

SUPPORTING STATEMENT

A. Justification:

1. On July 13, 2004, the Commission adopted a *Notice of Proposed Rule Making (NPRM)*, Attribution of Joint Sales Agreements in Local Television Markets, in MB Docket No. 04-256, FCC 04-173, which proposed to consider whether to amend its attribution rules to attribute certain joint sales agreements (JSAs) between broadcast TV stations located in the same local market. There has been no action on this proposal since 2004. The NPRM proposes general reporting requirement that may be imposed on the public if the proposed rules are adopted as final rules.

A JSA is an agreement with a licensee of one broadcast station¹ that authorizes another licensee or “broker” to sell some or all of the advertising for the brokered station in return for a fee or percentage of revenues paid to that licensee. Because the broker normally assumes much of the market risk with respect to the station it brokers, radio JSAs generally give the broker authority to hire a sales force for the brokered station, set advertising prices, and make other decisions regarding the sale of advertising time, subject to the licensee’s preemptive right to reject the advertising.

The statutory authority for this collection of information is contained in Section 154 of the Communications Act of 1934, as amended.

2. The information collected by the reporting requirement, would be used by FCC staff to determine whether the applicants meet basic statutory requirements to become a Commission licensee/permittee and to assure that the public interest would be served by grant of the application. The proposed TV JSA filing requirements would help determine whether the applicant and/or filer are in compliance with the Commission’s multiple ownership rules.

3. If a TV JSA reporting requirement is adopted as part of the Commission’s final decision, provisions would be made for electronic filing.

4. This agency does not impose a similar information collection on the respondents. There are no similar data available.

5. In conformance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize the burden on all respondents. Therefore, the information collection will not impose a significant economic impact on a substantial number of small entities/businesses.

6. If the Commission ultimately decides to make commercial TV JSAs attributable for purposes of applying the FCC’s media ownership rules, a reporting requirement of some sort might be necessary to assure the continued accuracy and integrity of the Commission’s broadcast multiple ownership rules.

¹ A brokered station is a station whose licensee allows another licensee or broker to sell on its behalf the advertising time of that station.

Rules and Policies Concerning Attribution of Joint Sales Agreements in Local Television Markets, NPRM, MB Docket No. 04-256, FCC 04-173

7. This proposed collection of information is consistent with the guidelines in 5 CFR 1320.5(d)(2).
8. The Commission published a Notice (75 FR 11534) in the *Federal Register* on March 11, 2010. No comments were generated as a result of the Notice.
9. No payment or gift was provided to respondents.
10. There is no need for confidentiality with this collection of information.
11. This proposed action does not address any private matters of a sensitive nature.
12. The Commission estimates that there are approximately 1,392 commercial television stations in the United States and, at most, all might be asked to comply with any reporting requirement that might be adopted regarding television JSAs. Each reporting would likely take no more than 1 hour annually to complete and would most likely be performed by a member of the station staff. The Commission estimates that the station staff charged with completing this filing requirement would earn an annual salary of approximately \$200.00 an hour.

The Commission estimates the following public burden:

Total Number of Annual Respondents: 1,392 commercial TV stations

Total Number of Annual Responses: 1,392 filings

Total Annual Burden Hours:

1,392 commercial TV stations x 1 hour/proposed filing requirement each = **1,392 hours**

Total Annual "In House" Costs:

1,392 commercial TV stations x 1 hour/proposed filing requirement each x \$250 = **\$348,000**

13. Annual Burden Cost.

(a) Total annualized capital/startup costs: None

(b) Total annual costs (O&M): None

(c) Total annualized cost requested: None.

14. The Commission will use a paraprofessional staff at the GS-11, step 5 level (\$33.92/hour) to review any filings and it will take one (1) hour to review each filing.

Total Cost to the Federal Government:

1,392 filings annually x 1 hour/staff review x \$33.92 = **\$47,216.64**

15. There are no program changes to this information. However, these are adjustments to the

annual burden hours of +32 which are due to increases to the number of commercial TV stations (respondents) to this information collection.

16. The data will not be published.

17. If the Commission adopts new or revised PRA burdens, and if appropriate, OMB approval of the expiration date of the proposed information collection will be displayed at 47 CFR 0.408.

18. There are no exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods

The Commission believes at this time that this proposed information collection will not employ any statistical methods.