



PUBLIC NOTICE

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FCC ENFORCEMENT ADVISORY

ENFORCEMENT BUREAU REMINDS BROADCASTERS OF OBLIGATION TO PROVIDE SPONSORSHIP IDENTIFICATION DISCLOSURES

The Enforcement Bureau of the Federal Communications Commission issues this Enforcement Advisory to remind broadcasters of their obligations to comply with the Sponsorship Identification Laws. Broadcasters who air paid-for programming without disclosing the program's sponsor can mislead the public and promote unfair competition. Such non-disclosures foster the perception by the public that a paid announcement is the station's editorial content, while concealing that the station is being paid by a third party to promote a particular message. That impression can also give undisclosed sponsors an unfair advantage over competitors whose paid programming is properly disclosed as paid-for material. For these reasons, broadcasters are required to disclose information about the sponsors of paid-for programming under the Communications Act of 1934, as amended (Act), and the Commission's sponsorship identification rules (collectively the Sponsorship Identification Laws).

The Sponsorship Identification Laws

- **Broadcasters' Disclosure Obligations**

Section 317(a)(1) of the Act and section 73.1212(a) of the Commission's rules require stations to broadcast sponsorship identification announcements. Specifically, section 317(a)(1) of the Act provides in part:

All matter broadcast by any radio station for which any money, service or other valuable consideration is directly or indirectly paid, or promised to or charged or accepted by, the station so broadcasting, from any person, shall, at the time the same is so broadcast, be announced as paid for or furnished, as the case may be, by such person . . .¹

Section 73.1212(a) of the Commission's rules, which implements section 317(a)(1) of the Act, further provides in part:

¹ 47 U.S.C. § 317(a)(1).

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 supplied²

- **Section 507 Reporting Obligations and Broadcasters' Reasonable Diligence Obligations**

Section 507 of the Act establishes a reporting scheme designed to ensure that broadcast licensees receive advance notice when consideration is paid or promised in exchange for the inclusion of program material in a broadcast.³ Under section 507, information must be provided up the chain of production and distribution to the licensee before the time of broadcast in order to enable the licensee to air the required sponsorship identification announcement disclosing that the material was broadcast in exchange for consideration.⁴

Broadcasters have the obligation to exercise reasonable diligence to obtain the information required by section 507 and to provide the required sponsorship disclosures.

Section 317(c) of the Act provides:

The licensee of each radio station shall exercise reasonable diligence to obtain from its employees, and from other persons with whom it deals directly in connection with any program or program matter for broadcast, information to enable such licensee to make the announcement required by this section.⁵

Section 73.1212(b) of the Commission's rules contains a similar provision implementing licensees' reasonable diligence obligations of section 317(c) of the Act.⁶

What are the consequences of violating the Sponsorship Identification Laws?

Failure to comply with the Sponsorship Identification Laws may subject a violator to sanctions including, but not limited to, imprisonment⁷ and/or substantial monetary forfeitures.⁸

² 47 CFR § 73.1212(a).

³ 47 U.S.C. § 508(a)-(c).

⁴ See 47 U.S.C. § 317(b); 47 CFR § 73,1212(c) (requiring the licensee to air a sponsorship identification announcement when it receives a section 507 report that consideration was paid or promised to an individual or entity in the chain of production in exchange for broadcast of the material).

⁵ 47 U.S.C. § 317(c).

⁶ 47 CFR § 73.1212(b).

⁷ 47 U.S.C. § 508(g).

⁸ See, e.g., *Cumulus Radio LLC et al.*, Forfeiture Order, FCC 21-19, 2021 WL 146813 (Jan. 14, 2021) (forfeiture paid) (imposing a \$233,000 forfeiture for 26 new violations of the Sponsorship Identification Laws and Cumulus's failure to timely report certain of those violations as required by a 2016 Consent Decree that resolved violations of
(continued....)

Need more information?

Media inquiries should be directed to Katie Gorscak of the Office of Media Relations at: (202) 418-2156, or by e-mail, at: Katie.Gorscak@fcc.gov. Questions about broadcasters' sponsorship identification disclosure obligations should be directed to Investigations and Hearings Division of the Enforcement Bureau at: (202) 418-1420, or by e-mail, EnforcementBureau-IHD@fcc.gov. For additional information regarding the Sponsorship Identification Laws, please visit <https://www.fcc.gov/enforcement/orders/1835>. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, or audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice).

Issued by: Chief, Enforcement Bureau

the Sponsorship Identification Laws); *Sinclair Broadcast Group, Inc.*, Notice of Apparent Liability for Forfeiture, 32 FCC Rcd 10853 (2017) (proposing a \$13,376,280 forfeiture penalty for over 1,700 apparent violations of the Sponsorship Identification Laws), *proceeding terminated by Order and Consent Decree*, 35 FCC Rcd 5877 (2020).