sup>11</sup> 47 U.S.C. § 317(d).

<sup>&</sup>lt;sup>12</sup> In waiving a requirement for good cause, the Commission must (1) explain why deviating from the general requirement serves the public interest, and (2) explain the nature of the special circumstances. 47 CFR § 1.3 ("The provisions of this chapter may be suspended, revoked, amended, or waived for good cause shown, in whole or in part, at any time by the Commission, subject to the provisions of the Administrative Procedure Act and the provisions of this chapter. Any provision of the rules may be waived by the Commission on its own motion or on petition if good cause therefor is shown.").

corporate names and logos with these PSAs, and because the identification of such a commercial entity could confuse or distract viewers from the important messages contained in the PSAs, we believe it is best to forgo sponsorship identification announcements in these limited circumstances.

- 6. Based on these circumstances, the Bureau finds that good cause exists to waive the sponsorship identification rules in this unique situation.<sup>13</sup> Specifically, the Bureau acts on its motion, pursuant to authority granted in section 317(d) of the Act,<sup>14</sup> to waive the requirements of section 317(a) of the Act and sections 73.1212(a)(1) and (a)(2)(i) of the Commission's rules. Consequently, in this particular instance, the use of donated advertising time without disclosure of the entity that originally paid for the advertising time will not constitute a violation of the Act or the Commission's related rules. This flexibility will be afforded until June 30, 2020, at which time we will evaluate whether circumstances warrant an extension.
- 7. Accordingly, **IT IS ORDERED** that, pursuant to the authority found in sections 4(i), 4(j), and 317(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), and 317(d), and sections 0.61, 0.283, and 1.3 of the Commission's rules, 47 CFR §§ 0.61, 0.283, and 1.3, this Order **IS ADOPTED**.
- 8. **IT IS FURTHER ORDERED**, that pursuant to section 1.102(b)(1) of the Commission's rules, 47 CFR § 1.102(b)(1), this Order **SHALL BE EFFECTIVE** upon release.

FEDERAL COMMUNICATIONS COMMISSION

Michelle M. Carey Chief, Media Bureau

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<sup>&</sup>lt;sup>13</sup> Sections 0.61 and 0.283 of the Commission's rules permit the Media Bureau to act for the Commission on delegated authority. 47 CFR §§ 0.61 and 0.283.

<sup>14 47</sup> U.S.C. § 317(d).