

# Virginia Association of Broadcasters Legal Review



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# Legal Memorandum

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## FCC Demonstration Session of New Online Public File System Scheduled for Monday, June 13

According to a <u>Public Notice</u> released today, the FCC will conduct, on Monday, June 13, a public demonstration of the new Online Public Inspection File ("OPIF") system. As you may recall, the OPIF system will replace the legacy television online public file system, and radio and television stations (and MVPDs) will be required to begin using the new OPIF on June 24.

At the June 13 session—which will be conducted at 1 p.m. eastern time at the FCC and be available for viewing live on the web—the FCC will demonstrate the OPIF system interface that stations will use, beginning June 24, to file documents in the online public file database. The demonstration will inform users of the design, layout, and content of the OPIF site, discuss how to upload information and files, and present the new API (Application Program Interface) functionalities.

Stations interested in watching the demonstration online on June 13 should visit the following URL address and click the link provided on that web page:

#### https://www.fcc.gov/news-events/2016/06/demonstration-expanded-online-publicinspection-file-interface

Given the number of entities nationwide that are affected by the new OPIF system, we recommend that stations access the link prior to 1 p.m. on June 13. Also, as we have previously advised, stations are currently able to access a "demo" version of the OPIF by visiting the following URL address: <u>https://publicfiles-demo.fcc.gov/admin/</u>. Both radio and television stations can, through June 23, practice uploading documents to the OPIF and familiarize themselves with the other features of the database. Remember: The demo site is for practice purposes only and any documents uploaded there will be deleted once the actual OPIF database goes live on June 24, 2016. It is critically important for stations to understand that any documents uploaded to the demo site **will be deleted and will not become part of the OPIF**.

#### EAS Deadline Around the Corner

Emergency Alert System ("EAS") participants must always be prepared, and they will need to be ready to meet an approaching deadline: **July 30, 2016**, is the compliance deadline for the implementation of the new national location code comprised of six zeroes (000000), which means stations will need to have EAS equipment that is capable of processing this location code. In many cases, a vendor-provided software upgrade is all that is needed to meet the new requirement, but some EAS vendors have previously indicated (in comments filed at the FCC) that a firmware update or complete replacement of EAS gear will be necessary. FEMA (the Federal Emergency Management Agency) plans to conduct a nationwide EAS test, in late September 2016, using the new "six zeroes" location code (and the National Periodic Test event code).

The FCC believes that use of the "six zeroes" code will create consistency between the EAS rules and the industry CAP (Common Alerting Protocol) standard, which already recognizes "six zeroes" as the national location code. Additionally, it will facilitate the integration of the EAS into the IP-based IPAWS system and also provide improved geo-targeting of a Presidential alert in the event the President wishes to address a particular part of the country rather than the nation as a whole.

As you may recall, the Commission, the six zeroes national location code was adopted a year ago in June 2015 as part of the FCC's effort to restructure the EAS in the <u>Sixth Report and</u> <u>Order</u>. Broadcasters with questions about whether their EAS equipment is ready for the July 30 compliance deadline should contact their EAS vendor as soon as possible.

## Looming Deadline: Video Description of Non-Textual Emergency Information Starts in 6 Months

The FCC's Audible Crawl Rule requires television stations who provide emergency information to viewers through visual-only means during non-newscast programming (for example, through an on-screen crawl) to video describe the information concurrently on a secondary audio stream. This rule has been in effect since November 30, 2015. But there was a portion of the rule which, due to the unavailability of automated solutions at the time, was delayed by the FCC in May 2015. That portion relates to *non-textual* emergency information displayed on-screen during non-news programming. Beginning **November 26, 2016**, all *non-textual* emergency information displayed on-screen during non-news programming.—e.g., maps, radar images, and the like—must be "translated" into spoken words (i.e., video description) for transmission on a secondary audio stream.

It is unclear whether, during the past year, a "turnkey," automated solution has come onto the market. To the extent stations have identified a reliable solution, they should incorporate it into their broadcast workflow and begin testing in advance of the November 26, 2016, deadline. On the other hand, if viable solutions are still unavailable (i.e., if manually typing a description for a *non-textual* graphic is the only reliable solution), it may be time to talk to counsel and begin thinking about educating the NAB and the Commission on the continued challenges.

#### FCC Announces Proposed FY 2016 Regulatory Fees

The FCC has released its proposed regulatory fees for fiscal year 2016. In the <u>Notice of</u> <u>Proposed Rulemaking</u>, the FCC proposes to collect \$384,012,497 from all regulatees. The Media Bureau allocation (including radio, television, cable, and DBS) is about \$134 million, which is a little more than one-third of the total amount.

*Proposed Amounts for Broadcasters*. Attached to this memorandum is a series of "schedules" setting forth the proposed regulatory fees of greatest interest to broadcasters:

- <u>Schedule A</u> contains a table of the proposed FY 2016 regulatory fees for radio stations (and, for the sake of comparison, also includes a table of the final FY 2015 fees that radio stations paid last year);
- <u>Schedule B</u> contains table of the proposed FY 2016 regulatory fees for television stations (and, for the sake of comparison, also includes a table of the final FY 2015 fees that television stations paid last year); and
- <u>Schedule C</u> contains a table of other proposed FY 2016 regulatory fees that affect broadcasters.

*Payments by Check Will Not Be Accepted.* Because the FCC is moving towards a paperless environment, last year the Commission stopped accepting checks (including cashier's checks and money orders) and the accompanying hardcopy "remittance advice" forms (e.g., FCC Forms 159, 159-B, 159-E, 159-W) for the payment of regulatory fees. This paperless payment procedure requires all payments to be made by wire transfer or online via ACH (Automated Clearing House) payment, or credit card. Other forms of payment (e.g., cash, checks, cashier's checks, money orders) will be rejected. Further details regarding payment procedures will be provided by the FCC when it issues a public notice announcing the regulatory fees payment window.

*Revised Credit Card Transaction Levels.* Since June 1, 2015, the amount that can be charged on a credit card for transactions with federal agencies—including the FCC—has been reduced to \$24,999.99. Attempted transactions for amounts greater than \$24,999.99 will be rejected. This limit applies to single payments, divided payments, and to combined payments of more than one bill. In other words, the FCC will aggregate multiple transactions attempted on one credit card on one day and treat them as a single transaction subject to the \$24,999.99 limit, and the FCC will not permit a broadcast licensee to divide a transaction over multiple days in order to create smaller payments that would fall below the \$24,999.99 limit each day. Thus, broadcasters who need to pay an amount greater than \$24,999.99 will need to consider alternatives such as using debit cards (Visa or MasterCard) or making payment by ACH or wire transfers.

*Limited Exemption for De Minimis Regulatory Fees*. Broadcasters whose total FY 2016 annual regulatory fee liability is \$500 or less are exempt from payment of FY 2016 regulatory fees. The *de minimis* threshold applies only to filers of annual regulatory fees, and it is not a permanent exemption. In other words, each licensee must reevaluate their total fee liability each fiscal year to determine whether they meet the *de minimis* exemption in any particular year.

*Regulatory Fee Payment Window and Deadline*. As in past years, after the FCC finalizes and adopts the regulatory fees, it will announce, in a public notice, a period of time (the "window") during which regulatory fees may be timely paid and the deadline for making timely payment. The deadline traditionally falls in September. We will keep you apprised of developments.

*Comments on Proposed Regulatory Fees.* Comments on the proposed regulatory fees are due June 20, 2016, and reply comments are due July 5, 2016.

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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FY 2016 RADIO STATION REGULATORY FEES (proposed)						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C0, C1 & C2
<=25,000	\$1,100	\$795	\$690	\$760	\$1,200	\$1,375
25,001 - 75,000	\$1,650	\$1,200	\$1,025	\$1,150	\$1,800	\$2,050
75,001 - 150,000	\$2,200	\$1,600	\$1,375	\$1,525	\$2,400	\$2,750
150,001 - 500,000	\$3,300	\$2,375	\$2,075	\$2,275	\$3,600	\$4,125
500,001 - 1,200,000	\$5,500	\$3,975	\$3,450	\$3,800	\$6,000	\$6,875
1,200,001 - 3,000,00	\$8,250	\$5,950	\$5,175	\$5,700	\$9,000	\$10,300
3,000,001 - 6,000,00	\$11,000	\$7,950	\$6,900	\$7,600	\$12,000	\$13,750
>6,000,000	\$13,750	\$9,950	\$8,625	\$9,500	\$15,000	\$17,175
AM Radio Construction Permits (All Markets) \$690						
FM Radio Construction Permits \$1,200						

#### Schedule A

FY 2015 RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1, C3	FM Classes B, C, C0, C1 & C2
<=25,000	\$775	\$645	\$590	\$670	\$750	\$925
25,001 - 75,000	\$1,550	\$1,300	\$900	\$1,000	\$1,500	\$1,625
75,001 - 150,000	\$2,325	\$1,625	\$1,200	\$1,675	\$2,050	\$3,000
150,001 - 500,000	\$3,475	\$2,750	\$1,800	\$2,025	\$3,175	\$3,925
500,001 - 1,200,000	\$5,025	\$4,225	\$3,000	\$3,375	\$5,050	\$5,775
1,200,001 - 3,000,000	\$7,750	\$6,500	\$4,500	\$5,400	\$8,250	\$9,250
>3,000,000	\$9,300	\$7,800	\$5,700	\$6,750	\$10,500	\$12,025
AM Radio Construction Permits (All Markets) \$590						
FM Radio Construction Permits\$750						

#### Schedule B

FULL POWER TELEVISION STATION REGULATORY FEES					
Digital TV (47 CFR part 73) VHF and UHF Commercial	FY 2015 Fees	FY 2016 Proposed Fees			
Markets 1-10	\$46,825	\$60,775			
Markets 11-25	\$43,200	\$45,750			
Markets 26-50	\$27,625	\$30,575			
Markets 51-100	\$16,275	\$15,225			
Remaining Markets	\$4,850	\$5,000			
Construction Permits	\$4,850	\$5,000			
Satellite Television Stations (All Markets)	\$1,575	\$1,750			

#### Schedule C

### **Other Regulatory Fees of Interest to Broadcasters**

Fee Category	FY 2015	FY 2016 (proposed)
PLMRS (47 CFR part 90) (paid at time application for license is submitted)	\$30	\$25
Microwave (47 CFR part 101) (paid at time application for license is submitted)	\$20	\$25
Low Power TV, Class A TV, TV/FM Translators & Boosters	\$440	\$455
Earth Stations	\$310	\$345
Cable Television Systems (per subscriber)	\$0.96	\$1
Direct Broadcast Service (DBS) (per subscriber)	\$0.12	\$0.27