FCC NEWS

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FCC ADOPTS TV JSA ATTRIBUTION RULES, BEGINS 2014 MEDIA OWNERSHIP QUADRENNIAL REVIEW, AND PROPOSES BENEFITS FOR SMALL BUSINESS OWNERS

Actions Will Help Protect Consumers and Preserve Local Broadcasting

Washington, D.C. – The Federal Communications Commission today took steps to close a loophole in its TV ownership rules, making sure that a party's interests in a market are properly counted. Removal of the loophole helps ensure competition, localism, and diversity in local broadcast markets by preventing a practice that previously resulted in consolidation in excess of what is permitted under the Commission's rules.

A JSA, or joint sales agreement, is between two stations in the same market in which one station is authorized to sell advertising time on the other station. The Commission's radio rules have long recognized that these agreements create an ownership interest when the JSA allows for the sale of 15% or more of the advertising time on a competing local station. Today's Report and Order applies this same standard to broadcast television. Parties to existing TV JSAs will have two years to come into compliance with the applicable local ownership limits. Waiver requests, considered on a case-by-case basis, must show that strict compliance with the rule is inconsistent with the public interest.

Also adopted today was a Further Notice of Proposed Rulemaking that initiates the Commission's 2014 Media Ownership Quadrennial Review and incorporates the ongoing 2010 Quadrennial Review record. The FNPRM asks for new and additional information on current market conditions to ensure a comprehensive and refreshed record. The current ownership rules remain in place while the review is pending.

The FNPRM additionally asks for comment on whether commercial television stations should be required to disclose shared service agreements and how best to achieve disclosure. An SSA allows same market stations to share resources, such as employees, administrative services, or hard assets, such as a news helicopter.

The Further Notice of Proposed Rulemaking also recommends reinstatement of the Commission's revenue-based "eligible entity" standard, finding that the program would support new entry into the broadcast industry by small businesses.

Action by the Commission March 31, 2014, by Further Notice of Proposed Rulemaking and Report and Order (FCC 14-28). Chairman Wheeler, Commissioners Clyburn and Rosenworcel with Commissioners Pai and O'Rielly dissenting. Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai and O'Rielly issuing statements. MB Docket No. 14-50.

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