

SUPPORTING STATEMENT

A. Justification:

1. In 1997, the Commission imposed political broadcasting requirements on Satellite Digital Audio Broadcasting Service (“SDARS”) licensees. *See Establishment of Rules and Policies for the Digital Audio Radio Satellite Service in the 2310-2360 MHz Frequency Band*, 12 FCC Rcd 5754, 5792, para. 92 (1997) (“1997 SDARS Order”), FCC 97-70. The Commission stated that SDARS licensees should comply with the same substantive political debate provisions as broadcasters: the federal candidate access provision (47 U.S.C. Section 312(a)(7)) and the equal opportunities provision (47 U.S.C. Section 315). The 1997 SDARS Order imposes the following requirements on SDARS licensees:

Lowest unit charge: Similar to broadcasters, SDARS licensees must disclose any practices offered to commercial advertisers that enhance the value of advertising spots and different classes of time. SDARS licensees must also calculate the lowest unit charge¹ and are required to review their advertising records throughout the election period to determine whether compliance with this rule section requires that candidates receive rebates or credits. See 47 CFR Section 73.1942.

Political file: Similar to broadcasters, SDARS licensees must also keep and permit public inspection of a complete record (political file) of all requests for SDARS origination time made by or on behalf of candidates for public office, together with an appropriate notation showing the disposition made by the system of such requests, and the charges made, if any, if the request is granted. The disposition includes the schedule of time purchased, when the spots actually aired, the rates charged, and the classes of time purchased. Also, when free time is provided for use by or on behalf of candidates, a record of the free time provided is to be placed in the political file as soon as possible and maintained for a period of two years. *See* 47 CFR 73.1943.

The statutory authority which covers this information collection is contained in 47 USC 309(a) and 307(a) of the Communications Act of 1934, as amended.

This information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. The political broadcasting reporting, recordkeeping requirement, and third party disclosure requirements in this information collection will be used by the public to assess money expended and time allotted to a political candidate and by the Commission to ensure that equal access is afforded to other qualified candidates.

3. The use of information technology is not currently appropriate for the recordkeeping requirements and third party disclosure requirements adopted in the 1997 SDARS Order. However, the Commission is currently considering requiring the use of electronic technology in making information available to the public.

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

¹ The lowest unit charge is the rate the station charges its most favored commercial advertiser for the same class and amount of time during the same time period.

5. In conformance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize burdens on all respondents, regardless of size. There is currently one SDARS licensee which is not a small business as defined by the Small Business Administration.
6. If this information collection was not collected the Commission would have no way of assuring that the public has access to political broadcasting information relating to SDARS services. Equally important, the Commission would have no way of verifying whether SDARS licensees are complying with its political broadcasting requirements, possibly leading to favoritism in according political broadcast time.
7. Current data is consistent with 5 CFR § 1320.5.
8. The Commission published a Notice in the *Federal Register* on July 10, 2015 (80 FR 39773) seeking comments from the public on the information collection requirements contained in this collection. No comments were received from the public.
9. Respondents will not receive any payments associated with this collection.
10. Although the Commission does not believe that any confidential information will need to be disclosed in order to comply with the information collection requirements, applicants are free to request that materials or information submitted to the Commission be withheld from public inspection. (See 47 CFR § 0.459 of the Commission's Rules).

11. This information collection does not address any private matters of a sensitive nature.

12. The public burden is as follows:

Number of Annual Respondents: 1 SDARS licensee²

Number of Annual Responses: 1 response³

- a) **Lowest unit charge:** The Commission estimates approximately 10 hours to establish, define, and disclose classes of time for political candidates, conduct periodically a thorough review of advertising records, issue rebates or credits where appropriate, make available any good policies, and disclose information about selling methods.

1 SDARS licensee x 10 hours/task = **10 hours**

- b) **Political file:** The Commission estimates approximately 10 hours annually to establish and maintain political broadcasting files.

1 SDARS licensee x 10 hours of maintaining political files = **10 hours**

Total Annual Burden Hours: 10 + 10 = 20 hours

² This respondent makes up the majority of its universe of respondents. Therefore, OMB approval is needed for this collection.

³ Since the requirements are done in terms of tasks, it is difficult for the Commission to quantify the number of responses.

Annual “In-house” Cost: The Commission believes that all of the burdens will be carried out by management or sales staff of the SDARS licensee at approximately \$26 per hour:

20 hours x \$26/hour for staff time = **\$520 Total Annual “In House” Costs**

13. Annual Cost Burden:

- (a) Total annualized capital/startup costs: None
- (b) Total annual costs (O&M): None
- (c) Total annualized cost requested: None

14. There is no cost to the Federal Government.

15. This is a new collection which will add the following burdens to OMB’s inventory: 1 to the number of respondents, 1 to the annual responses, 20 to the annual burden hours.

There are no adjustments to this collection.

16. The data will not be published.

17. OMB approval of the expiration of the 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

This information collection does not employ any statistical methods.