

## SUPPORTING STATEMENT

### A. Justification:

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The information collection requirements covered by this Supporting Statement are codified in Section 73.1216 of the Commission's rules (the "Contest Rule"), 47 C.F.R. § 73.1216, which the Commission adopted on September 8, 1976, and released on September 16, 1976. See *Amendment of Part 73 of the Commission's Rules Relating to Licensee-Conducted Contests, Report and Order*, 60 F.C.C.2d 1072 (1976), FCC 76-854. The Commission adopted the Contest Rule prior to enactment of the Paperwork Reduction Act. Upon discovering that the Contest Rule lacked Office of Management and Budget (OMB) approval for its information collection requirements during the course of this rulemaking proceeding to amend them, the Commission obtained clearance from OMB on June 17, 2015, for the information collections contained within the Contest Rule, as required by 5 C.F.R. § 1320.14 (OMB Control Number 3060-1209). The Contest Rule's existing requirements for information collections are now duly authorized by OMB.

On September 17, 2015, by *Report and Order*, FCC 15-118, the Commission amended the Contest Rule to permit broadcasters to meet their obligation to disclose contest material terms *on an Internet website in lieu of making broadcast announcements*. The amendment was intended to bring the Contest Rule into alignment with the way that Americans currently obtain information: over the Internet. As set forth below, the Commission expects that the amendment to the Contest Rule for which the Commission now seeks OMB authorization will likely decrease the paperwork burden on licensees and the Federal government. The amendments preserve certain information collections that previously were authorized by OMB, such as the requirements (i) to announce on air the material contest terms fully and accurately the first time the audience is told how to enter or participate in a contest, and periodically thereafter (in cases where a licensee chooses to disclose material terms via broadcast announcements); and (ii) to conduct contests substantially as announced or advertised. These information collection requirements remain necessary to ensure that broadcast licensees conduct contests with due regard for the public interest.

The Commission adopted the requirements pursuant to its authority in Sections 1, 4, and 303 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154.

Complaints alleging violations of the Contest Rule generally are filed in the Commission's Consumer Complaint Portal entitled General Complaints, Obscenity or Indecency Complaints, Complaints under the Telephone Consumer Protection Act, Slamming Complaints, Requests for Dispute Assistance and Communications Accessibility Complaints which is approved under

OMB control number 3060-0874.

The Commission is now requesting a three year extension from the Office of Management and Budget (OMB) for this collection.

There are no impacts under the Privacy Impact Act.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The Contest Rule impose on broadcast licensees both third-party disclosure requirements and record keeping requirements. The information required to be disclosed is used by station viewers, listeners, and readers of the Internet website to learn about material contest terms and any changes made to such terms throughout the course of a contest. Such information allows the public to determine whether and how to participate in a station's contest, and informs them how the contest will be conducted. The Contest Rule defines "material terms" as "those factors which define the operation of [a] contest and which affect participation therein." See 47 C.F.R. § 73.1216, Note 1(b). Although material terms may vary depending on the contest, such terms generally include information about how to enter or participate; eligibility restrictions; entry deadline dates; rules of the contest; whether prizes can be won; when prizes can be won; the extent, nature and value of prizes; basis for valuation of prizes; health risks and/or hazards involved in contest participation; time and means of selection of winners; and/or tie-breaking procedures. See *id.* The disclosure requirements also allow the Commission to determine if the contest was conducted substantially as its material terms were announced or disclosed on the website, and to monitor a broadcast station's compliance with the Contest Rule.

The Contest Rule permits licensees to meet their disclosure obligation by posting a contest's material terms on a publicly accessible Internet website. This amendment will not change the purpose that the information is used for or who uses such information, but will simply make the information more accessible to consumers and provide broadcasters with increased flexibility.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision of adopting this means of collection. Also describe any consideration of using information technology to reduce the burden.**

The information collection requirements involve automated, electronic disclosure techniques. Because the Contest Rule now requires that material contest terms be disclosed either via broadcast announcements *or* an Internet website, compliance with the amended Contest Rule allows broadcasters to use automated, electronic means (*i.e.*, the Internet) of disclosure as a substitute, rather than supplement, to broadcast announcements. In particular, the *Report and Order* amends the Contest Rule to allow licensees to satisfy their disclosure obligation by posting material contest terms on the station's website, the licensee's website, or, if neither the individual station

nor the licensee has its own website, any Internet website that is readily accessible to the public. Based on the record, the Commission has determined that permitting disclosure in this manner brings the Contest Rule into alignment with the way that consumers obtain information in today's Internet-driven world.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

No other agency imposes similar information collection requirements on the respondents. Moreover, the amendment to the Contest Rule gives broadcasters an added option to disclose important contest information as a *substitute* for, rather than as a supplement to, broadcast announcements of the same information. Because this information collection functions as a substitute rather than an additional requirement to the previous requirements in the Contest Rule, it is not duplicative.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize the burden.**

The burdens associated with the alternative disclosure option contained in the amended Contest Rule will not likely have a significant economic impact on small broadcast stations. However, as with the prior version of the Contest Rule, small broadcast stations will still be able to seek waiver of these requirements pursuant to Section 1.3 of the Commission's Rules.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The third-party information collection obligation — disclosure of a contest's material terms — is only triggered when a station conducts a contest. If the information collections were not conducted or if they were conducted less frequently, the public would potentially not have access to important contest information. This could result in a wide range of negative outcomes, from innocuous misinformation to serious public harm. Additionally, if the information collections were not conducted, the Commission would have difficulty determining whether broadcast licensees violated the Contest Rule or whether they were conducting contests consistent with the public interest.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with the general information collection guidelines in 5 CFR 1320.5 (e.g. payment to respondents, disclosure of proprietary information, etc.):**

There are no special circumstances that would cause an information collection to be conducted in a manner inconsistent with the guidelines set forth in 5 CFR 1320.5.

**8. (a) If applicable, provide a copy and identify the date and page number of publication**

in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

(b) Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

(c) Consultation with representatives of those from whom information is to be obtained, or those who must compile records, should occur at least once every three years -- even if the collection of information activity is the same as in prior periods. There may be circumstances that mitigate against consultation in a specific situation. These circumstances should be explained.

The Commission published a notice in the Federal Register (83 FR 51951) on October 15, 2018, seeking comments from the public on information collection requirements contained in this collection. No comments were received from the public that specifically addressed the information collections.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

No payment or gift was provided to the respondents that is associated with this collection of information.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

The information collection requirements relate to information that are not of a confidential nature.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

This information collection does not raise any questions or issues of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden**

estimates. Consultation with a sample (fewer than 10) of potential respondents if desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.

Provide estimates of annualized costs to respondents for the hour burdens for collection of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying out-side parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.

**Burden Estimates under Contest Rule before R&O (requiring only on-air disclosures)**<sup>1</sup>

We report the following burdens to respondent stations, which are based on Commission staff's estimates of the amount of time and cost involved in: (i) disclosing material contest terms fully and accurately over the air; (ii) conducting contests substantially as announced or advertised; and (iii) broadcasting material terms the first time the audience is told how to enter or participate and periodically thereafter. These burdens are based on an assumption that about 50% of the total number of broadcasters (total = 21,736 and half of the respondents = 10,868) will continue to disclose material contest terms through on-air announcements.<sup>2</sup> These burdens are also based on an assumption that, on average, a broadcast station will comply with its disclosure obligation through 30-second announcements aired three times daily for any given contest. In addition, the burden estimates assume that it would take about one hour for respondent to develop a 30-second radio or television contest disclosure. Actual hour and cost burdens for individual stations will vary based on factors such as the nature and complexity of contest terms, frequency of announcements, and number and duration of contests.

**TABLE 1**

<b>Annual Hour Burden to Disclose Material Contest Terms Fully and Accurately</b>					
<b>Respondents</b>	<b>Number of Respondents/ Responses</b>	<b>Respondent's Hourly Burden</b>	<b>Annual Burden Hours</b>	<b>Hourly In-House Cost</b>	<b>Annual In-House Cost</b>
<b>Commercial Radio Stations</b>	<b>5,686</b>	<b>1 hour</b>	<b>5,686</b>	<b>\$33.52/hr</b>	<b>\$190,594.72</b>
<b>Noncommercial Educational Radio</b>	<b>2,064</b>	<b>1 hour</b>	<b>2,064</b>	<b>\$33.52/hr</b>	<b>\$69,185.28</b>

<sup>1</sup> The total number of broadcast stations grew from 20,732 in June, 2015, to 21,731 in June, 2018. The burden estimates noted here are updated to reflect the most recently released number of broadcast stations.

<sup>2</sup> Accordingly, we also assume that the other 50% of broadcasters will utilize the option for disclosing contest material terms via an Internet website permitted under the amended Contest Rule.

<b>Stations</b>					
<b>Low Power FM Stations</b>	<b>1,086</b>	<b>1 hour</b>	<b>1086</b>	<b>\$33.52/hr</b>	<b>\$36,402.72</b>
<b>Commercial TV Stations</b>	<b>689</b>	<b>1 hour</b>	<b>689</b>	<b>\$33.52/hr</b>	<b>\$23,095.28</b>
<b>Noncommercial Educational TV Stations</b>	<b>192</b>	<b>1 hour</b>	<b>192</b>	<b>\$33.52/hr</b>	<b>\$6,435.84</b>
<b>Class A TV Stations</b>	<b>195</b>	<b>1 hour</b>	<b>195</b>	<b>\$33.52/hr</b>	<b>\$6,536.40</b>
<b>LPTV Stations</b>	<b>956</b>	<b>1 hour</b>	<b>956</b>	<b>\$33.52/hr</b>	<b>\$32,045.12</b>
<b>TOTALS</b>	<b>10,868</b>		<b>10,868</b>		<b>\$364,295.36</b>

**TABLE 2**

<b>Annual Hour Burden to Conduct Contests Substantially as Announced or Advertised<sup>3</sup></b>					
<b>Respondents</b>	<b>Number of Respondents/ Responses</b>	<b>Respondent's Hourly Burden</b>	<b>Annual Burden Hours</b>	<b>Hourly In-House Cost</b>	<b>Annual In-House Cost</b>
<b>Commercial Radio Stations</b>	<b>5,686</b>	<b>.25 hour</b>	<b>1,422</b>	<b>\$33.52/hr<sup>4</sup></b>	<b>\$47,665.44</b>
<b>Noncommercial Educational Radio Stations</b>	<b>2,064</b>	<b>.25 hour</b>	<b>516</b>	<b>\$33.52/hr</b>	<b>\$17,296.32</b>
<b>Low Power FM Stations</b>	<b>1,086</b>	<b>.25 hour</b>	<b>272</b>	<b>\$33.52/hr</b>	<b>\$9,117.44</b>
<b>Commercial TV Stations</b>	<b>689</b>	<b>.25 hour</b>	<b>172</b>	<b>\$33.52/hr</b>	<b>\$5,765.44</b>
<b>Noncommercial Educational TV Stations</b>	<b>192</b>	<b>.25 hour</b>	<b>48</b>	<b>\$33.52/hr</b>	<b>\$1,608.96</b>
<b>Class A TV Stations</b>	<b>195</b>	<b>.25 hour</b>	<b>49</b>	<b>\$33.52/hr</b>	<b>\$1,642.48</b>
<b>LPTV Stations</b>	<b>956</b>	<b>.25 hour</b>	<b>239</b>	<b>\$33.52/hr</b>	<b>\$8,011.28</b>
<b>TOTALS</b>	<b>10,868</b>		<b>2,717</b>		<b>\$91,107.36</b>

<sup>3</sup> The Commission has interpreted this requirement to impose on stations an obligation to broadcast changes to material contest terms. Thus, these burdens reflect the estimated time to revise a contest announcement.

<sup>4</sup> This salary estimate represents the \$33.52 hourly rate paid to the station employee responsible for making the broadcast announcements of the Internet website address over the air. It remains the same as that used in the prior supporting statement submitted to OMB for authorization of the former Contest Rule.

**TABLE 3**

<b>Annual Hour Burden to Broadcast Material Contest Terms the First Time the Audience is Told How to Enter or Participate and Periodically Thereafter</b>					
<b>Respondents</b>	<b>Number of Respondents/ Responses</b>	<b>Respondent's Hourly Burden</b>	<b>Annual Burden Hours</b>	<b>Hourly In-House Cost</b>	<b>Annual In-House Cost</b>
<b>Commercial Radio Stations</b>	<b>5,686</b>	<b>9</b>	<b>51,174</b>	<b>\$33.52/hr</b>	<b>\$1,715,352.48</b>
<b>Noncommercial Educational Radio Stations</b>	<b>2,046</b>	<b>9</b>	<b>18,576</b>	<b>\$33.52/hr</b>	<b>\$622,667.52</b>
<b>Low Power FM Stations</b>	<b>1086</b>	<b>9</b>	<b>9,774</b>	<b>\$33.52/hr</b>	<b>\$327,624.48</b>
<b>Commercial TV Stations</b>	<b>689</b>	<b>9</b>	<b>6,201</b>	<b>\$33.52/hr</b>	<b>\$207,857.52</b>
<b>Noncommercial Educational TV Stations</b>	<b>192</b>	<b>9</b>	<b>1,728</b>	<b>\$33.52/hr</b>	<b>\$57,922.56</b>
<b>Class A TV Stations</b>	<b>195</b>	<b>9</b>	<b>1,755</b>	<b>\$33.52/hr</b>	<b>\$58,827.60</b>
<b>LPTV Stations</b>	<b>956</b>	<b>9</b>	<b>8,604</b>	<b>\$33.52/hr</b>	<b>\$288,406.08</b>
<b>TOTALS</b>	<b>10,868</b>		<b>97,812</b>		<b>\$3,278,658.24</b>

**Burden Totals for compliance with Contest Rule through On-Air Announcements**

**Total Number of Annual Respondents/Responses: 10,868**

**Total Annual Burden Hours: 10,868 + 2,717 + 97,812 = 111,397 hours**

**Total Annual In-house Cost: \$364,295.36 + \$91,107.36 + \$3,278,658.24 = \$3,734,060.96**

**Burden Estimates under Contest Rule after R&O (permitting disclosure via the Internet)**

We report the following information collections and associated burdens to respondent stations, which are based on Commission staff's estimates of the time and cost involved in disclosing material contest terms to the audience on a publicly accessible Internet website:

Information collections contained in the amended Contest Rule, Section 73.1216, are as follows:

- (i) Disclosure of material contest terms fully and accurately on a publicly accessible Internet website;
- (ii) Requiring broadcasters to announce the relevant Internet website address on air the first time the audience is told about the contest and periodically thereafter, with information sufficient for a consumer easily to find contest information online;

- (iii) Requiring broadcasters to establish a link or tab to material contest terms on the website’s home page;
- (iv) Requiring broadcasters to maintain contest material terms online for at least thirty days after the contest has ended;
- (v) Requiring broadcasters to announce on air that the material terms of a contest have changed (where that is the case) within 24 hours of the change in terms on a website, and periodically thereafter, and to direct consumers to the website to review the changes;
- (vi) Requiring broadcasters to ensure that any material terms disclosed on an Internet website conform in all substantive respects to those mentioned over the air (*i.e.*, conducting contests over the air substantially as disclosed on an Internet website).

The burdens associated with the information collections noted above are based on an assumption that, on average, a broadcast station will exercise the new Internet-based option of complying with the Contest Rule’s disclosure obligation as a substitute for on-air announcements of contest material terms *50% of the time*, by announcing the relevant Internet website address in 10-second announcements, aired three times daily for any given contest, and posting the contest material terms online 1.25<sup>5</sup> times total for any given contest. In addition, the burden estimates assume that it would take about 1 hour for a respondent station to create a webpage, publicly accessible via its designated Internet website, containing the required contest material terms. The actual hour and cost burdens for individual stations will presumably vary based on factors such as the nature and complexity of contest terms, frequency of the announcements, and the number and duration of contests.

The estimated burden caused by the amendment to the Contest Rule reflects the difference between the (formerly exclusive) manner of disclosing contest material terms, *i.e.*, on air announcements, and the updated means of disclosure, *i.e.*, an Internet website. As shown below, the total burden produced by the Commission’s amendment to Section 73.1216 is expected to decrease.

**TABLE 4**

<b>Annual Hour Burden to Announce the Relevant Internet Website Address the First time the Audience is told about the Contest and Periodically Thereafter</b>					
<b>Respondents</b>	<b>Number of Respondents/ Responses</b>	<b>Respondent’s Hourly Burden</b>	<b>Annual Burden Hours</b>	<b>Hourly In-House Cost</b>	<b>Annual In-House Cost</b>
<b>Commercial</b>	<b>5,686</b>	<b>0.25 hours<sup>6</sup></b>	<b>1,422</b>	<b>\$33.52/hr<sup>7</sup></b>	<b>\$47,665.44</b>

<sup>5</sup> This figure includes an estimate of the times where the material terms of a contest posted on an Internet website are changed after the contest has been announced. We expect that in the majority of cases (roughly 75% of the time) the material terms of a contest will not change. However, this figure accounts for those times in which a contest’s material terms do change and, thus, a broadcaster would update the terms posted on the website.

<sup>6</sup> This represents an estimate of the relatively limited amount of time (as compared to the former requirement under the Contest Rule that broadcasters announce all of the material terms of contests over the air) that it would take an announcer to broadcast the website address where the material contest terms are located.



<b>Radio Stations</b>					
<b>Noncommercial FM Educational Radio Stations</b>	<b>2,064</b>	<b>0.25 hours</b>	<b>516</b>	<b>\$33.52/hr</b>	<b>\$17,296.32</b>
<b>Low Power FM Stations</b>	<b>1086</b>	<b>0.25 hours</b>	<b>272</b>	<b>\$33.52/hr</b>	<b>\$9,117.44</b>
<b>Commercial TV Stations</b>	<b>689</b>	<b>0.25 hours</b>	<b>172</b>	<b>\$33.52/hr</b>	<b>\$5,765.44</b>
<b>Noncommercial Educational TV Stations</b>	<b>192</b>	<b>0.25 hours</b>	<b>48</b>	<b>\$33.52/hr</b>	<b>\$1,608.96</b>
<b>Class A TV Stations</b>	<b>195</b>	<b>0.25 hours</b>	<b>49</b>	<b>\$33.52/hr</b>	<b>\$1,642.48</b>
<b>LPTV Stations</b>	<b>956</b>	<b>0.25 hours</b>	<b>239</b>	<b>\$33.52/hr</b>	<b>\$8,011.28</b>
<b>TOTALS</b>	<b>10,868</b>		<b>2,717</b>		<b>\$91,073.84</b>

**TABLE 5**

<b>Annual Hour Burden to Establish a Link or Tab to Material Contest Terms on the Website's Home Page and to Disclose Material Terms Fully and Accurately on the Internet Website<sup>8</sup> *</b>					
<b>Respondents</b>	<b>Number of Respondents/ Responses</b>	<b>Respondent's Hourly Burden</b>	<b>Annual Burden Hours</b>	<b>Hourly In-House Cost</b>	<b>Annual In-House Cost</b>
<b>Commercial Radio Stations</b>	<b>5,686</b>	<b>1.25 hours</b>	<b>7,108</b>	<b>\$40.00/hr<sup>9</sup></b>	<b>\$284,300.00</b>
<b>Noncommercial FM Educational Radio Stations</b>	<b>2,064</b>	<b>1.25 hours</b>	<b>2,580</b>	<b>\$40.00/hr</b>	<b>\$103,200.00</b>
<b>Low Power FM Stations</b>	<b>1,086</b>	<b>1.25 hours</b>	<b>1,358</b>	<b>\$40.00/hr</b>	<b>\$54,320.00</b>
<b>Commercial TV Stations</b>	<b>689</b>	<b>1.25 hours</b>	<b>861</b>	<b>\$40.00/hr</b>	<b>\$34,400.00</b>

<sup>7</sup> This salary estimate represents the \$33.52 hourly rate paid to the station employee responsible for making the broadcast announcements of the Internet website address over the air. It remains the same as that used in the prior supporting statement submitted to OMB for authorization of the former Contest Rule.

<sup>8</sup> While some TV and radio broadcasters conduct several contests and others do not conduct any, for the purposes of this burden estimate, we assume that all broadcasters conduct one contest per year.

\* We note that this burden estimate also encapsulates the amended Contest Rule's separate requirement that broadcasters maintain material contest terms online for at least thirty days after the contest ends (record keeping requirement).

<sup>9</sup> \$40/hr represents the current average rate for an in-house web design employee according to the Bureau of Labor Statistics.

<b>Noncommercial Educational TV Stations</b>	<b>192</b>	<b>1.25 hours</b>	<b>240</b>	<b>\$40.00/hr</b>	<b>\$9,600.00</b>
<b>Class A TV Stations</b>	<b>195</b>	<b>1.25 hours</b>	<b>244</b>	<b>\$40.00/hr</b>	<b>\$9,760.00</b>
<b>LPTV Stations</b>	<b>956</b>	<b>1.25 hours</b>	<b>1,195</b>	<b>\$40.00/hr</b>	<b>\$47,800.00</b>
<b>TOTALS</b>	<b>10,868</b>		<b>13,586</b>		<b>\$543,380.00</b>

**TABLE 6**

<b>Annual Hour Burden to Announce to Audience On Air if the Material Terms of a Contest have Changed Since First Announced within 24-hours of the Change, and Directing them to an Internet Website to Review the Changes<sup>10</sup></b>					
<b>Respondents</b>	<b>Number of Respondents/ Responses</b>	<b>Respondent's Hourly Burden</b>	<b>Annual Burden Hours</b>	<b>Hourly In-House Cost</b>	<b>Annual In-House Cost</b>
<b>Commercial</b>	<b>5,686</b>	<b>0.1 hours<sup>11</sup></b>	<b>569</b>	<b>\$33.52/hr<sup>12</sup></b>	<b>\$19,072.88</b>

<sup>10</sup> This third-party disclosure obligation is only triggered when broadcasters opt to meet the Contest Rule's disclosure obligation via the Internet. The Commission does not expect broadcasters to routinely change the material terms of their contests. Therefore, for the purpose of this burden calculation, we estimate that one-tenth of broadcasters will change the material terms of the contests they conduct, and, thus, trigger this disclosure requirement.

<sup>11</sup> This figure represents an estimate of the time it will take an announcer to broadcast changes to contest material terms, adjusting for the relatively small percentage of the time that contest material terms do change. As noted *supra*, we expect that in the majority of cases the material terms of a contest will not change. However, this figure accounts for those times in which a contest's material terms do change and, thus, a broadcaster would again announce on-air that the material terms have changed and direct the audience to the website to review such changes.

<sup>12</sup> This salary estimate represents the \$33.52 hourly rate paid to the station employee responsible for making the broadcast announcements to audience on air if the material terms of a contest have changed since first announced within 24-hours of the change, and directing them to an Internet website to review the changes.

<b>Radio Stations</b>					
<b>Noncommercial Educational Radio Stations</b>	2,064	0.1 hours	206	\$33.52/hr	\$6,905.12
<b>Low Power FM Stations</b>	1,086	0.1 hours	109	\$33.52/hr	\$3,653.68
<b>Commercial TV Stations</b>	689	0.1 hours	69	\$33.52/hr	\$2,312.88
<b>Noncommercial Educational TV Stations</b>	192	0.1 hours	19	\$33.52/hr	\$636.88
<b>Class A TV Stations</b>	195	0.1 hours	20	\$33.52/hr	\$670.40
<b>LPTV Stations</b>	956	0.1 hours	96	\$33.52/hr	\$3,217.92
<b>TOTALS</b>	<b>10,868</b>		<b>1,088</b>		<b>\$36,469.76</b>

**Burden Totals for compliance with Contest Rule through Internet Website**

**Total Number of Annual Respondents/Responses: 10,868**

**Total Annual Burden Hours: 2,717 + 13,586 + 1,088 = 17,391 hours**

**Total Annual In-house Cost: \$91,073.84 + \$543,380 + \$36,469.76 = \$670,923.60**

**Cumulative Burden Totals for compliance with Contest Rule, as Amended**

**Total Number of Respondents/Responses: 10,868 + 10,868 = 21,736**

**Total Annual Hours Burden Totals: 111,397 (on-air announcements) + 17,391 (Internet) = 128,788 hours**

**Total Annual In-house Cost Burden Totals: \$3,734,060.96 (on-air announcements) + \$670,923.60 (Internet) = \$4,404,984.56**

**13. Provide an estimate of total annual cost burden to respondents or record-keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

**The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and**

technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.

**(a) Total capital and start up costs:**

We expect that the amended Contest Rule will impose no startup costs on broadcast licensees. The record indicates that most broadcasters already have Internet Websites. Moreover, because the amendment to the Contest Rule makes available an option to disclose material contest rules via the Internet, but does not require that broadcasters do so, broadcasters that do not already have an Internet website need not develop or acquire a website to comply with the rule.

**(b) Total operation and maintenance and purchase of services component:**

The amendment to the Contest Rule places no additional external cost for broadcasters that they did not already have. In the original burden analysis under this section, the Commission estimated that a broadcaster would use an outside attorney for one hour, at \$300 per hour, per contest, to comply with the Contest Rule’s requirement to disclose material contest terms fully and accurately. That estimate was based on the broadcaster’s retaining an attorney’s services for the review of its material terms. The update to the Contest Rule does not change this calculation. We provide a table with the same calculation below, updated to reflect the most recently released broadcast station numbers from June, 2015. See below:

**TABLE 7**

<b>Annual Hour Burden to Disclose Material Contest Terms Fully and Accurately<sup>13</sup></b>			
<b>Respondents</b>	<b>Total Number of Respondents/ Responses</b>	<b>Consultation Costs Per Hour</b>	<b>Consultation Costs</b>
<b>Commercial Radio Stations</b>	<b>11,372</b>	<b>1 hr x \$300/hr = \$300</b>	<b>\$3,411,600</b>
<b>Noncommercial Educational Radio Stations</b>	<b>4,128</b>	<b>1 hr x \$300/hr = \$300</b>	<b>\$1,238,400</b>
<b>Low Power FM Stations</b>	<b>2,172</b>	<b>1 hr x \$300/hr = \$300</b>	<b>\$651,600</b>
<b>Commercial TV Stations</b>	<b>1,378</b>	<b>1 hr x \$300/hr = \$300</b>	<b>\$413,400</b>
<b>Noncommercial Educational TV Stations</b>	<b>384</b>	<b>1 hr x \$300/hr = \$300</b>	<b>\$115,200.00</b>

<sup>13</sup> The Commission has estimated the hour burden for this requirement based on an assumption that a station would use an outside attorney for one hour, at \$300 per hour.

<b>Class A TV Stations</b>	<b>390</b>	<b>1 hr x \$300/hr = \$300</b>	<b>\$117,000.00</b>
<b>LPTV Stations</b>	<b>1,912</b>	<b>1 hr x \$300/hr = \$300</b>	<b>\$573,600.00</b>
<b>TOTALS</b>	<b>21,736</b>		<b>\$6,520,800.00</b>

**14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

The Commission anticipates that the annualized cost to the Federal government will decrease as a result of the Contest Rule amendment. The Commission anticipates that where broadcasters avail themselves of the flexibility provided by the amendment to the Contest Rule, it will allow reviewing attorneys to determine whether there has been a violation of the Contest Rule more expeditiously, thus, lowering the total cost to the Federal government.<sup>14</sup>

Two (2) GS-15/Step 5 Attorneys

$\$73.20 \times 2 \text{ attorneys} \times 1.75 \text{ hours per complaint}^{15} = \$256.20 \times 37 \text{ complaints} = \underline{\$9,479.40}$

Two (2) GS-12/Step 5 Industry Analysts

$\$44.28 \times 2 \text{ analysts} \times .5 \text{ hours per complaint}^{16} = \$44.28 \times 37 \text{ complaints} = \underline{\$1,638.36}$

**Total Cost to the Federal Government:**  $\$9,479.40 + \$1,638.36 = \underline{\$11,117.76}$

**15. Explain reasons for any program changes or adjustments reported in Items 12 and 13.**

There are no program changes to this information collection. There are adjustments to the collection which are due to the Commission making adjustments to the previously approved figures of this collection. They are as follows: +1,004 to the number of respondents, +1,004 to the annual number of responses, +5,934 to the annual burden hours and +\$301,500 to the annual cost.

**16. For collection of information whose results are planned to be published for statistical**

<sup>14</sup> We base this assumption on the improved access to the contest material terms that reviewing attorneys will have as a result of this Rule change. This evidence is critical to determining whether broadcasters have violated the Contest Rule.

<sup>15</sup> The Commission anticipates that the burden for Federal government attorneys will consist of responding to and processing complaints for violations of the Contest Rule.

<sup>16</sup> The Commission anticipates that the burden for Federal government industry analysts will consist of the intake and referral of complaints for violations of the Contest Rule.

**use, outline plans for tabulation, statistical analysis, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

The Commission does not intend to publish the results of these collections of information.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The Commission is not seeking approval not to display the expiration date for OMB approval of these collections of information.

**18. Explain each exception to the certification statement.**

There are no exceptions to the certification statement.

**Part B. Collections of Information Employing Statistical Methods.**

The Commission does not anticipate that the information collection will employ any statistical methods.