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ADVERTISING EXPENSE DEDUCTIBILITY

The Issue

An advertiser currently may deduct 100% of its advertising costs as a business expense in the tax year in which they are incurred. Legislation has been introduced in the past that would provide for amortization of advertising expenses over a period of time, or to limit the amount of advertising which could be deducted at all.

WSAB Position

WSAB opposes efforts to limit the amount which may be deducted as an advertising business expense, or to artificially inflate the time period over which the deductions must be taken. The tax treatment of advertising costs should be governed by the same principles that apply to all other ordinary and necessary business expenses, such as salaries, rent, office supplies and utilities.

Background

Advertisers must continue to advertise or see their sales volume decline. Proposals to reduce the deductibility of advertising are driven by the erroneous assumption that the value of advertising somehow extends beyond the year in which the advertising is broadcast. Advertising brings a current benefit and is a legitimate, current business expense because it is designed to generate immediate sales volume. One of the best examples of this effect comes from our own Washington State Lottery. In 1993, from June 21st through September 19th the State Lottery did no TV advertising. By the time the Lottery resumed TV advertising Lottery ticket sales had plummeted from 5 Million per week to fewer than 2.25 Million per week. The Lottery was then approximately 10 years old and had been advertising since its inception, but the Lottery's previous advertising did not support the Lottery's ticket sales when the TV advertising was absent. The economy is fueled by the consumption of goods and services and it is advertising that drives the demand for consumption of those goods and services.

Advertising stimulates sales, creates jobs and is critical to our country's economy. In 2010, advertising supported nearly $5.8 trillion in sales and 217 million jobs in America, according to a study by economic consulting firm IHS Global Insight, Inc. The study also revealed that every dollar of ad spending generates $22 of economic output. America cannot afford to make advertising more costly because it would not only affect broadcasters, but also the business owners and local companies that rely on a wide range of media to advertise their businesses. By building brand awareness and helping companies communicate the benefits of their products and services, advertising triggers economic activity and serves as a major catalyst for job creation. Advertising's direct and indirect influence is about one-sixth of today's entire economic input and fosters the employment of tens of millions of people. To change the Tax Code in such a drastic fashion would provide a serious reduction in advertising and would have profound repercussions across the U.S. economy.

Tax policy should not discourage advertising. Limiting the deductibility of advertising expenditures would have a severe, negative impact on the economy as advertisers reduced their expenditures to compensate for the reduced tax benefit of advertising. Advertising enhances competition by lowering prices, providing comparative information to consumers and permitting new products to enter the marketplace. Advertising dollars are multiplying dollars. For every dollar spent on advertising a product, the Wharton Econometrics study concluded that two more dollars are generated in the economy.

Any change in tax law that acts as a disincentive to advertise threatens broadcasting's major source of revenue. It could put in jeopardy broadcasters' ability to provide local news, sports, weather, community news and information, public affairs and other local services. The effect on stations in small markets would be devastating, as local retailers curtailed their advertising to make up for the loss of deductibility. Broadcasters would be hit twice: First, as advertisers reduced their broadcast advertising budgets and, second, as broadcasters themselves received a reduced tax deduction for their own advertising expenses.

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ANTI-SLAPP STATUTE

The Issue

A SLAPP ("Strategic Lawsuit Against Public Participation") suit is a lawsuit that is intended to censor, intimidate, and silence critics by burdening them with the cost of a legal defense until they abandon their criticism or opposition.

WSAB Position

WSAB supports the passage of a federal anti-SLAPP statute.

Background

SLAPP suits result in a "chill" on public participation in, and open debate on, important public issues. Broadcast journalists and stations are sometimes the object of SLAPPs, which take various forms but the most common is a civil suit for defamation. Most SLAPPs are ultimately unsuccessful, but they "succeed" in the public arena because defending a SLAPP, even when the legal defense is strong, requires a substantial investment of money, time, and resources. This "chilling" effect is not limited to the SLAPP target. Others, fearful of being the target of future litigation, refrain from speaking on, or participating in, issues of public concern. Such legislation generally allows a judge to decide at the outset whether the SLAPP has a "probability" of winning. If the judge finds that it does not, the SLAPP must be dismissed, and the SLAPP target wins his or her legal defense costs and attorneys' fees.

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CAMERAS IN FEDERAL COURTROOMS

The Issue

While cameras and recording equipment are permitted in courtrooms in every state, most federal courtrooms remain closed to broadcast coverage. Legislation has been introduced in Congress during past sessions to provide federal judges with the discretion to allow cameras in their courtrooms.

WSAB Position

WSAB supports legislation to provide all federal courts with the authority to allow cameras and recording devices in the courtroom.

Background

Experience in state courts, including nearly 40 years in Washington, has shown that it is possible to permit the public to see trials on television without imperiling the right of a defendant to a fair trial, jeopardizing the safety or privacy interests of witnesses and jurors, compromising the dignity of the court, or disrupting the orderly conduct of the proceedings. The history of cameras in state trial courts is one of cooperation between the bench, bar and press, and the education of the public about the justice system. Hundreds of criminal and civil trials are covered every year without controversy over the media's role.

The Federal Judicial Center concluded twenty years ago that there were "small or no effects of camera presence on participants in proceedings, courtroom decorum, or the administration of justice." From 1991 to 1994, the Center conducted a pilot program that allowed camera coverage of civil proceedings in certain federal trial courts, including the U. S. District Court for the Western District of Washington. In this limited program, the courts granted access to more than 200 civil proceedings. Judges and attorneys involved in the program generally observed that the cameras presented little or no impediment to courtroom proceedings.

Common concerns about cameras in the courtroom do not stand up to scrutiny.

•*Defendant's Constitutional Right to a Fair Trial. The U. S. Supreme Court held in Chandler v. Florida that the mere presence of a camera in the courtroom does not deny a defendant the right to a fair trial.* Moreover, the Sixth Amendment also guarantees a defendant a public trial. The courts have a long list of tools to use to ensure a trial by an impartial jury, such as in-depth *voire dire*, jury sequestration, and change of venue. Overlooked, perhaps, is the role of public scrutiny in helping to ensure a fair trial.

•*Effect on Trial Participants. Studies conducted by states prior to allowing cameras in the courtroom, including Washington, have found universally that witnesses and jurors behave the same whether or not there is a camera in the courtroom.*

Witnesses: Fears about witness distraction, nervousness, distortion of testimony, fear of harm and reluctance or unwillingness to testify are unfounded.

Jurors: Fears about juror distraction, effect on deliberations or case outcome, making a witness seem more or less important depending on camera coverage, and reluctance to serve with cameras present are unsupported. Any legislation would give the trial judge wide discretion in protecting witnesses and jurors from exposure on camera.

•*Prolonging Trials & Testimony. Cameras tend to keep trials moving.* Many cases, by their very nature are complex, drawn-out affairs. But neither the California "Hillside Strangler" case which took 23 months, nor the Charles Manson trial which lasted 9 months, was televised.

•*Media Circus. The camera inside the courtroom has been the unemotional carrier of truth and education about what is actually happening at the trial.* Sensational trials and press coverage existed long before cameras entered the courtroom. Cameras act as an antidote to the abuses of the "circus" by allowing viewers to make their own judgments about the conduct of the trial.

Advances in technology have made cameras much less intrusive. Many courtrooms are now wired for audio and video with cameras mounted unobtrusively on walls. The big, old, noisy film cameras have been replaced by much smaller, silent video cameras. Digital video and photography continue to reduce the impact of cameras in the courtroom.

"Bench-Bar-Press" type Principles reduce the impact of cameras in the courtroom. Pooling requirements; advance notice of desire to cover a trial session; specific camera location requirements; and, behavior guidelines for camera operators and reporters are all typical of methods used cooperatively by the bench, bar and press under state cameras in the courtroom rules to limit the impact of camera presence.

Camera coverage of federal court proceedings will enhance public education about the legal system and the public's trust and confidence in the legal system. The more transparent the workings of the legal system, the better the public will understand and more thoroughly and constructively participate in it. Denying access to people who either could not travel to, or get a seat in, the courtroom accomplishes nothing; but, the broadcast of the trial will further the interests of justice, enhance public understanding of the judicial system and maintain a high level of public confidence in the judiciary.

We have lost an invaluable treasure of history-making court decisions. Picture in your mind the Watergate Hearings or the impeachment trial of President Clinton in the United States Senate. Vivid. Dramatic. Historic. Educational. Now, try to picture the testimony in the Timothy McVeigh trial, the Microsoft anti-trust case or the argument in *Bush v. Gore*. No transcript, not even the best sketch artist, can convey the immediacy, the voice and demeanor of witness, litigator and judge that is captured by a camera in the courtroom.

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CAMPAIGN REFORM & POLITICAL BROADCASTS

The Issue

The role that broadcast political advertising plays in campaigns is central to the debate over campaign finance reform. Congress continues to wrestle with issues such as whether candidates should receive free airtime and whether broadcasters should pay a spectrum use tax to fund "free time."

WSAB Position

WSAB opposes the creation of additional "free" time, further discounted airtime for political candidates and a spectrum use tax on broadcasters to fund federal candidates' ad buys.

Background

Proponents of free airtime trivialize or ignore the substantial free time already dedicated by local stations to candidates. Washington broadcasters provide hundreds of hours free time opportunities for candidates to share their views and for voters to examine their candidacies in news and public affairs programming, interviews and debates. *Unfortunately, candidates reject many of these opportunities.*

Lowering the cost of broadcast airtime for candidates will not lower the cost of campaigning. Broadcasters already provide candidates with their lowest rates. Candidates would buy more spots with the same amount of money, or put the extra cash into additional print advertising, more yard signs, mailings, polls, consultants, or other campaign expenses; but, no less money would be spent. *Candidates will raise as much money as they can, and spend as much money as they raise (or more), regardless of any amount of free airtime they receive.*

Free time would mean more spots. The number of political candidate and ballot issue advertisements already is staggering. If candidates are given free spots, they will simply spend the same amount and broadcast many more ads. More spots make it more difficult for any particular spot to cut through the clutter and be effective in carrying its message. *It is hard to imagine more political ads.*

More Ads Means More Negative Campaign Ads. The public is sick of negative campaign ads. Attack ads reinforce the cynicism they exploit, driving the public away from the political process. Citizens complain about the lack of substantive issue discussion, not the lack of political ads. They do not believe attack ads help them to make informed choices. *During campaigns, radio and TV stations are deluged with calls from irate viewers and listeners demanding that the stations take these kinds of ads off the air.*

Free Airtime For Federal Candidates Will Crowd State & Local Candidates Off The Air. There is only so much airtime to sell or give away. Once regular advertisers, local car dealers or furniture or grocery stores, have been bumped to accommodate federal candidates' free time, the next endangered species will be state and local candidates running for Governor, the legislature, mayor or city council.

Local Advertisers Will End Up Paying Twice for Candidates' Free Airtime. First, they will be crowded off the air and will lose valuable exposure for their products and services, especially since political campaigns take up the first half of the fourth quarter when holiday advertising is at its peak. Second, there is no free lunch. Broadcasters have bills to pay, too, and have to make up the revenue lost to campaign spots somewhere. Former Representative Neil Abercrombie (D-HI) said, during one of the debates on free airtime on the House floor, *"What is going to happen is that the local advertisers are going to have to make up the difference. I'm not going back to my district and tell people that are trying to make a living that they have to pay more for advertising so people can listen to me!"* Former Representative John Dingell (D-MI), in the same House debate said, *"We are literally putting our hands in the pockets of local folks to get ourselves a special benefit. I do not have the arrogance to vote for a proposal of this kind, or to say that this is in the public interest."*

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Free Airtime is Unconstitutional. Political speech is at the core of First Amendment protection and its regulation must meet three tests: 1) substantial governmental interest; 2) narrowly tailored; and, 3) no less intrusive alternatives.

Substantial Governmental Interest: In *Buckley v. Valeo* the U. S. Supreme Court rejected campaign cost reduction as a substantial governmental interest. The Court has held time and again that the quality of political debate is none of the government's business.

Narrowly Tailored to Achieve Goal: Free time will not reduce campaign spending.

No Less Intrusive Means: Many other less intrusive alternatives exist to reduce campaign spending: Public funding, limiting the level of contributions, limiting expenditures, and lowest unit rate given only to candidates who abide by voluntary spending limits. Free airtime also fails to address other causes of increasing campaign spending, such as the escalating costs of campaign overhead.

A Tax On Radio and Television Stations' Spectrum to Fund Free Time Is Unconstitutional. Discriminatory taxes on media are unconstitutional. In *Grosjean v. American Press Co., Inc.*, the U. S. Supreme Court held unconstitutional a tax on only one news medium (certain newspapers, but not broadcasters or other print media) that had the effect of imposing a discriminatory burden on the medium that was singled out for taxation. It was described by the Court as a "license tax for the privilege of engaging in such business," much the same as the proposed spectrum fee on broadcasters.

Free Time Constitutes a "Taking" of Broadcasters' Property and is Unconstitutional. Broadcasters enjoy no property right in the use of the spectrum. It belongs to the People. The property that broadcasters do have, though, is their stock-in-trade, airtime. Free airtime for candidates forces broadcasters to give up their economically valuable inventory without compensation. In its editorial of March 29, 1998, the *Seattle P-I* said:

"Free time may seem innocuous, but it is not. It is the commandeering of an independent news organ by politicians. It should not matter that radio and television use the public spectrum. Newspaper trucks use the public streets, and our coin boxes use the public sidewalks. That does not give the City Council the right to demand free space in the B Section....A public purpose might be served for every hardware store to be forced to donate a lawnmower for the city parks. But the hardware stores would complain, as well they should."

Broadcasters Are Not "Gouging" Candidates. Lowest Unit Charge (LUC) is working exactly as Congress intended. The cost of a broadcast advertisement, and therefore the LUC which is simply the lowest cost paid by a regular advertiser, is not a static number. It changes with the level of demand for airtime. The rising tide of demand for airtime lifts all rates, including the LUC. During campaign periods candidate and ballot measure airtime purchases, as well as regular advertisers' needs, drive up demand for airtime and therefore the unit rate for all spots, from lowest to highest. Free airtime will only exacerbate the demand, while doing nothing to increase the inventory. Candidate advertising will cost even more.

Not Only Do Broadcasters Not "Profiteer" From Political Advertising, They Lose Money on Every Candidate Spot. Every LUC candidate spot runs at a huge discount from the price that a normal commercial advertiser would pay for that same spot. Many stations are normally "sold out," i.e., they could sell all of the spot airtime they have available to regular commercial advertisers at rates higher than the candidate rate. Every LUC candidate spot replaces a full rate spot, and costs the broadcaster the difference.

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FIRST RESPONSE BROADCASTERS

The Issue

Ensuring that local radio and television stations have the ability to provide critical life and property-saving information during time of emergency and disaster.

WSAB Position

WSAB supports legislation that would provide "First Response Broadcasters" with appropriate priority status for fuel, food, water and other necessary supplies to continue broadcasting during emergency conditions; and, would provide access for critical-to-air personnel to keep the station operating to gather and broadcast life and property-saving information.

Background

Washington state is vulnerable to earthquakes, tsunamis, volcanic eruptions, wildfires and other natural and human-caused disasters. Washington's local radio and television stations have played a critical role in communicating life and property-saving information for more than 55 years, since the creation of the CONELRAD warning system, but they, too, are vulnerable.

Broadcasters are able to provide essential public information services in a disaster only if they are able to stay on-the-air. A *"First Response Broadcaster"* is a local television or radio broadcaster that provides essential disaster-related public information programming (such as evacuation route instructions, safety information, utility status reports, etc.) before, during or after the occurrence of a natural or manmade disaster.

During a disaster, many stations struggle to keep broadcasting - keep emergency information flowing - and could contribute significantly to disaster response efforts. Passage of such legislation will put local broadcasters on the roster of first responders so that the public can receive the life-saving information that they desperately need.

- In the aftermath of Hurricanes Katrina and Rita, many local broadcasters could not access fuel, water, food and other supplies critical to keeping vital public information flowing. In some cases, supplies that stations procured elsewhere were confiscated by local, state or federal authorities. Emergency services and public safety needs should take precedence over private industry interests, but broadcasters should also be given special consideration following a disaster if they maintain essential disaster-related public information services.

- Local journalists are issued press credentials and granted access to a disaster area by local authorities; but, in the wake of Hurricanes Rita and Katrina those credentials were disputed and, in some cases, not honored by state or federal authorities operating in the same area. Further, the restoration of critical broadcast facilities in the region was also inhibited as engineers and technicians were, in many cases, denied access to their facilities in the disaster area.

- Many transmitters, towers and key broadcast facilities are not sufficiently protected against potential threats.

- A Primary Entry Point (PEP) station is a radio broadcast station designated to provide the President access the airwaves nationwide following a national emergency. These stations have protected, government-funded circuits connecting them to emergency command centers. Washington is among the states that have a PEP station (KIRO-AM, Seattle).

Such legislation supports the vision of the federal Partnership for Public Warning: *"Every person shall have the information needed in an emergency to save lives, prevent injury, mitigate property loss, and minimize the time needed to return to a normal life."*

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FM RADIO RECEIVER CHIPS IN MOBILE PHONES

The Issue

It is important that Congress continue to urge the cellular phone industry to include and activate FM receiver chips in mobile phones.

WSAB Position

WSAB supports the inclusion and activation of FM receiver chips in mobile phones.

Background

Radio's ability to deliver continuous and detailed life and property saving emergency information is a proven, reliable service. Radio broadcasters have been asking the cellular phone industry to enable their mobile phones with broadcast radio chips (at a cost of less than $1) so that in emergencies citizens could have complete and ongoing information – not a 90 character message that isn't in real time.

Emergency information is critical to public safety, but cell phones themselves are the first communication device to fail in an emergency due to overloading of the system. We all remember how quickly cell phone service disintegrated following the Nisqually earthquake on February 28, 2001 and the January, 2012 Western Washington snow and ice storms. Broadcasters, by contrast, provided a continuous stream of critical information. If mobile phones had the auxiliary capability to receive over-the-air FM radio signals, the crash of the cell phone system would have been a mere inconvenience.

May 22, 2011, Joplin, MO. A tornado devastated the town. Cell phone coverage was non-existent; land-line service only sporadic. However, all broadcasters were on the air. Many broadcasters in Joplin lost their homes. Some lost family members. But, the stations stayed on the air providing the information that people need to cope with this horrible situation.

The headline in Joplin, as well as Reading, Kansas the night before was "Broadcasters warnings saved lives!"

With an FM chip in a mobile phone, emergency information would be available via FM radio, reaching the widest possible audience. Delivery does not rely on the cell phone system infrastructure, but on regular FM transmission and reception, so it delivers critical information even if the phone portion of the device were inoperable because the cell system was down. If FM radio were universally included in cell phones, then following a text-based alert, users would always be able to tune to their local FM stations for detailed, lifesaving information during emergencies.

Incorporating FM radio tuners in mobile phones will help achieve the goal of the Warning Alert and Response Network (WARN) Act of 2006, in which Congress authorized the commercial mobile telephone industry to create an emergency alerting system. The cell phone industry has deployed its text-based Wireless Emergency Alerts ("WEA"). Unfortunately, it is able to deliver a message of only 90 text characters.

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FOOD ADVERTISING

The Issue

Some Members of Congress have expressed concern about the contribution of the advertising of certain kinds of foods to childhood obesity, including banning food advertising to youth under the age of seventeen. The Interagency Working Group (IWG) consisting of the FDA, FTC, Dep. of Agriculture and Centers for Disease Control have established a stringent set of principles to determine what foods may be advertised in any medium to anyone under age 17 based on salt, fat and sugar content, but under Congressional direction, those principles have not been activated.

WSAB Position

WSAB does not support constitutionally questionable legislation that would restrict or prohibit the advertising of lawful food products.

Background

Of the top 100 foods produced in the United States, only 10 to 20 would be permitted to be advertised to anyone under age 17 under by the IWG principals. Those products are largely fresh fruits and vegetables. The IWG principles would have prohibited the advertising of such products as yogurt, cereals, vegetable soups, most breads, and that staple of childhood nutrition peanut butter and jelly.

No study has established that broadcast advertising affects the diets of adolescents. There are so many influences on food choices by children that it is impossible to isolate any one of them and by eliminating it, automatically improve the diets of adolescents. More often than not, in all kinds of learned behavior, the most important factor influencing many habits is that which is learned from one's parents. One need only look at the alarming rate at which adolescents take up smoking cigarettes to see that their use of that product, which has not been advertised on radio or television in more than 40 years, is well-known enough to them to support a market for the product.

It is impossible to create a definitive list of products the advertising of which would be prohibited by the IWG principles. Food manufacturers are constantly inventing new foodstuffs or changing the ingredients in existing products. The landscape is constantly shifting and enforcement of the IWG principles would be cumbersome and inevitably arbitrary and capricious.

Broadcasters are not the advertising police. Broadcasters have never opposed advertising restrictions that prohibit "false and misleading" advertising. It is not appropriate to make broadcasters liable for advertising violations by their advertisers or to make broadcasters the "advertising police." Regulating to the lowest common denominator is an exercise in futility because foods that the government may determine to be less healthy than other foods are readily available in every grocery store.

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INTEGRATED PUBLIC WARNING & ALERT SYSTEM MODERNIZATION

The Issue

Legislation could be introduced in the 114th Congress to re-authorize the Integrated Public Alert & Warning System ("IPAWS").

WSAB Position

WSAB supports the passage of the Integrated Public Alert & Warning System Modernization Act.

Background

The Integrated Public Alert & Warning System Modernization Act ensures that more people receive life-saving information in more parts of America, more of the time, through current and future alert and warning technologies.

This Legislation would strengthen the current Emergency Alert System ("EAS") through:

- The creation of a National Advisory Committee on EAS, to ensure that the various federal agencies that have a role in its governance and are conducting an ongoing dialogue with message originators and disseminators. At present, there is no mechanism for the system's managers, users, and relay participants to meet on a regular basis to address problems and seek improvements to the system.
- The establishment of periodic and comprehensive training for state and local authorities on the proper use of EAS through the National Incident Management System. A critical component of ensuring that EAS works properly is training for local and state emergency managers on the proper use of the system. FEMA is already developing this training program and this step would ensure that it is used.

Under this Legislation, IPAWS will:

- Incorporate multiple communications technologies (i.e., smart phones, social networks, etc.)
- Be designed to adapt to and incorporate future technologies;
- Be designed to provide alerts to the largest portion of the affected population, including remote areas;
- Promote local and regional public and private partnerships; and,
- Provide redundant alert mechanisms where practicable in order to reach the greatest number of people.

The Legislation requires the FEMA Administrator to:

- Ensure the inclusion of those with disabilities;
- Ensure that the system is included in future exercises conducted through DHS's National Exercise Program (NEP), including the National Level Exercises (NLE/"TOPOFF" series);
- Ensure that the system coordinates with DHS's National Terrorism Advisory System office;
- Conduct periodic nationwide tests of the system;
- Establish a training program to instruct federal, state, tribal and local government officials in system use; and,
- Ensure that consumers have the option to opt-out of receiving messages, except those issued by the President.

Additional Important Provisions:

- Establishes an IPAWS Advisory Committee composed of federal, State and local representatives, as well as members who represent various industry groups, including consumer and privacy advocates;
- Permits that FEMA Administrator to conduct pilot programs to demonstrate methods and systems for achieving system requirements; and,
- Prohibits the FEMA Administrator from transmitting a Presidential message that does not relate to a natural disaster, act of terrorism, other man-made disaster, or other hazard to public safety.

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LOCAL CHOICE

The Issue

Legislation may be introduced in the 114th Congress that would permit a cable or satellite TV subscriber to choose which broadcast channels the subscriber will purchase on an a' la carte basis if the local broadcast station chooses to negotiate a retransmission consent agreement with the cable or satellite provider. Local Choice was included in early versions of the Senate STELA reauthorization legislation in the 113th Congress, but was not included in the final version.

WSAB Position

WSAB opposes the proposal known as "Local Choice."

Background

The Local Choice proposal threatens the very basis of the American system of broadcasting. A central purpose of the 1992 Cable Act was to ensure the continued universal availability of local television stations because, as Congress put it, "carriage of such signals is necessary to serve the goals" of the Communications Act. Local Choice turns that bedrock principal of American broadcasting on its head and makes universal reach optional. Local stations licensed to local communities with guaranteed universal access by local residents and the obligation of each local station to serve the needs of its local community in the public interest are the foundation of the American system of broadcasting, which Local Choice dismantles in its entirety.

Local Choice claims to eliminate blackouts. The number of blackouts as a percentage of all of the retransmission consent agreements that are negotiated every year is so small as to be negligible. Most negotiation impasses that result in a blackout are resolved within hours or a few days and involve only one local station. They are not remotely comparable to the potential that viewers would lose access to local information for long periods, and for some customers, possibly permanently, from multiple local TV stations. Local Choice will lead to permanent blackouts of stations to which consumers choose not to subscribe, depriving them of local news, weather and emergency information. It will also deprive local businesses of a way to reach local consumers with advertising, not to mention candidates campaigning for election. Local Choice will do nothing to eliminate blackouts of cable channels when those content providers cannot reach a retransmission consent agreement with an MVPD.

Many of Local Choice's claimed benefits are vague and speculative

- "empowers consumers" "empowers broadcasters" "respects consumer choice"
- "ensures local broadcasters receive full value for their content" "promotes localism"
- "MVPD retransmission consent negotiations may depress the station's real market value"
- "win for consumers" "gives viewers more control"
- "incentivizes broadcasters to deliver locally-oriented content and programming"
- "could spur new innovation in broadcasting and reinvigorate key national broadcasting values like localism and serving the public interest"

Local Choice claims to be a transparent, easy to understand, simpler approach. Significant questions remain about how such a system would be implemented, the resulting impact on broadcast programming and localism, and the treatment of broadcast channels relative to cable programmers.

The Local Choice proposal is not an "evolution" of the existing retransmission consent regime. It is a wholesale overhaul in isolation from a fully inclusive and thoughtful review and revision of America's telecommunications policy. Revising separate pieces of telecommunications policy independent of each other is a hodge-podge approach that will result in inconsistencies and a telecommunications policy structure that is incapable of fairly and nimbly regulating the quickly changing landscape of mass communications. Any consideration of Local Choice should be conducted in the context of the planned rewrite of the Communications Act.

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PERFORMANCE ROYALTY FOR BROADCAST OF SOUND RECORDINGS

The Issue

Legislation may be introduced in the 114th Congress that would impose upon radio broadcasters a royalty paid to record companies and performers for the broadcast of their music. Legislation will be introduced in the 114th Congress that would establish Congress' opposition to such a performance royalty.

WSAB Position

WSAB opposes a performance royalty for sound recordings.

Background

Performers and recording companies receive an enormous financial benefit from the broadcast of their recordings. Performers receive continual promotional exposure of their recordings with every broadcast, for which they pay nothing. The value of this publicity to performers and recording companies is enormous. Local radio stations contribute more than $2.4 Billion in promotional value to the record labels by promoting their recorded music, concerts, merchandise and careers, at no cost to the performer or record label.

Radio airplay is the most effective method by which a performer's recordings are exposed to the public. In their own words, record company executives and artists recognize the promotional value of free radio airplay.

> ***"If a song's not on the radio, it'll never sell."*** -- Mark Wright, Senior Vice President, MCA Records,
>
> ***"Air play is king. They play the record, it sells. If they don't, it's dead in the water."*** -- Jim Mazza, President, Dreamcatcher Entertainment
>
> ***"Radio is king, so obviously we need country radio support."*** Scott Borchetta, President & CEO, Big Machine Records/Valory Music Co.
>
> ***"If you don't get yourself on the radio, then you won't draw bodies at the clubs and you won't sell records."*** -- 'Another Animal' drummer Shannon Larkin, *Drum Magazine*
>
> ***"I have yet to see the big reaction you want to see to a hit until it goes on the radio. I'm a big, big fan of radio."*** --Richard Palmese, Executive Vice President of Promotion, RCA
>
> ***"It is clearly the number one way that we're getting our music exposed. Nothing else affects retail sales the way terrestrial radio does."*** --Tom Biery, Senior Vice President for Promotion, Warner Bros. Records
>
> ***"That's the most important thing for a label, getting your records played."*** -- Eddie Daye, recording artist
>
> ***"Country radio, thank you so much for being our mouthpiece. You know what we do means nothing if it never gets played, and no one gets to hear it."*** -- 'Rascal Flatts,' Vocal Group of the Year, Country Music Awards
>
> ***"I am so grateful to radio. Their support has truly changed my life, and I hope they know how appreciative I am for that."*** -- Jo Dee Messina, recording artist
>
> ***"Radio has proven itself time and time again to be the biggest vehicle to expose new music."*** -- Ken Lane, Senior Vice President for Promotion, Island Def Jam Music Group

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> ***"[R]adio remains the best way to get new music into the listeners' lives."*** --Sony BMG Executive VP Butch Waugh as quoted in *Radio & Records*

> ***"I have to thank... every DJ, every radio guy, every promotions guy, everybody who ever put up a poster for me and spread the word."*** -- Alicia Keys, recording artist and Grammy winner

Fundamental fairness requires that if broadcasters are subject to a performance royalty, then other businesses that promote recording artists by publicly performing their recordings should contribute their fair share to any performance royalty pool. Recording artists reap great promotional value from the exposure of their songs in restaurants, bars, convention centers, grocery stores, gas stations, theaters and myriad other venues.

License fees paid to composers through ASCAP, BMI and SESAC do not justify a performance royalty windfall for recording artists. Composers receive no promotional value from radio airplay of their songs; it does not turn a composer into a mega-star. Most work in near total anonymity, so it fair to compensate them through a license fee.

The fees paid by subscription based technologies, such as satellite and Internet radio do not justify a performance royalty on local radio stations. Congress has found that Internet and satellite radio providers threaten the sales of recorded music, whereas local radio stations enhance record sales. In addition, subscribers actually pay those providers for the recorded music delivered into their homes, offices and vehicles, in contrast to local radio stations that provide their listeners with music for free.

Congress already has considered and rejected the issue of performance fees at least three times (1971, 1976 and 1995). Congress concluded that such fees would jeopardize "the mutually beneficial economic relationship between the recording and traditional broadcast industries" (House Report 104-274, 1995).

Establishment of a performance right in sound recordings will not, necessarily, make funds from foreign countries, which recognize such a right, accessible to American performers. An American performance right ignores the significant differences between American and other countries' broadcasting and copyright structures. In those countries' the performance right is simply a way for a foreign government to subsidize its culture, a system which the United States neither needs nor should create.

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PRESCRIPTION DRUG ADVERTISING

The Issue

Legislation could be considered by Congress that would permit the Food & Drug Administration (FDA), following the approval of a prescription drug for sale to the public, to establish a three-year moratorium on advertising of prescription drugs direct to consumers, after which the FDA could require pre-approval of prescription drug advertising. Some Members of Congress would prefer to prohibit outright the advertising of prescription medication.

WSAB Position

WSAB opposes a ban on prescription drug advertising and pre-approval of prescription drug advertising by the government.

Background

The Federal Trade Commission says that advertising directly to consumers does not raise drug prices or increase the sale of inappropriate drugs. The FTC made those comments in its December 2003 filing in a Food & Drug Administration rulemaking. In 2000, direct to consumer advertising of prescription drugs totaled approximately $2.6 billion (National Institute for Health Care Management). This is only about 2% of total prescription drug expenditures, which were then estimated at $132 billion. Even total elimination of direct to consumer prescription drug advertising would have a negligible effect on total costs.

Prescription drug advertising plays an important role in informing consumers by educating consumers and raising awareness of their choices for health care. Consumers benefit directly from advertising of prescription drugs. It makes them aware of the alternatives they have when making health care decisions. Each year millions of Americans seek treatment for heart disease, high blood pressure and other conditions because they have been educated by direct to consumer prescription drug advertising. More informed patients will, in the long run, be healthier patients. Ultimately, physicians must decide whether to write the prescription.

Neither the provision imposing a three-year ban on prescription drug advertising direct to consumers, nor the prior approval requirement once the ban has expired, can pass constitutional muster. Far less draconian proposals to restrict prescription drug advertising have already failed the Supreme Court's test for First Amendment protection of commercial speech. In 1976 the Court overturned a Virginia law that prevented the advertising of prices of prescription drugs in *Virginia State Board of Pharmacy v. Virginia Citizens Consumer Council, Inc.* The Court dismissed the State's assertions of the advantages of the ban as the "advantages of [consumers] being kept in ignorance." The Court went on to say, "[t]here is…an alternative to this highly paternalistic approach. That alternative is to assume that this information is not in itself harmful, that people will perceive their own best interests if only they are well enough informed, and that the best means to that end is to open the channels of communication rather than to close them." The Court concluded, "[i]t is precisely this kind of choice, between the dangers of suppressing information, and the dangers of its misuse if it is freely available, that the First Amendment makes for us." As long as it is not false, misleading or deceptive, prescription drug advertising is constitutionally protected commercial speech.

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PUBLIC BROADCASTING FUNDING

The Issue

Some Members of Congress have proposed to eliminate the funding for public broadcasting.

WSAB Position

WSAB supports a strong and robust public broadcasting sector and opposes any attempt to eliminate funding to the Corporation for Public Broadcasting, the Public Broadcasting System or National Public Radio.

Background

Reducing or eliminating the funding of public broadcasting ultimately would sacrifice the enrichment local citizens count on from their public broadcasters. Continued federal funding provides the best mechanism for public broadcasting to thrive by providing the stable base from which local public broadcasters can leverage local support from non-governmental sources to multiply Congress' investment.

Washington's public broadcasting stations are community-based service organizations that address issues of importance, concern and interest to their local viewers. Public radio and television stations are locally governed, locally programmed, and locally staffed. They work with each other and hundreds of national and local producers and community partners to ensure that Americans have universal access to high-quality non-commercial programming with a particular focus on the needs of underserved audiences, including children, minorities, and low-income Americans.

Public broadcasting is a great investment. Unlike public broadcasting systems throughout the world, America's public broadcasters do not rely upon the government as their primary source of funding. On average, federal funding amounts to less than 14% of a station's budget, with the remaining 86% coming from local sources. However, this federal support is critical seed money for local stations which leverage each federal dollar to raise over six more dollars from local sources in order to provide the American public with the highest quality programming and services.

Public broadcasting is more important than ever. The rapidly changing media environment is making public broadcasting more and more vital as a source of news, local cultural programming, and non-commercial educational programs designed to enhance the quality of life in our local communities. Public broadcasting is a rich source of children's programming, public affairs, music, and cultural information.

Public broadcasting provides vital programming for parents and children. Public broadcasting has the best interests of children as its sole objective. This is one reason why parents and teachers trust public broadcasting, and why maintaining our public broadcasting system is so important.

Public Media Embraces the Digital Future. Public broadcasting content is now available through broadcast, cable, satellite, satellite radio, the Internet, and wireless devices. Public broadcasting is committed to a multi-platform presence, to be available anywhere at anytime to the public it serves. Local stations partner with museums, libraries and other community organizations to make great content available to the public for free on mobile devices and online. They are teaming up with start-ups and innovators to break new ground in educational and informational materials.

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REPORTER'S SHIELD LAW

The Issue

Reporters continually come under intense pressure to reveal the identity of confidential sources, threatening the public's right to know, and leaving the reporters open to incarceration. Legislation has been introduced in past Congresses, The free Flow of Information Act, that would ensure that journalists and others involved in newsgathering and dissemination are not inhibited, directly or indirectly, by threat of governmental sanctions.

WSAB Position

WSAB supports legislation that would protect reporters from forced disclosure of confidential sources, unpublished reporter's notes and outtakes.

Background

Compelling the disclosure of confidential sources has a chilling effect on the flow of information to the public, and discourages "whistleblowers" from coming forward with evidence of waste, fraud and abuse in government and the private sector. Recent sweeping subpoenas of phone records and emails of news organizations further highlight the importance of enacting bipartisan legislation that would set clear standards for protecting confidential sources, including whistleblowers and others with important information.

Nearly every State provides protections, either by statute or case law, so the journalists are not routinely forced to reveal the identity of confidential sources, their work product, outtakes or notes. In the federal courts, however, there is no uniform set of standards that govern when information about confidential sources can be sought from reporters. A strong federal reporter's shield law would provide protection for sources and reporters' work product in litigation in federal cases as a complement to the protection already afforded to confidential sources that now exists for state actions in most states.

Ensuring the free flow of news and information, and promoting a free and unfettered atmosphere in which news can be gathered and disseminated is the highest priority of Freedom of Speech. The press is a vital link between the people and their freedom, and the ability of a free press to report the truth to the public sometimes requires the participation of those who fear for their personal or professional safety if their identities were to become known. The confidentiality standard between reporter and source is as important to the protection of personal and national freedom as are the confidentiality standards between attorneys and clients, doctors and patients, and ministers and parishioners. Reporters recognize that defense of their assurances of confidentiality represent a critical trust held on behalf of the public.

There are countless examples of information that Americans have received because confidential sources have been willing come forward: Watergate, Whitewater, Iran-Contra, the Iraq prison scandal, Enron, WorldCom, corporate governance issues, the list is almost endless. Those with knowledge of what the public needs to know are often "insiders," fearing for their jobs, futures, reputations or safety if they were to be identified publicly as the source of news. Stripped of the ability to protect the identity of a confidential source, the reporter is nearly always denied critical information. When that happens, all Americans suffer because they are deprived of knowledge and information which affects their lives.

When law enforcement officials or litigation adversaries are allowed to force the news media to be an extension of their investigation, public trust of the media as impartial providers of news is endangered. Reporters are subpoenaed frequently to appear in court and threatened with fines and/or imprisonment if they refuse to reveal a confidential source to the prosecutor or attorneys involved in the lawsuit. In some instances, the prosecutor or attorneys might also request the reporter's notes, video outtakes, or other unpublished information.

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RETRANSMISSION CONSENT

The Issue

Cable companies and satellite television providers seek the extraordinary, government-mandated right to carry broadcast signals for free, even though they compete with broadcasters and gain enormous economic value from carrying broadcast signals.

WSAB Position

WSAB opposes any change to the retransmission consent process, including granting multichannel video programming distributors the right to continued signal carriage after expiration of existing retransmission contracts.

Background

The retransmission consent system is working exactly as Congress and the FCC intended and anticipated it would. Following a thorough study, the FCC concluded in 2005 that "*[o]ur review of the record does not lead us to recommend any changes to the retransmission consent regime at this time*." *Retransmission Consent and Exclusivity Rules: Report to Congress Pursuant to Section 208 of the Satellite Home Viewer Extension and Reauthorization Act of 2004* (*"SHVERA Report"*) (Sept. 8, 2005). The Report said that the, "carefully balanced combination of laws and regulations governing carriage of television broadcast signals, with the must-carry and retransmission consent regimes" complement one another. The Report went on strongly to oppose altering the retransmission consent regime unless the entire regulatory relationship between broadcasters and cable operators is re-examined and re-structured to ensure that the careful balance established by Congress in 1992 was not disrupted.

Only an infinitesimally small fraction of retransmission consent negotiations involve even the threat of disruption of service to cable or satellite subscribers. The very few instances in which service disruption does occur magnify enormously out of proportion the true picture of retransmission consent negotiations. There were only 127 service disruptions during 2013, according to the American Television Alliance, the anti-retransmission consent lobbying group of cable and satellite providers. In the twenty years since Congress authorized retransmission consent agreements thousands of agreements have been entered into by Washington TV stations alone and many thousands more nationwide, without even the hint of a service disruption. There are currently more than 350 retransmission consent agreements in place between Washington TV stations and cable and satellite systems.

Retransmission consent negotiations are private, market-based negotiations between broadcasters and multi-channel video programming distributors. Congress should not alter a system that has evolved to benefit consumers as well as broadcasters, cable and satellite companies. In 1992, Congress overwhelmingly adopted the retransmission consent principle which created a marketplace where cable operators and stations could bargain freely. There has never been an adjudicated complaint at the FCC of any broadcaster refusing to negotiate in good faith under the retransmission consent principle.

Broadcast programming is the backbone of every programming package sold by cable and satellite. Broadcast TV content is by far the most in-demand element of content delivered by an MVPD. Any dispute over the value of broadcast signals can and should be resolved in marketplace negotiations that the retransmission consent principle makes possible. Despite having available scores and in some cases hundreds of channels, cable subscribers spend well over 40 percent of their time watching *broadcast* signals. Broadcast programming dominates primetime program ratings, regularly accounting for 95 of the top 100 shows.

No other industry is asked to give its valuable product away for free to a competitor, so that the competitor can then resell it. Eliminating retransmission consent would turn back the clock to the days when cable operators simply took broadcasters' signals and profited from them without compensating broadcasters. Cable and satellite companies cannot, without consent, retransmit and sell the signals of cable networks, such as

ESPN, CNN, USA, The Food Network, HGTV or the History Channel. Why then should these same companies be able to retransmit broadcast channels for free?

There is no substantive data showing that retransmission consent fees lead to higher cable rates. The price paid by MVPDs for retransmission consent fees is inconsequential when compared to the programming-related fees paid by MVPDs for non-broadcast channels. Broadcasters' compensation is significantly less than that paid to other programmers of equal or lower, ratings. Retransmission consent fees paid to television stations represent only a fraction of an average pay-TV provider's operating costs (only a few cents of every dollar). In 2009, an MVPD paid an average of $2.08/subscriber/month to retransmit one of the Top 4 most expensive cable networks and $1.49/subscriber/month to retransmit one of the Top 4 most heavily viewed cable networks, while each of the "Big 4" broadcast network affiliates only received an average of approximately $0.14/subscriber/month in retransmission consent fees. The continuing escalation of cable's prices to consumers has occurred even in the days when virtually no broadcaster received any retransmission consent payments.

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TELEVISION DESIGNATED MARKET AREA ("DMA") MODIFICATION

The Issue

Many TV markets ("Designated Market Areas" or "DMAs") straddle state lines, including all three of Washington's TV DMAs (Seattle; Spokane; Yakima/Tri-Cities). Legislation has been introduced in past Congresses that would have permitted the importation of distant in-state signals of out of DMA stations by multichannel video program distributors ("MVPDs").

WSAB Position

WSAB opposes legislation that would permit the manipulation of cross-border DMAs by the importation of distant signals of out-of-DMA stations.

Background

Every DMA accurately reflects viewer preferences, local marketplace conditions, population concentrations, economic connections, and vital geographic links that tie communities together. Those commonalities of community would be severely disrupted by permitting MVPDs to import distant signals whose only relation to the area is that they are licensed to the same state, but hundreds of miles away.

Viewers will miss important local news, weather, school closings and emergency information if out-of-market stations are imported into a distant DMA. Boise, ID stations cannot and will not cover the local news for Post Falls or Coeur d'Alene. Those communities are thoroughly covered by their "local" stations in Spokane. Portland, OR stations cannot and would not provide coverage of local emergencies at Umatilla or local sports in Pendleton or Milton-Freewater. Importing such stations on the theory that viewers in northeast Oregon or northern Idaho will be better served with in-state news disenfranchises those viewers from the thorough coverage of their communities provided by local stations.

Local viewers would be deprived of local advertising, including advertising by political candidates running in local elections. Importation of Boise TV stations into the Spokane DMA counties of northern Idaho would result either in Coeur d'Alene's local businesses being required to buy advertising on Boise stations nearly 300 miles away, or be unable to reach their local communities. Candidates for office in northern Idaho would have no way to reach their constituents via television without buying advertising on Boise stations. Similarly, in northeastern Oregon, Congressman Greg Walden would have to buy time on Portland stations in order to reach the voters in Umatilla County nearly 300 miles away.

Duplicative national programming would undercut the ability of local, home-market stations to attract viewers and advertisers. For example, if MVPDs in northeastern Oregon were allowed to import network-affiliated stations from Portland, stations in the Yakima-Pasco-Richland-Kennewick DMA (which includes several Northeastern Oregon counties) carrying the same network programming would be financially harmed, and be less able to carry local programming relevant to Northeastern Oregon viewers.

Market manipulation would destroy the contractual rights that local stations have purchased from networks and other program suppliers. Importation of out of DMA stations would eviscerate the provisions of the current network non-duplication and syndicated exclusivity rules that support local stations' ability to ensure that they are the sole outlet for a particular network or syndicated program. Imported stations would bring in duplicative programming, making the home-market station's expensive network non-duplication and syndicated exclusivity right worthless.

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TELEVISION SPECTRUM VOLUNTARY INCENTIVE AUCTION

The Issue

The Federal Communications Commission is currently developing rules and procedures for the voluntary incentive auction of television spectrum. Congress' authorization for the FCC to conduct a voluntary auction of TV spectrum included specific protections for incumbent broadcasters against loss of coverage area and viewers; reimbursement for repacking; and involuntary assignment of stations from the UHF to VHF band, among other protections. In addition, the Commission has a statutory mandate from Congress to coordinate the repacking of the remaining television stations with Canada to ensure that there are enough channels available along the Northern United States border for American television stations to be repacked while protecting against loss of coverage or viewers.

WSAB Position

WSAB opposes any attempt to reallocate the spectrum used by free, over-the-air television stations unless the process protects incumbent broadcasters and viewers and any attempt by the Commission to reallocate the spectrum and repack the legacy television stations without first developing a coordinated plan for doing so with its Canadian counterpart. Congress continues to play a vital oversight role in the FCC's plan to reallocate a portion of the TV spectrum to broadband use.

Background

In planning for the future telecommunications infrastructure of the United States, Congress embraced broadcasters' Core Principles, but there remains a significant amount of leeway for the FCC to craft its auction process. Congress passed the incentive auction authorization with the requirements that auction be truly voluntary; the coverage area of any remaining stations not be reduced in geographic scope or interference protection; stations could not be involuntarily moved from the UHF band to the VHF band; and, remaining stations be compensated for the costs of repacking. Congress must keep a vigilant eye on the FCC's auction process to ensure that the intent of Congress to protect broadcasters is fulfilled.

In response to a question posed to her by Congressman John Dingell of Michigan, FCC Commissioner Mignon Clyburn, as Acting FCC Chairwoman, stated that precedent did not seem to suggest that "coordinating" with Canada and Mexico meant that the coordination had to be complete *prior* to the auction. She plainly stated that during the DTV transition, the Commission completed the transition subject to continuing negotiations with Canada. Thus, it does not appear that the Acting Chairwoman believes that coordination with Canada must be finalized prior to the auction despite the statutory language that the Commission may repack broadcasters "subject to international coordination along the border with Mexico and Canada."

Congress must require the FCC to coordinate with its Canadian counterpart to ensure that there will be sufficient spectrum available for repacking stations in northern border areas of the United States. Seattle and Spokane stations face an additional challenge because of their proximity to the Canadian border and interference protections required by treaty.

Both countries have DTV plans and by treaty each country must protect the other country's TV stations from interference within a 250 mile border buffer zone, which for example, prevents a station in Seattle from occupying the same channel as a station in Vancouver.

- *Spokane.* There are12 full-power DTV stations in the Spokane television market. A survey by the National Association of Broadcasters (NAB) estimates that because of interference protections afforded Canadian stations by treaty, 4 Spokane stations cannot be given a new channel during the repacking process following the incentive auction.

- *Seattle.* There are 17 full-power DTV stations in the Seattle television market. The NAB survey estimates that because of interference protections afforded Canadian stations by treaty, 10 Seattle stations cannot be given a new channel during the repacking process following the incentive auction.

- *Yakima/Tri*-Cities. Even the Yakima/Tri-Cities TV market is within the 250 mile buffer zone. Of the nine full power stations in the market, three are currently using a channel above Channel 30, including two PBS stations licensed to Washington State University.

- *Impact on All Washington TV Stations.* According to a NAB analysis, based on the FCC's National Broadband Plan calls for the reclamation of 120 MHz of broadcast spectrum, 84 of Washington's 204 full power stations and TV translators/LPTV stations which now operate above TV channel 30 could be impacted by an incentive auction and repacking. Eighty-three stations would not have a channel, forcing them to share channels with another station or cease to exist. This includes 14 full power TV stations and 69 TV Class A and TV translators/LPTV stations. These 14 full power stations are located in the Seattle-Tacoma and Spokane markets.

- *Other Markets Impacted.* This problem is not unique to the Northwest. Other television markets that will be affected, some even more severely, include Buffalo and Syracuse, NY; Detroit, MI; Cleveland, OH; and, others all along the Canadian border. Markets along the US/Mexican border are not immune, although the problem there is less intense.

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TAX DEFERRAL

The Issue

From 1978 to 1995, the FCC's "tax certificate" program allowed broadcast owners to defer capital gains taxes for two years when a station was sold to qualified minorities or females and the proceeds re-invested in a qualified property. In 1995, Congress repealed the program.

WSAB Position

WSAB supports legislation that would revise and re-enact the tax certificate program as a way to enhance diversity of ownership in the broadcasting industry.

Background

Broadcasters and the FCC want to ensure that ownership diversity of broadcast properties continues. The tax certificate program made it easier for minority entrepreneurs to purchase broadcast properties by providing them with a bargaining chip in negotiations. It also provided benefits to station owners who sold their properties to minority entrepreneurs, by allowing a tax deferral on any gain from the sale. And, reinvestment in communications businesses provided long-term financial strength for the entire industry.

The tax certificate is an effective, non-intrusive way of increasing the number of minority owners in broadcasting, thereby furthering the nation's policy favoring diversity in the expression of views on the nation's airwaves. Prior to the adoption of the tax certificate program in 1978, members of minority groups owned only 40 out of 8,500 broadcast stations. During the program's existence, the issuance of tax certificates resulted in the acquisition of 288 radio stations 43 TV stations, and 31 cable companies by members of minority groups.

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KXLY-TV, Spokane

WSAB RESOURCES

State Legislative Counsel
Rebecca L. Bogard
BOGARD & JOHNSON
Olympia/Seattle

Outside Legal Counsel
David Oxenford
WILKINSON BARKER KNAUER
Washington, D. C.

NAB Legislative Liaison Committee WA State Chair
Jon Rand
Northwest Broadcasting, Inc.
Spokane, Yakima, Tri-Cities

CONTACT WSAB

724 Columbia St. N.W.
Suite 310
Olympia, WA 98501

Phone: (360) 705-0774
Fax: (360) 705-0873
E-Mail: wa-broadcasters @comcast.net

Web Site: www.wsab.org