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For Immediate Release September 26, 2006 News Media Contact: Rebecca Fisher (202) 418-2359

FCC Revises Children's Television Obligations for Broadcasters

Washington, DC – The Federal Communications Commission (FCC) today approved a Second Order on Reconsideration and Second Report and Order resolving issues regarding the obligations of television broadcasters to protect and serve children in their audiences.

The *Order* revises the Commission's previous ruling on children's television obligations released in November of 2004. The modifications to the rules respond to petitions for reconsideration filed in response to the *2004 Order* as well as a "Joint Proposal of Industry and Advocates on Reconsideration of Children's Television Rules," filed with the Commission by several children's groups and industry parties in February, 2006. The Commission sought comment on the recommendations in the joint proposal in March of 2006.

The item finds that these modifications and clarifications of the Commission's rules will serve the public interest by ensuring an adequate supply of children's educational and informational programming as we transition to digital television technology. Additionally today's order protects children from excessive and inappropriate commercial messages in broadcast and cable programming, without unduly impairing the scheduling flexibility of broadcasters and cable operators.

In the 2004 Order, the Commission revised the three-hour core programming processing guideline as it applies to DTV broadcasters that choose to multicast. Specifically, the 2004 Order increased the core programming benchmark for digital broadcasters in a manner roughly proportional to the increase in free video programming offered by the broadcaster on multicast channels. The 2004 Order also permitted the display of Internet website addresses during children's programming only if the website met a four-prong test limiting commercial matter on the site, and prohibited broadcasters from displaying website addresses during both children's programs and commercials appearing in those programs if the website uses host selling. The 2004 Order also imposed a percentage cap on the number of preemptions of core children's programs and revised the definition of "commercial matter" for purposes of the commercial limits to include promotions of other television programs unless they are children's educational or informational programs.

Today's *Order* approves the following modifications or clarifications of the children's television rules:

■ The website rule – The *Order* adopts two clarifications to the rule: 1) the rule applies only when Internet addresses are displayed during program material or during promotional material not counted as commercial time; and 2) if an Internet address for a website that does not meet the four-prong test is displayed during a promotion, in addition to counting

against the commercial time limits, the promotion will be clearly separated from programming material.

- The host-selling rule The *Order* permits the sale of merchandise featuring a program-related character in parts of the website that are sufficiently separated from the program itself to mitigate the impact of host selling.
- **The promotions rule** The *Order* revises the definition of "commercial matter" adopted in 2004 to provide additional flexibility for broadcasters and cable operators.
- **The preemption rule** The *Order* eliminates the cap on the number of preemptions and returns to a case-by-case approach.
- The multicasting rule The *Order* clarifies the limit on the repeat of core programs under the digital processing guideline adopted in 2004.
- The Order clarifies that certain public service announcements, which are not commercial matter, are not subject to the restriction regarding the display of website addresses. It also clarifies that station identifications and emergency announcements are not subject to the website rules.

The new rules adopted in today's item will be effective 60 days after publication of the *Order* in the Federal Register.

Action by the Commission September 26, 2006, by *Second Order on Reconsideration and Second Report and Order* (FCC 06-143). Chairman Martin, Commissioners Copps, Adelstein, Tate, and McDowell. Separate statements issued by Chairman Martin, Commissioners Copps, Adelstein, Tate, and McDowell.

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