

Virginia Association of Broadcasters Legal Review



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Legal Memorandum

In this issue, link to information about

Developments: Important Updates Required for ALL Stations in FCC CORES Database New Biennial Ownership Report Filing Deadline for All NCE Stations

The FCC Has Requested Full Power and Class A Television Stations to Update Certain Information in the FCC's CORES System for Incentive Auction Purposes, and the FCC Staff Actually Wants ALL Broadcasters and Licensees of Every Type to Update Information (No Deadline, Yet)!

The FCC has released a <u>Public Notice</u> that advises all full power and Class A television stations of the necessity to update certain information in the FCC's CORES database. (The CORES database is the repository of information relating to each entity's FCC Registration Number, also known as the FRN.) Although the Public Notice is directed to those stations who expect to receive Incentive Auction-related funds from the FCC—either as winning bidders in the Incentive Auction (which is currently in the reverse auction phase of Stage 4) or as recipients of post-auction repacking reimbursement funds—our discussions with FCC Staff have revealed that the requirement to update CORES information actually applies to all broadcast stations (and all other entities that have FRNs registered with the FCC). To be clear, this includes **radio stations**, **LPTV stations**, and all other licensees. Indeed, the FCC Staff has informally indicated that the required updates are part of the agency's move to a more secure environment for a "new" CORES database repository.

To assist broadcasters with the required updates to CORES, the FCC has generated an instructional YouTube video, available at <u>https://www.youtube.com/watch?v=5BgvQVtqE78</u>. While a cursory review of the Public Notice may cause you to think the required CORES updates are simple and straightforward, the instructional video makes clear that the nature and extent of

the CORES updates required by the Commission are potentially voluminous and confusing. Moreover, the video instructions are, again, geared to television stations that expect to have financial transactions with the FCC as a result of the Incentive Auction, which may make the video confusing to entities such as radio stations who are not involved in any component of the Incentive Auction. Even though the video is directed toward Incentive Auction participants and repackreimbursement recipients as noted above, CORES updates are required for radio stations, LPTVs, and all other licensees too.

Stations may wish to review the FCC's Public Notice and instructional video carefully and then coordinate with any outside consultants (legal counsel, consulting engineers) to determine how and when to update the CORES information in a manner that does not obstruct the general conduct of FCC-related business such as application and report filings. Given the importance of the CORES information to stations that expect to receive Incentive Auction-related payments, we, too, are reviewing the FCC's information carefully, and we plan to follow up in early January in order to provide more guidance.

Noncommercial Stations: The FCC Has Announced That Biennial Ownership Reports Are Due December 1, 2017

In Virginia, noncommercial radio stations have traditionally filed biennial ownership reports on June 1 of odd-numbered years (such as 2017), and noncommercial television stations have traditionally filed biennial ownership reports on June 1 of even-numbered years (such as 2016). On December 20, 2016, the FCC released an Order announcing that licensees of all noncommercial stations (and entities with attributable interests in such stations) will, on a going-forward basis, be required to file biennial ownership reports on or by December 1 of odd-numbered years (starting in 2017), and that the former June 1 deadline for Virginia stations is no longer the deadline.

Thus, noncommercial stations (both television and radio) licensed to communities in Virginia will be required to file the revised version of Form 323-E—now known as FCC Form 2100, Schedule 323-E—on or before December 1, 2017, with information current as of October 1, 2017, and to file biennially on December 1 thereafter.

Following release of the Order, we consulted with the FCC Staff and learned that 2017 biennial ownership reports will have to be filed in the FCC's LMS (Licensing and Management System) filing database, which is different from the prior filing process (prior biennial ownership reports were filed through the FCC's CDBS—Consolidated Database System—electronic filing platform). In other words, there will be a new form and filing process for the 2017 biennial ownership reports for noncommercial stations, which means that such stations should be prepared to start the process in advance of the December 1, 2017, filing deadline in order to avoid "hiccups" in the new system. You may wish to calendar your 2017 biennial ownership report preparation well in advance of the December 1 deadline and October 1 "as of" date.

If you have any questions concerning the information discussed in this memorandum, please contact your communications counsel or any of the undersigned.

Stephen Hartzell, Editor

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