

## SUPPORTING STATEMENT

## A. Justification

1. Section 73.1212(j)(1) of the Federal Communications Commission's (Commission) rules, 47 CFR § 73.1212(j)(1), requires radio and television broadcast stations to disclose to their audiences, at the time of broadcast, when material aired pursuant to the lease of time on the station has been sponsored, paid for, or furnished by a foreign governmental entity. Pursuant to section 73.1212(k) of the Commission's rules, 47 CFR § 73.1212(k), corresponding obligations apply to programming transmitted from a U.S. studio to a broadcast station in a foreign country that is then broadcast back into the United States pursuant to a section 325(c) permit.

Under section 73.1212(j)(3) of the Commission's rules, 47 CFR § 73.1212(j)(3), at the time of entering into or renewing a lease agreement, licensees of broadcast stations are required to exercise reasonable diligence to ascertain whether the foreign sponsorship disclosure requirements of section 73.1212(j)(1) apply (unless an exception applies allowing a reasonable diligence showing to be made only once a year). Similar reasonable diligence requirements apply to section 325(c) permit holders. 47 CFR § 73.1212(k). To ensure that licensees/stations<sup>1</sup> are complying with their reasonable diligence and disclosure obligations, the foreign sponsorship identification rules require them to memorialize their required inquiries of lessees and to maintain records of their programming disclosures and their reasonable diligence efforts. 47 CFR § 73.1212(j)(3)(iv) and (v); 47 CFR § 73.1212(k).

The Commission's authority to impose these regulations stems from section 317 of the Communications Act, 47 U.S.C. § 317, which requires broadcast licensees to inform their audiences when the station has been paid to air a particular program, in furtherance of the longstanding broadcasting tenet that the public has a right to know the identity of those that solicit its support.

This submission is being made to the Office of Management and Budget (OMB) for approval of the modified information collection requirements resulting from rule revisions to § 73.1212(j) and (k) that the Commission adopted on May 31, 2024 in a *Second Report and Order*.<sup>2</sup> In accordance with the Paperwork Reduction Act (PRA), the Commission requests a three-year PRA approval of these modified information collection requirements.

**History and Unchanged Information Collection Requirements:**

a. Sponsorship Identification Generally. Section 317 of the Communications Act and the Commission's implementing regulations under § 73.1212 have long required broadcast licensees to inform their audiences when programming is being aired in exchange for payment or compensation to the station. With the exception of the foreign sponsorship identification requirements discussed below, these requirements are unchanged by the Commission's adoption of the *Second Report and Order*.

**47 CFR 73.1212** requires a broadcast station to identify at the time of broadcast the sponsor of any matter for which consideration is provided. For advertising commercial products or services,

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<sup>1</sup> Except where otherwise specified, the discussion in this supporting statement of licensee/station obligations includes the corresponding obligations on holders of permits issued under section 325(c) of the Communications Act.

<sup>2</sup> *Sponsorship Identification Requirements for Foreign Government-Provided Programming*, MB Docket No. 20-299, Second Report and Order, FCC 24-61 (adopted May 31, 2024) (*Second Report and Order*).

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generally the mention of the name of the product or service constitutes sponsorship identification. In the case of television political advertisements concerning candidates for public office, the sponsor shall be identified with letters equal to or greater than four (4) percent of the vertical height of the television screen that airs for no less than four (4) seconds. Sponsorship announcements are waived with respect to the broadcast of "want ads"<sup>3</sup> sponsored by an individual but the licensee shall maintain a list showing the name, address and telephone number of each such advertiser. These lists shall be made available for public inspection.

**47 CFR 73.1212(e)** states that, when an entity rather than an individual sponsors the broadcast of matter that is of a political or controversial nature, the licensee is required to retain a list of the executive officers, or board of directors, or executive committee, etc., of the organization paying for such matter in its public file. Pursuant to 47 CFR 73.1212(e) and 47 CFR 73.3526(e)(19), this list, which could contain personally identifiable information, would be located in a public inspection file to be located on the Commission's website instead of being maintained in the public file at the station. Burden estimates for this are included in OMB Control Number 3060-0214.

**47 CFR 76.1615** states that, when a cable operator engaged in origination cablecasting<sup>4</sup> presents any matter for which money, service or other valuable consideration is provided to such cable television system operator, the cable television system operator, at the time of the telecast, shall identify the sponsor. Under this rule section, when advertising commercial products or services, an announcement stating the sponsor's corporate or trade name, or the name of the sponsor's product is sufficient when it is clear that the mention of the name of the product constitutes a sponsorship identification. In the case of television political advertisements concerning candidates for public office, the sponsor shall be identified with letters equal to or greater than four (4) percent of the vertical height of the television screen that airs for no less than four (4) seconds.

**47 CFR 76.1715** states that, with respect to sponsorship announcements that are waived when the broadcast/origination cablecast of "want ads" is sponsored by an individual, the licensee/operator shall maintain a list showing the name, address and telephone number of each such advertiser. These lists shall be made available for public inspection.

b. Foreign Sponsorship Identification. While section 310(a) of the Communications Act prohibits foreign governments and their representatives from holding a broadcast license, there is no limitation on their ability to enter into a contract with the licensee of a station to air programming of their choosing, or even to lease the entire capacity of a radio or television station. On April 22, 2021, the Commission adopted *Sponsorship Identification Requirements for Foreign Government-Provided Programming*, Report and Order, 36 FCC Rcd 7702 (2021) (*First Report and Order*), in order to update its existing sponsorship identification requirements to address the issue of undisclosed foreign government-provided programming. In the *First Report and Order*, the Commission amended the then-existing sponsorship identification rules by adding a requirement that stations disclose the identity of any foreign governmental entities that lease time on them in order to inform audiences about the source of any such programming so that they may be more informed and savvy consumers of the material.

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<sup>3</sup> Want ads are classified advertisements.

<sup>4</sup> Origination cablecasting is "[p]rogramming (exclusive of broadcast signals) carried on a cable television system over one or more channels and subject to the exclusive control of the cable operator." 47 CFR § 76.5(p).

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The *First Report and Order* applied the foreign sponsorship identification rules to two circumstances. First, a prescribed disclosure is required when a foreign governmental entity has sponsored, paid for, or furnished programming that is aired on a radio or television station pursuant to a lease agreement. Second, if a foreign governmental entity provides the programming for free, or for nominal compensation, as an inducement to air the programming, the prescribed disclosure is required if the programming is political or involves discussion of a controversial issue. The rules specify, among other things, what a disclosure must state, and they require stations to place the details of a disclosure in their online public inspection file on a quarterly basis.<sup>5</sup>

Section 317(c) of the Act also requires licensees to exercise “reasonable diligence to obtain,” from their employees and persons with whom they deal directly, information to enable the licensees to make the required sponsorship identification announcement. To satisfy this reasonable diligence standard with regard to foreign sponsorship identification, the rules adopted in the *First Report and Order* required a licensee to take each of the following actions, both when entering into a new lease agreement and when renewing a lease agreement:

- (1) Inform the lessee of the foreign sponsorship disclosure requirement.
- (2) Ask the lessee whether it falls into any of the categories that would qualify it as a “foreign governmental entity.”
- (3) Ask the lessee whether it knows if any individual/entity further back in the chain of producing/distributing the programming to be aired qualifies as a foreign governmental entity and has provided some type of inducement to air the programming.
- (4) Memorialize the above-listed inquiries and retain such memorialization in its records for the remainder of the license term or for one year, whichever is longer.

In addition to these four reasonable diligence requirements, the *First Report and Order* promulgated rule sections 73.1212(j)(3)(iv) and 73.1212(k), requiring licensees to inquire about the lessee’s status, at the time of entering into a lease agreement and at renewal, by consulting the Department of Justice’s (DOJ) Foreign Agent Registration Act (FARA) website and the

<sup>5</sup> 47 CFR § 73.1212(j)(1), (7). Pursuant to section 73.1212(j)(2), the term “foreign governmental entity” “shall include governments of foreign countries, foreign political parties, agents of foreign principals, and United States-based foreign media outlets.” 47 CFR § 73.1212(j)(2). Subsections 73.1212(j)(2)(i)-(iv) provide that:

- (i) The term “government of a foreign country” has the meaning given such term in the Foreign Agents Registration Act of 1938 (FARA) (22 U.S.C. § 611(e));
- (ii) The term “foreign political party” has the meaning given such term in the FARA (22 U.S.C. § 611(f));
- (iii) The term “agent of a foreign principal” has the meaning given such term in the FARA (22 U.S.C. § 611(c)), and who is registered as such with the Department of Justice, and whose “foreign principal” is a “government of a foreign country,” a “foreign political party,” or directly or indirectly operated, supervised, directed, owned, controlled, financed, or subsidized by a “government of a foreign country” or a “foreign political party” as defined in subsection 73.1212(j)(i) and (ii), and that is acting in its capacity as an agent of such “foreign principal;” and
- (iv) The term “United States-based foreign media outlet” has the meaning given such term in section 722(a) of the Communications Act of 1934 (47 U.S.C. § 624(a)).

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Commission's semi-annual U.S.-based foreign media outlets reports. 47 CFR § 73.1212(j)(3)(iv); 47 CFR § 73.1212(k). On July 12, 2022, the Court of Appeals for the D.C. Circuit vacated the requirements in section 73.1212(j)(3)(iv) and 73.1212(k) that required licensees to independently confirm the lessee's status by consulting the DOJ's FARA website and the Commission's semi-annual U.S.-based foreign media outlet database, but otherwise left in place the reasonable diligence requirements in rule sections 73.1212(j)(3) and 73.1212(k).<sup>6</sup>

**Revised Information Collection Requirements:**

The Commission adopted the *Second Report and Order* on May 31, 2024, FCC 24-61, which revised rule sections 73.1212(j)(3)(iv) and (v), and 73.1212(k) to address the gap left by the D.C. Circuit's vacatur and clarified the applicability of the foreign sponsorship identification rules to different types of advertisements.

a. Inquiry requirements. The Commission's rule modifications in the *Second Report and Order* created revised information collection requirements that replace the information collection requirements previously imposed by the requirement in section 73.1212(j)(3)(iv). Specifically, the Commission adopted a new approach that provides licensees with two options for demonstrating that they have met their duty of inquiry in seeking to obtain the information needed to determine whether the programming provided by a lessee is sponsored by a foreign governmental entity. The Commission designed this approach to provide licensees with as much flexibility as possible and to minimize their paperwork costs and burdens while still ensuring compliance with the statutory reasonable diligence requirement. For example, although licensees must choose one of the two options, they need not choose the same option for each lease or renewal agreement, even when the same lessee is involved.

*Certification Option:* One option available to licensees is the use of certifications, where both the licensee and the lessee complete a certification reflecting the communications and inquiries required under the existing rules. Licensees and lessees have the option either to use sample certification language set forth in simple, one-page, "check-box" templates appended to the *Second Report and Order* or to use language of the parties' own choosing. The Commission anticipates that most licensee and lessee employees will be able to complete the forms quickly and readily, based upon their existing knowledge and understanding. Specifically, a lessee should already know if it is a government of a foreign country or a foreign political party and therefore qualifies as a "foreign governmental entity" under the rules. Likewise, the lessee should already know if it qualifies because it is a registered FARA agent, or is listed as a U.S.-based foreign media outlet on the Commission's website, because these registrations/listings are self-reported. With regard to those further back in the chain of producing and/or distributing the programming, the lessee is being asked only about its actual knowledge at the time it signs the certification. It is highly unlikely that either the licensee or the lessee would have to engage in any type of research to respond to the queries contained in the certifications. Notably, these are the same inquiries the Commission adopted in the *First Report and Order*, only formatted now as certifications.

If licensees and lessees prefer not to use the Commission's templates, they may use their own certification language, provided that language addresses the points listed in § 73.1212(j)(3)(i) through (iii) of the rules, which were adopted in the *First Report and Order*. The

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<sup>6</sup> *Nat'l Ass'n of Broadcasters v. FCC*, 39 F.4th 817 (D.C. Cir. 2022).

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Commission granted this flexibility to alleviate or minimize costs for licensees that already had developed their own certifications based on the existing foreign sponsorship identification rules. Specifically, a licensee's certification should confirm that the licensee:

- (1) informed the lessee of the foreign sponsorship disclosure requirement;
- (2) asked the lessee whether it falls into any of the categories that would qualify it as a "foreign governmental entity;"
- (3) asked the lessee whether it knows if any individual/entity further back in the chain of producing and/or distributing the programming to be aired qualifies as a foreign governmental entity and has provided some type of inducement to air the programming;
- (4) sought a written certification in response from the lessee; and
- (5) obtained the necessary information for a disclosure if one is required.

A lessee's certification should convey the information needed to determine whether a disclosure is required and the information needed for a broadcast disclosure if one is required.

Regardless of whether the Commission's templates or a licensee's and lessee's own certifications are used, both the licensee's and lessee's certifications must be dated and signed by an employee or other representative of the entity who can attest to the fact that these actions were taken. Because these certification requirements encapsulate the extant information and inquiry requirements adopted in the *First Report and Order*, it is unlikely that any preexisting certification language that licensees have employed will require much revision, if any.

*Screenshot Option.* As an alternative to the certification option, licensees may choose to ask their lessees for screenshots of lessees' search results of two federal government websites. This option differs from the requirement that the D.C. Circuit vacated in that the lessee conducts the searches instead of the licensee. Hence, instead of asking the lessee to provide a responsive certification regarding its status, a licensee exercising this option would ask, consistent with current foreign sponsorship identification rules, whether the lessee is a registered FARA agent or is listed in the Commission's U.S.-based foreign media outlet report. If the lessee responds "no," the licensee would then ask the lessee to provide screenshots showing the results of lessee's searches of both of these websites. Licensees choosing this option must still comply with all other aspects of the current rules, as they have been required to do since the compliance date of the *First Report and Order*. Moreover, consistent with the *First Report and Order*, licensees are encouraged to include in their lease agreements a requirement for lessees to provide notice of any change in status so as to trigger the need for a foreign sponsorship disclosure.

The Commission stated in the *Second Report and Order* that FARA searches are simple name searches, initiated by merely entering a name in a search box. Moreover, lessees are looking for their *own names*. A lessee is not doing a FARA database search to *learn* whether it is registered, which might necessitate experimenting with different iterations of its name. A lessee, or someone within lessee's organization, would know whether it is a FARA registrant, or U.S.-based foreign media outlet. As such, the lessee will only be providing screenshots if, in response to licensee's queries, the lessee states that it is neither a FARA agent nor a U.S.-based foreign media outlet. In short, the name search only entails confirming that the lessee's status is neither a FARA registrant nor a U.S.-based foreign media outlet. Similarly, the Commission's website lists the names of all the entities that have reported as U.S.-based foreign media outlets, and all

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that is required is a screenshot of this list to show whether the lessee's name appears on the list at the time of the licensee's required inquiries. No searches or copying of multiple Commission reports are required.

In response to broadcaster concerns about frequently having to repeat the certification/screenshot process for short term leases, the Commission concluded that, where a licensee and the same lessee enter into recurring leases for the same programming over a one year period, the licensee need only exercise its reasonable diligence obligations, including the certification or screenshot process, once per year. This accommodation addresses concerns raised about the burdens associated with the production of multiple certifications/screenshots over a limited period of time when the lease concerns both the same lessee and the same programming.

b. Clarification of applicability of foreign sponsorship identification rules to advertisements. In addition to revising the reasonable diligence requirements, the *Second Report and Order* clarified that the Commission's foreign sponsorship identification rules do not apply to sales of advertising time for commercial goods and services to the extent such programming falls within the exemption contained in section 73.1212(f) of the general sponsorship identification rules. It stated that the foreign sponsorship identification rules in 73.1212(j) also will not apply to political candidate advertisements but will apply to issue advertisements and paid public service announcements. It confirmed that the rule changes in the *Second Report and Order* do not alter the finding in the *First Report and Order* that noncommercial and educational broadcast stations are not likely to fall within the ambit of the foreign sponsorship identification rules. It did not exempt from the rules religious programming or locally produced and/or distributed programming. With respect to the rule changes adopted in the *Second Report and Order*, lease agreements already in effect at the time of the required compliance date were grandfathered and the parties to such leases will not need to comply with the newly-adopted modifications until they either renew a lease or enter into a new lease. The *Second Report and Order* also clarified the obligations of section 325(c) permittees under the foreign sponsorship identification rules.

c. Revised rule text. To effectuate the changes discussed above, and as pertinent to this Information Collection, the Commission is revising, as indicated with underlining, the relevant rule section, 47 CFR § 73.1212(j)(3), to read as follows:

(3) The licensee of each broadcast station shall exercise reasonable diligence to ascertain whether the foreign sponsorship disclosure requirements in paragraph (j)(1) of this section apply at the time of the lease agreement and at any renewal thereof, or apply within a one-year period if the lessee and the programming remain unchanged, including:

In addition, the Commission is revising 47 CFR § 73.1212(j)(3)(iv) and (v) as follows:

(iv) Memorializing that the licensee has complied with the requirements in paragraphs (j)(3)(i) through (iii) of this section and has sought to obtain a response from the lessee with the information needed to determine if a disclosure is necessary, and if one is necessary, the information needed to make the disclosure, either:

(A) by executing a written certification attesting to the licensee's compliance and

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by seeking a written certification from the lessee; or

- (B) by complying with the information requirement contained in paragraph (j)(3)(i) of this section and by asking the lessee to provide screenshots of its searches of the Department of Justice's FARA website and the Commission's semi-annual U.S.-based foreign media outlets reports, in the event that lessee has stated it is neither a FARA agent nor a U.S.-based foreign media outlet, and asking lessee to provide other information needed to make such a determination (i.e., asking lessee whether it falls into the categories listed in paragraphs (j)(2)(i) and (j)(2)(ii) of this section that are not covered by the request for screenshots), and by making a record of the licensee's compliance efforts; and

- (v) Retaining the documentation in the licensee's records for the remainder of the then-current license term or one year, whichever is longer, so as to respond to any future Commission inquiry.

Further, the Commission is revising, effective 30 days after publication in the Federal Register, 47 CFR § 73.1212 by adding paragraph (j)(8) and by revising paragraph (k) to read as follows:

- (8) The requirements contained in paragraph (j) of this section shall not apply to "uses" of broadcast stations by legally qualified candidates pursuant to 47 U.S.C. § 315.

- (k) Where any material delivered to foreign broadcast stations under an authorization pursuant to section 325(c) of the Communications Act (47 U.S.C. § 325(c)) has been sponsored by a foreign governmental entity; paid for by a foreign governmental entity; furnished for free by a foreign governmental entity to the section 325(c) permit holder as an inducement to air the material on the foreign station; or provided by the section 325(c) permit holder to the foreign station where the section 325(c) permit holder is a foreign governmental entity, the material must include, at the time of broadcast, the following disclosure, in conformance with the terms of paragraphs (j) (4) through (6): "The [following/preceding] programming was [sponsored, paid for, or furnished], either in whole or in part, by [name of foreign governmental entity] on behalf of [name of foreign country]." A section 325(c) permit holder shall ensure that the foreign station will broadcast the disclosures along with the material and shall place copies of the disclosures required along with the name of the program to which the disclosures were appended in the International Communications Electronic Filing System (ICFS) under the relevant ICFS section 325(c) permit file. The filing must state the date and time the program aired. In the case of repeat airings of the program, those additional dates and times should also be included. Where an aural announcement was made, its contents must be reduced to writing and placed in the ICFS in the same manner. The section 325(c) permit holder shall exercise reasonable diligence to ascertain whether the foreign sponsorship disclosure requirements of paragraphs (j)(1) and (j)(4) through (6) apply to any material delivered to a foreign broadcast station, including obtaining from its employees, and from other persons with whom it deals directly in connection with any matter for broadcast, and in the same manner prescribed for broadcast stations in paragraph (j) (3), information to enable the permit holder to include the announcement required by this section; memorializing its conduct of such reasonable diligence; and retaining such documentation in its records for either the remainder of the then-current permit term or one year,

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whichever is longer, so as to respond to any future Commission inquiry. The term “foreign governmental entity” shall have the meaning set forth in paragraph (j)(2).

Statutory Authority for this collection is contained in 47 U.S.C. §§ 151, 152, 154(i), 154(j), 303(r), 307, 317, and 325(c) of the Communications Act, as amended.

**2. Agency Use of Information:** The records and sponsorship announcements are used by the public so that they may know by whom broadcasts and origination cablecasts are sponsored and, therefore, by whom they are being persuaded.

**3. Consideration Given to Information Technology:** These are recordkeeping and disclosure requirements and electronic collection techniques will be used.

**4. Effort to Identify Duplication and Similar Information:** This agency does not impose a similar information collection on the respondents. There is no similar data available.

**5. Effort to Reduce Small Business Burden:** In conformance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize the burden on all respondents, including small entities/businesses. For instance, the Commission is addressing licensee concerns about the burden of having to repeat the certification/screenshot process for short term leases by allowing a licensee to satisfy its 73.1212(j)(3) reasonable diligence obligations once per year where a licensee and the same lessee enter into recurring leases for the same programming over a one year period.

**6. Less Frequent Data Collection:** If this information was not disclosed or records kept, the public would not know by whom they are being persuaded. If the Commission did not sponsor this information collection, it would not be in compliance with the Communications Act of 1934.

**7. Information Collection Circumstances:** There are no special circumstances associated with this information collection.

**8. Comments Received from the Public:** Opportunity for public comment on the information collection requirement contained in this supporting statement was published in notices in the Federal Register at 89 FR 72398 (2024) and 89 FR 100491 (2025).

Pursuant to 5 CFR § 1320.8, the Commission published a Notice (89 FR 72398) in the *Federal Register* on September 5, 2024, and a second Notice (89 FR 100491) on December 12, 2024, seeking public comment on the information collection requirements contained in this supporting statement. On November 4, 2024, the National Association of Broadcasters (NAB) submitted comments contending that, in its view, because the Commission’s underlying order is legally faulty, this information collection estimate cannot comport with the Paperwork Reduction Act (PRA). NAB also alleges that the Commission has underestimated the time and cost burdens associated with this information collection. As to the former, NAB asserts that the revised rules in the *Second Report and Order* violate the First Amendment and the Administrative Procedure Act and that the Commission lacked authority to issue them under the Communications Act of 1934.<sup>7</sup> These arguments regarding the merits of the underlying rulemaking and *Second Report and Order* pertain to the substantive policy decision of the Commission and are outside the scope

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<sup>7</sup> NAB Comments at 2, 3-6.

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of PRA review.<sup>8</sup> We address below NAB's latter assertions regarding the Commission's time and cost burden estimates for this information collection.

First, NAB argues that the Commission undercounts the number of leases<sup>9</sup> covered by the foreign sponsorship identification rules.<sup>10</sup> NAB relies on a small sample size of broadcast stations to project that number across the whole industry.<sup>11</sup> NAB contends that, if the number of leases reported by six broadcasters "holds true across the entire broadcast industry," nearly 200,000 leases are implicated by the revised foreign sponsorship identification rules, as opposed to the approximately 5,524 filings on which the Commission bases its estimates.<sup>12</sup> The Commission has previously explained, however, that the estimates NAB cites are of limited utility in determining the burden associated with the foreign sponsorship rules.<sup>13</sup> For example, one broadcaster in NAB's sample had no leases in the Commission's online public inspection file (OPIF), suggesting that the broadcaster's programming arrangements would not trigger the Commission's foreign sponsorship identification rules at all.<sup>14</sup> Another broadcaster had submitted a list of all its radio stations (both AM and FM), implying that all of these stations would be subject to the reasonable diligence requirement of the foreign sponsorship identification rules. In fact, a review of this broadcaster's OPIF files revealed that the overwhelming majority of its leasing agreements were associated with its AM stations and that almost none of its FM stations had any leasing agreements.<sup>15</sup> Thus, the total number of stations operated by this broadcaster may not have been representative of the burden it would face under the foreign sponsorship identification rules.

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<sup>8</sup> NAB has filed a petition for review of the underlying order with the U.S. Court of Appeals for the District of Columbia Circuit and will presumably raise in that venue its allegations regarding the legality of the order. *See Nat'l Ass'n of Broadcasters v. FCC*, Petition for Review, Case No. 24-1296 (D.C. Cir. Sept. 13, 2024).

<sup>9</sup> In the *First Report & Order*, the Commission stated that "[f]or the purposes of applying our foreign sponsorship disclosure requirement, a lease constitutes any agreement in which a licensee makes a discrete block of broadcast time on its station available to be programmed by another party in return for some form of compensation." *See Sponsorship Identification Requirements for Foreign Government-Provided Programming*, Report and Order, 36 FCC Rcd 7702, 7715, para. 28 (2021). The Commission also recognized "that leasing agreements within the broadcast industry may be known by different designations," such as a time brokerage agreement (TBA) and local marketing agreement (LMA). *Id.* at para. 27.

<sup>10</sup> NAB Comments at 8-9.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> NAB relied on this same sample size in a petition to stay the effective date of the Commission's *First Report & Order* pending a decision by the U.S. Court of Appeals for the District of Columbia Circuit on NAB's petition for review of that order. *See* Petition for Stay Pending Judicial Review, MB Docket No. 20-299, at Exhibits 1-6 (filed Sept. 10, 2021). The Commission's Media Bureau denied NAB's petition, highlighting the fallacy in NAB's numbers, and the D.C. Circuit subsequently denied NAB's motion for stay pending judicial review. *See Sponsorship Identification Requirements for Foreign Government-Provided Programming*, MB Docket No. 20-299, Order Denying Stay Petition, 36 FCC Rcd 16737, 16752, para. 41, n. 136 (2021); *see also Nat'l Ass'n of Broadcasters v. FCC*, Order Denying Motion for Stay Pending Judicial Review, Case No. 21-1171 (D.C. Cir. Feb. 25, 2022).

<sup>14</sup> *See Sponsorship Identification Requirements for Foreign Government-Provided Programming*, MB Docket No. 20-299, Order Denying Stay Petition, 36 FCC Rcd 16737, 16752, para. 41, n. 136 (2021).

<sup>15</sup> *Id.*

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By contrast, the Commission’s estimate is based on a review of the Time Brokerage Agreement (TBA) files in its OPIF that appear to contain a TBA. This estimate is more appropriate than NAB’s flawed projections because it is based on what stations have actually filed in the OPIF, pursuant to the Commission’s requirement that every commercial radio and television broadcast station licensee must place in its OPIF within 30 days of execution a copy of every agreement or contract involving time brokerage of the licensee’s station or of another station by the licensee.<sup>16</sup> Using station-level OPIF data provides us with the best information with which to estimate the information collection burden the revised rules would have on licensees of broadcast stations that actually have lease agreements.<sup>17</sup> Based on Commission staff review, there are approximately 5,524 filings in the TBA folders in the broadcast station OPIFs. This number is likely an overestimate for reasons that this supporting statement explains at length, including many instances of a filing stating the station does not have any TBAs.<sup>18</sup> Our overestimation, however, allows us to account for instances where a station uploads multiple leases into one file and for stations that do not have OPIF requirements, but still may enter into leases triggering the foreign sponsorship identification rules.<sup>19</sup> The number of leases that trigger these requirements is also smaller than NAB’s projection because the *Second Report & Order* concluded that, when a lessee and licensee enter into recurring leases for the same programming, the licensee must only exercise the reasonable diligence requirements of the foreign sponsorship identification rules once per year with respect to that particular lessee and programming.<sup>20</sup>

Second, by relying on a single broadcast group’s receipt of non-candidate issue advertisement orders from 227 advertisers during a single month, NAB asserts that the estimated numbers of respondents and responses should be higher than that estimated by the Commission.<sup>21</sup> NAB does not, however, indicate whether this is a large broadcast group (i.e., owning hundreds of stations nationwide) or a small group (i.e., owning less than a handful of stations).<sup>22</sup> The Commission uses a more accurate methodology for calculating an estimate for non-candidate issue advertiser respondents by reviewing the “issue advertiser” subfolders in its OPIF, rather than the experience of one station group, which may be an outlier. Commission staff’s searches of the OPIF yielded total numbers of “issue advertiser” subfolders contained within the “Non-Candidate Issue Ads” folder in the Political File section of the OPIF for 2022, with Commission staff assuming that each subfolder corresponded to a discrete issue advertiser buying time from that station. There were 10,679 subfolders for Radio Broadcast Stations and 13,657 subfolders for Television Broadcast Stations, and these numbers were used to estimate the number of issue advertiser respondents. These respondent numbers, however, probably overestimate the number of actual issue advertiser respondents, as many of these subfolders are likely to be the same advertiser buying spots for the same advertisement on multiple stations, having corresponding

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<sup>16</sup> 47 CFR §§ 73.3526(e)(14).

<sup>17</sup> See *infra* n. 43.

<sup>18</sup> See *infra* n. 45.

<sup>19</sup> *Id.*

<sup>20</sup> *Sponsorship Identification Requirements for Foreign Government-Provided Programming*, MB Docket No. 20-299, Second Report and Order, FCC 24-61, para. 3 (adopted May 31, 2024).

<sup>21</sup> See NAB Comments at 8.

<sup>22</sup> *Id.*

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folders at those stations. NAB's approach of estimating respondents based on one broadcast station group, which itself may be an outlier, is less likely to be an effective proxy for estimating an issue advertiser respondent number than the Commission's calculations using issue advertiser subfolders for each station.<sup>23</sup>

Third, the number of "non-candidate issue ads" uploaded into the OPIF in 2024 (556,566), which NAB relies on as support for its argument that the Commission should increase its estimated number of respondents and responses, is likely an overestimate.<sup>24</sup> We note not only that the number of issue ads in 2024 may be an outlier,<sup>25</sup> but also that this number does not account for the number of times the same advertiser may have purchased multiple spots for the same ad with the same station. Moreover, NAB's attempt to reverse-engineer the number of respondents, responses per respondent, and time per response from the total number of "non-candidate issue ads" alone is methodologically unpersuasive. The Commission's direct estimation of each of these components, which we then multiply to yield the total burden hours per category of respondent, is consistent with standard procedure and is more likely to yield a reliable result.<sup>26</sup>

Fourth, NAB criticizes the Commission's estimates of time per response, asserting that (a) "[i]t is not humanly possible for a lessee to read and understand a legal certification, sign it, and return it to a broadcaster in four seconds;" (b) the currently approved collection made "no allowance for training or educating station personnel on the new rule;" and (c) the Commission should account for costs associated with reliance on outside counsel and modification of electronic systems and processes.<sup>27</sup> The Commission does not claim, however, that the FSID responses will take only 4 seconds. The response time on the shorter end, as short as 4 seconds, has to do with the reporting requirements that are not associated with the foreign sponsorship identification rules, which NAB acknowledges are also included in this supporting statement.<sup>28</sup> The Commission has increased the estimated response time for lessees and issue advertisers to one hour, from 30 minutes, to address NAB's concerns regarding the time per response for these respondents.<sup>29</sup> The Commission's supporting statement also accounts for the need to train station personnel and update electronic processes by estimating that the time per response for licensees could take up to 2.166 hours initially, noting this time will likely decrease drastically after the initial training and updates. Further, the Commission included cost burden calculations for the potential use of outside counsel, estimating 10% of stations, lessees, and issue advertisers will

<sup>23</sup> We also note that the Commission's estimate for respondent number is also already more than double that used in the prior supporting statement, as NAB acknowledges. NAB Comments at 8.

<sup>24</sup> *Id.*

<sup>25</sup> See Wesleyan Media Project, *More than \$4.5 Billion in Ad Spending this Cycle*, <https://mediaproject.wesleyan.edu/releases-103124/> (Oct. 31, 2024); Brennan Center for Justice, *Money I the 2024 Election*, <https://www.brennancenter.org/our-work/analysis-opinion/online-political-spending-2024> (last visited Nov. 11, 2024).

<sup>26</sup> This is also the methodology used in the currently approved supporting statement. Sponsorship Identification Supporting Statement, Office of Management and Budget, OMB 3060-0174 (Jan. 26, 2022), <https://omb.report/icr/202201-3060-012/doc/118084700>.

<sup>27</sup> NAB Comments at 9-10.

<sup>28</sup> See NAB comments at 7, n. 15.

<sup>29</sup> See *infra* at n. 48.

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utilize such counsel.

On January 13, 2025, NAB submitted further comments contending that, in its view, because the Commission's underlying order is legally faulty, this information collection estimate cannot comport with the Paperwork Reduction Act (PRA). NAB also alleges that the Commission has underestimated the time and cost burdens associated with this information collection. As to the former, NAB again asserts that the revised rules in the Second Report and Order violate the First Amendment and the Administrative Procedure Act and that the Commission lacked authority to issue them under the Communications Act of 1934. These arguments regarding the merits of the underlying rulemaking and Second Report and Order again pertain to the substantive policy decision of the Commission and are outside the scope of PRA review. We again address NAB's latter assertions regarding the Commission's time and cost burden estimates for this information collection.

The Commission agrees with NAB that it is better equipped to run queries in the OPIF,<sup>30</sup> but this fact does not bring the accuracy of the Commission's issue advertiser estimate utilizing subfolders into question, while all of the relevant data remains available for public use. The Commission also previously acknowledged<sup>31</sup> NAB's assertion<sup>32</sup> that yearly diligence is not burdenless, allocating more than 2 hours per response regardless of whether the diligence is performed annually or more frequently, with this amount decreasing over time. Unless the lease or issue advertisement constitutes different programming from a different source, all further diligence will simply be a licensee inquiry, the lessee sending the same certification or screenshot back, and the licensee storing records of the inquiry. However, NAB overstates the number of discrete issue advertisements, as programmers may be buying time for the same issue advertisement on multiple stations, as discussed above. The Commission has also already gone to great lengths to reduce the regulatory burden of its rules. Among other things, it simplified the standardized certification to a one-page check-box form, allowed licensees to use language of their own choosing, allowed lessees to respond with screenshots, eliminated a requirement to upload responses to a Commission website, and provided that in the case of recurring leases or programming, certifications need only be performed once a year. The Commission also clarified and expanded the exemption to the foreign sponsorship identification rules. Whereas previously "traditional, short-form advertising" was exempt from the foreign sponsorship identification rules," the Commission renounced that terminology, and instead found in the Second Report & Order that "[i]f broadcast matter for a commercial product or service meets the requirements for a disclosure exemption under section 73.121(f), the licensee need not make the inquiries contained in section 73.1212(j) of our rules, nor is the licensee required to air the disclosure set forth in section 73.121(j)(1)(i)."<sup>33</sup> The Commission already raised the time per response for lessees/issue advertisers from 30 minutes to 1 hour to address NAB's concerns raised in its previous comments.<sup>34</sup> The Commission now also expands its

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<sup>30</sup> Comments of NAB, Jan. 13, 2025 (NAB Comment 2) at 11.

<sup>31</sup> See *infra* nn. 47, 52.

<sup>32</sup> See NAB Comment 2 at 12-13.

<sup>33</sup> *Second Report and Order* at 5, 20-21, paras. 8, 42-44.

<sup>34</sup> See *infra* n. 48.

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discussion of paid PSAs, explaining that paid PSAs overlap sufficiently with issue advertisements as to be accounted for in the current calculations.<sup>35</sup>

NAB further claims that 2024, as a presidential election year, must be taken into account in our calculations.<sup>36</sup> The Commission decided to use the number of issue advertisement subfolders for 2022 because mid-term elections happen every 2 years.<sup>37</sup> To the extent these calculations are meant to be annual burden projections, a mid-term election year represents a middle ground between the relative extremes of a presidential election year and off years with virtually no national elections. The Commission has also already explained why its use of the number of TBA's in the OPIF is more useful and accurate for burden estimates than NAB's method. As discussed above, NAB's method inflates the number of leases included under the Commission's definition of 'lease' and uses a projection rather than an actual number of leases.

NAB also asserts that the dollar amount for the hourly cost of outside counsel should be increased to \$500 from \$300.<sup>38</sup> The \$300 number represents the currently approved Commission rate for outside counsel for PRA burden calculations and, in any case, not every licensee will be hiring a DC law firm to perform compliance when the standardized certification has been simplified to a one-page check-box form. Furthermore, laypeople routinely respond to government requests for information that contain legally operative terminology and our burden calculations estimating 10% of licensees will make use of outside counsel are already overestimates.

Given the above considerations, the Commission finds that its estimates for the time and cost burdens to broadcast station licensees, lessees, and issue advertisers are reasonable.

**9. Payment or Gift:** No payment or gift was provided to respondents.

**10. Confidentiality of Information:** Respondents complying with the information collection requirements may request that the information they submit be withheld from disclosure. If confidentiality is requested, such requests will be processed in accordance with the Commission's rules, 47 CFR § 0.459.

Should respondents submit any PII as part of the information collection requirements, the FCC has a system of records, FCC/MB-1, "Ownership of Commercial Broadcast Stations," that may partially cover this PII.

There are two additional systems of records relevant to this collection: FCC/MB-2, "Broadcast Station Public Inspection Files," and FCC/IB-1, "International Bureau Filing System (IBFS)." The Commission has published system of records notices (SORNs) for FCC/MB-2 and FCC/IB-1 and will modify them as necessary to include any personally identifiable information (PII) that will be added to the Online Public Inspection Files system or IBFS as part of this collection. The Commission is preparing Privacy Impact Assessments for these systems.

<sup>35</sup> See *infra*. n. 44.

<sup>36</sup> See NAB Comment 2 at 13.

<sup>37</sup> See *infra* n. 51.

<sup>38</sup> See NAB Comment 2 at 15.

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**11. Justification for Sensitive Questions:** This collection does not ask questions of a sensitive nature. Any PII that is submitted as part of the information collection requirements may be covered in part by the system of records notice, FCC/MB-1, FCC/MB-2, and/or FCC/IB-1, as noted in Question 10. In addition, the Commission will redact any other personal information before it becomes available for public inspection, at the request of the submitter.

**12. Estimate of Burden and Burden Hour Cost:** The following is estimated for public burden:

**Unchanged Information Collection Requirements Burdens:**

<b>Rule Sections</b>	<b>Number of Respondents (Systems/ Stations)</b>	<b>Number of Broadcast Cablecasts, or Listings</b>	<b>Number of Responses</b>	<b>Hourly Burden</b>	<b>Total Burden Hours</b>	<b>Hourly Wage</b>	<b>Total In-house Cost</b>
<b>73.1212</b>	20,600	60 commercial <sup>39</sup>	1,236,000	0.1 hrs.	123,600	\$26	\$3,213,600
	20,600	30 political <sup>40</sup>	618,000	0.2011 hrs.	124,280	\$26	\$3,231,280
<b>76.1615<sup>41</sup></b>	2,300	5 political	11,500	0.0011 hrs.	12.6	\$18	\$ 228
<b>76.1715<sup>42</sup></b>	2,300	5 want ads listings	<u>11,500</u>	0.1 hrs.	<u>1,150</u>	\$18	<u>\$ 20,700</u>
<b>TOTALS:</b>			<b>1,877,000 (responses)</b>		<b>249,043 hours</b>		<b>\$6,465,808</b>

**Number of Annual Respondents:** 20,600 broadcasters + 2,300 cable systems = **22,900**

<sup>39</sup> We have assessed only recordkeeping burdens for broadcasting of commercial products or services. We do not assess a burden for the sponsorship ID (disclosure requirements) because the mere mention of the product name or service during the broadcast satisfies this requirement and therefore no burden is attached to this disclosure requirement. See 47 CFR § 73.1212(f).

<sup>40</sup> For the political spots, we have assessed both recordkeeping and disclosures burdens of 0.2011 hours [0.0011 hours for the disclosure requirements (at least four seconds) and 0.2 hours for the recordkeeping requirements]. We assume that a sales person at the station will perform recordkeeping functions and monitor the sponsorship identification requirements.

<sup>41</sup> For Section 76.1615, we do not assess a burden for advertising commercial products or services. We do not assess sponsorship ID (disclosure requirement) because the mere mention of the product name or service during the programming satisfies sponsorship identification, and no burden is attached to this requirement. For the political spots, we have assessed a disclosure burden of 0.0011 hours. We estimate that half the cable systems (2,300) would air an average of five candidate spots for which sponsorship identification is required.

<sup>42</sup> This is only a recordkeeping requirement. We estimate that half the cable systems (2,300) would air an average of five origination cablecasts that require a system to keep a record.

**Title: Sections 73.1212, 76.1615 and 76.1715, Sponsorship Identification****Number of Annual Responses: 1,877,000****Annual Burden Hours: 249,043 hours (rounded)****Annual “In-house” Cost: \$6,465,808**

These estimates are based on FCC staff’s knowledge and familiarity with the availability of the data required.

**Revised Information Collection Requirement Burdens:**a. 47 CFR 73.1212(j)(3) reasonable diligence requirementi. *Station-respondents<sup>43</sup> – not including issue advertisements<sup>44</sup>*

5,524 commercial radio and television broadcast stations<sup>45</sup> x 1 inquiry related to each lease<sup>46</sup> x 2.166 hours<sup>47</sup> = 11,965 hours annually for commercial radio and television broadcast stations to inquire of lessees (not including issue advertisers) whether a foreign sponsorship disclosure is

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<sup>43</sup> Although the section 73.1212(j)(3) reasonable diligence requirements apply to licensees, we use “station” as the respondent for the purpose of these burden calculations because the online public inspection files (OPIFs) in which lease agreement information is stored are maintained at the station level, not the licensee level. We believe using station-level OPIF data provides us with the best information on which to estimate the information collection burden the revised rules would have on licensees of broadcast stations.

<sup>44</sup> For the purposes of this supporting statement, the Commission treated paid PSAs as issue advertisements because there is sufficient overlap between the two categories for paid PSAs to be accounted for in the current calculations.

<sup>45</sup> Based on FCC staff review of the broadcast stations’ OPIFs, we estimate that there are currently 5,524 filings in the Time Brokerage Agreements (TBA), or lease agreement, folders in the broadcast stations’ OPIFs. Consequently, we are estimating there are 5,524 stations who would need to comply with the reasonable diligence requirements for leases, not including issue advertisements. It is likely that this number is an overestimate for multiple reasons because, based on FCC staff review of over 200 TBA filings in the OPIFs, a significant number of the filings are single pages stating that the station has no TBAs. However, by overestimating, we account for instances where a station lists multiple leases on one filing and for stations that do not have OPIF requirements, including international broadcast service stations, but may still enter into lease agreements, as well as the 15 current Section 325(c) permittees that have been identified by FCC staff. We acknowledge that some stations will have multiple leases while others will have none and that the agreements will not be distributed equally among the stations.

<sup>46</sup> We note that the estimate of one inquiry per lease agreement may be an overestimate because, pursuant to the FCC’s revised rules, in instances where the station and the lessee enter into recurring leases for the same programming over a one year period, the station need only make an inquiry once per year.

<sup>47</sup> We estimate that it will take no more than 2.166 hours on average for commercial radio and television broadcast stations to make the required inquiries, which consist of updating certification language, informing lessees of the new rule, asking for information from the lessee in the form of a certification or screenshot of two publicly accessible websites plus two questions, and to engage in recordkeeping for the inquiries. This is an overestimate because many entities own more than one station and these entities will only need to update their certification language once, but we are accounting for smaller, individually-operated stations also. In this regard, we note that, while the certification and screenshot approach are new, the queries about whether a lessee is a “foreign governmental entity” have been a Commission requirement since March 15, 2022. See *FCC’s Foreign Sponsorship Identification Rules Go Into Effect*, Public Notice (rel. Mar. 15, 2022). We estimate that, after commercial radio and television broadcast stations make the initial conforming changes to account for the requirements in the *Second Report and Order*, the burden requirement will drop significantly as the certification and/or inquiry process becomes standardized.

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necessary, inform lessees of the new rule, add relevant language to contracts, and keep a record of the inquiries.

ii. *Lessee-respondents – not including issue advertisers*

5,524 lessees (not including issue advertisers) x 1 response related to purchased time x 1 hours<sup>48</sup> = 5,524 hours annually for lessees to learn about the rule and to either complete the certification or search two publicly available websites to take screenshots provided to the station and answer two additional questions.<sup>49</sup>

iii. *Station-respondents and issue advertisements*

12,841 commercial radio and television broadcast stations<sup>50</sup> x 2 inquiries related to issue advertisements<sup>51</sup> x 2.166 hours<sup>52</sup> = 55,627 hours annually for commercial radio and television broadcast stations to inquire whether a foreign sponsorship disclosure is necessary, inform issue advertisers of the new rule, add relevant language to contracts, and keep a record of the inquiries.

iv. *Issue advertiser-respondents*

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<sup>48</sup> We estimate that it will take no more than 1 hour for lessees to either complete the certification provided to stations or perform a search of two publicly accessible websites to take screenshots and answer two questions provided to stations. We anticipate that the time burden will decrease over time as lessees become more familiar with this process.

<sup>49</sup> We are assuming that certifications and screenshots will take approximately the same amount of time.

<sup>50</sup> The number for commercial broadcast stations is calculated using the Quarterly Report published by the Media Bureau available here: <https://www.fcc.gov/document/broadcast-station-totals-march-31-2024>.

<sup>51</sup> We estimate that commercial radio and television broadcast stations will need to make on average 2 inquiries related to issue advertisements per station per year. The Commission reached this number by first tallying the total number of OPIF non-candidate issue advertisement subfolders for commercial radio and television broadcast stations during election year 2022, on the assumption that there will be a higher number of issue ads in an election year. These subfolders are created by the stations to upload information about each issue ad they broadcast consistent with the Commission's political advertising rules. Commission staff divided the total number of non-candidate issue ad sub-folders by the total number of commercial radio and television broadcast stations to create an estimate of how many issue ads each station runs on average. We acknowledge that some stations will need to make more than 2 inquiries, but others will not have to make any inquiries because some stations may not carry any issue ads.

<sup>52</sup> We estimate that it will take no more than 2.166 hours for commercial radio and television broadcast stations to make the required inquiries, which consist of informing issue advertisers of the new rule and asking for information from the advertiser in the form of a certification or screenshot of two publicly accessible websites plus two questions, to update relevant contract language, and to engage in recordkeeping for the inquiries. The estimated burden hour requirement of 2.166 hours may in fact be lower for a number of stations, as many stations are held by station groups who will presumably revise their processes across the entire station group, thus relieving individual stations of these responsibilities. Nevertheless, recognizing that some stations are still individually owned and that the process will be new, FCC staff find that estimating a slightly higher burden hour number is preferable. We anticipate that the time burden will decrease over time as stations become more familiar with this process.

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10,679 issue advertisers on radio<sup>53</sup> x 1 response for purchased time<sup>54</sup> x 1 hours = 10,679 hours annually for issue advertisers on radio to learn about the rule and to either complete the certification or search two publicly available websites to take screenshots and answer two questions for the station.

13,657 issue advertisers on television<sup>55</sup> x 1 response for purchased time<sup>56</sup> x 1 hours = 13,657 hours annually for issue advertisers to learn about the rule and to either complete the certification or search two publicly available websites to take screenshots and answer two questions for the station.

b. 47 CFR § 73.1212(j)(1) disclosure requirement

i. *Station-respondents – not including issue advertisements*

55 commercial radio and television broadcast stations<sup>57</sup> x 20 programs<sup>58</sup> x 1 hour<sup>59</sup> = 1,100 hours annually for commercial radio and television broadcast stations to generate and affix any required disclosures for leased time, not including issue advertisements.

ii. *Station-respondents and issue advertisements*

128 commercial radio and television broadcast stations airing issue advertisements<sup>60</sup> x 2 programs<sup>61</sup> x 1 hour = 256 hours annually for radio and television broadcast stations airing issue advertisements to generate and affix any required disclosures for issue advertisements.

**Annual Number of Respondents:** 5,524 commercial radio and television broadcast stations +

<sup>53</sup> The Commission reached this number by identifying the number of radio non-candidate issue advertisement subfolders in station OPIFs for 2022. The number of radio issue advertisers is likely an overestimate because some issue advertisers will purchase spots on more than one station.

<sup>54</sup> We are assuming that each non-candidate issue advertisement subfolder in a radio station's OPIF contains one purchased spot requiring one response to station inquiries, even if the same advertisement aired multiple times.

<sup>55</sup> The Commission reached this number by identifying the number of television non-candidate issue advertisement subfolders in station OPIFs for 2022. The number of television issue advertisers is likely an overestimate because some television issue advertisers will purchase spots on more than one station.

<sup>56</sup> We are assuming that each non-candidate issue advertisement subfolder in a television station's OPIF contains one purchased spot requiring one response to station inquiries, even if the same advertisement aired multiple times.

<sup>57</sup> We estimate that approximately 1% of the 5,524 commercial radio and television broadcast stations, including Section 325(c) permittees, will have to make the required disclosures for material other than issue advertisements.

<sup>58</sup> Based on a review of FARA filings, a foreign governmental entity may have 10 to 20 programs to which disclosures may need to be affixed by the station.

<sup>59</sup> We estimate that it should take no more than an hour, on average, for stations to generate and affix the required disclosures.

<sup>60</sup> We estimate that approximately 1% of the 12,841 commercial radio and television broadcast stations airing issue advertisements will have to make the required disclosures.

<sup>61</sup> The Commission reached this number by dividing the total number of OPIF non-candidate issue advertisement subfolders in 2022 for commercial radio and television broadcast stations by the total number of commercial radio and television broadcast stations.

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5,524 lessees + 12,841 commercial radio and television broadcast stations airing issue advertisements + 10,679 radio issue advertisers + 13,657 television issue advertisers = 48,225 respondents<sup>62</sup>

**Annual Number of Responses:** 5,524 commercial radio and television broadcast station inquiries and records + 5,524 lessee responses + 25,682 commercial radio and television broadcast station inquiries and records for issue advertisements + 10,679 issue advertiser responses to radio station inquiries + 13,657 issue advertiser responses to television station inquiries + 1,100 disclosures related to leases + 256 disclosures related to issue advertisements = 62,422 responses

**Annual Burden Hours:** 11,965 hours + 5,524 hours + 55,627 hours + 10,679 hours + 13,657 hours + 1,100 hours + 256 hours = 98,808 hours

Annual In-House Cost: 98,808 hours x \$26 hourly wage = \$2,569,008

**Cumulative Totals of Unchanged and Revised Information Collection Requirements Burdens:**

**Total Number of Respondents: 52,760 respondents<sup>63</sup>**

**Total Number of Annual Responses: 62,422 (new) + 1,877,000 (existing) = 1,939,422**

**Total Annual Burden Hours: 98,808 hours (new) + 249,043 (existing annual burden hours) = 347,851 hours**

**Total In-House Cost: \$2,569,008 (new) + \$6,465,808 (existing in-house cost) = \$9,034,816**

**13. Estimate of Burden and Burden Hour Cost for Outside Counsel:**

**Annual Cost Burden:** 553 commercial radio and television broadcast stations x \$300<sup>64</sup> x 2 hours<sup>65</sup> = \$331,800

553 lessees<sup>66</sup> x \$300 x 1 hour<sup>67</sup> = \$165,900

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<sup>62</sup> Given that some commercial radio and television broadcast stations will also be stations carrying issue advertisements, this number overcounts the number of television and radio station respondents.

<sup>63</sup> Given that all commercial radio and television broadcast stations were subject to the pre-existing, non-foreign sponsorship identification rules, the pre-existing total of 22,900 can just be added to the number of lessees (5,524), radio broadcast station issue advertisers (10,679), and television broadcast station issue advertisers (13,657).

<sup>64</sup> We fully expect that stations will be able to take the necessary steps for compliance themselves, but we estimate approximately 10% of the 5,524 stations may choose to employ legal counsel to establish a compliance plan and/or draft form language for insertion into all of a station's lease agreements regarding the new rule. The Commission estimates the hourly rate for outside attorneys as \$300/hour.

<sup>65</sup> We estimate the time required for outside counsel who are utilized to draft a compliance plan or form language for insertion into a station's lease agreements or contracts to be approximately 2 hours.

<sup>66</sup> We fully expect that lessees will be able to take the necessary steps for compliance themselves, but we estimate approximately 10% of the 5,524 lessees may choose to employ legal counsel to establish a compliance plan.

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1,248 commercial radio and television broadcast stations x \$300<sup>68</sup> x 2 hours = \$748,800

1,067 radio issue advertisers<sup>69</sup> x \$300 x 1 hour<sup>70</sup> = \$320,100

1,365 television issue advertisers<sup>71</sup> x \$300 x 1 hour = \$409,500

\$331,800 (new) + \$165,900 (new) + \$748,800 (new) + \$320,100 (new) + \$409,500 (new) + \$34,623 (annual burden dollars for sponsorship ID rules in existence prior to the foreign sponsorship ID rules laid out in the 2022 supporting statement, which have been modified by the Commission's *Second Report and Order*) = **\$2,010,723**

**14. Estimate of the Cost Burden to the Commission:** There is no cost to the Federal Government.

**15. Reason for Change in Burden or Cost:** The Commission has program changes/increases to the following figures which are due to the modifications of the foreign sponsorship identification rules adopted in the *Second Report and Order*: +29,860 to the number of respondents, +52,898 to the number of annual responses, +89,284 to the annual burden hours and +\$1,561,350 to the annual cost.

There are no adjustments to this collection.

**16. Plans for Publication:** The data will not be published.

**17. Display of Expiration Date for OMB Approval of Information Collection:** OMB control numbers and expiration dates for the Commission's information collection requirements assigned by OMB pursuant to the Paperwork Reduction Act of 1995, Public Law 104-13, can be found online.<sup>72</sup>

**18. Exceptions to Certification for Paperwork Reduction Act Submissions:**

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<sup>67</sup> We estimate it will take no more than 1 hour for those lessees utilizing outside counsel to respond to station inquiries with completed certifications or screenshots and question answers.

<sup>68</sup> We fully expect that stations will be able to take the necessary steps for compliance themselves, but we estimate approximately 10% of the 12,481 commercial radio and television broadcast stations airing issue advertisements may choose to employ legal counsel to establish a compliance plan and/or draft form language for insertion into all of a station's issue advertisement related contracts.

<sup>69</sup> We fully expect that radio issue advertisers will be able to take the necessary steps for compliance themselves, but we estimate approximately 10% of radio issue advertisers may choose to employ legal counsel to establish a compliance plan.

<sup>70</sup> We estimate it will take no more than 1 hour for commercial radio and television issue advertisers utilizing outside counsel to respond to station inquiries with completed certifications or screenshots and question answers.

<sup>71</sup> We fully expect that television issue advertisers will be able to take the necessary steps for compliance themselves, but we estimate approximately 10% of television issue advertisers may choose to employ legal counsel to establish a compliance plan.

<sup>72</sup> See <https://www.reginfo.gov/public/do/PRAMain>, pursuant to 47 CFR § 0.408.

The Commission published a notice in the Federal on September 5, 2024 (89 FR 72398) seeking comments from the public on the information collection requirements contained in this collection. The only exception to the Certification Statement is the annual burden hours was published as 332,922. We are now reporting the annual burden hours as 347,851 hours.

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

No statistical methods are employed.