

Virginia Association of Broadcasters Legal Review



Brooks, Pierce, McLendon, Humphrey & Leonard, LLP
Counsel to VAB • (919) 839-0300

250 West Main Street, Suite 100 Charlottesville, VA 22902 • (434) 977-3716

November 17, 2017

Legal Memorandum

One Less Thing to Worry About: FCC Waives This Year's Form 317 Filing Requirement for Most TV Stations

Most digital television licensees and permittees will <u>not</u> have to file the annual Form 317 DTV Ancillary/Supplementary Services Report by December 1, 2017, the FCC announced in a <u>Public Notice</u> ("Public Notice") released earlier this week. As we previously reported, last month the FCC adopted a <u>Notice of Proposed Rulemaking</u> ("NPRM") that proposes to require only those broadcasters who actually provide feeable ancillary or supplementary services to submit the annual report—usually due December 1st—regarding such services.

In the Public Notice, however, the FCC waived the filing deadline this year for DTV stations that have received no revenues from the provision of ancillary or supplementary services during the reporting period ending September 30, 2017. The proceeding launched in the NPRM (which is part of the FCC's broader Modernization of Media Regulation Initiative) will likely result in the elimination of the reporting requirement for such stations. Accordingly, the FCC concludes in the Public Notice that waiver of this year's December 1st deadline for stations that did not provide feeable services "serves the public interest by temporarily relieving them of a regulatory burden that the Commission has tentatively concluded is unnecessary."

The overwhelming majority of DTV stations do not receive revenues from ancillary or supplementary services and will benefit from the waiver. Stations will recall that "ancillary" and "supplementary" services are services provided on that portion of a station's digital spectrum capacity or bit stream that is not needed to provide the required one free, over-the-air video broadcast signal, and for which the station receives compensation in return for the broadcast. Such services include, but are not limited to, computer software distribution, data transmission, teletext, interactive materials, aural messages, paging services, audio signals, subscription video, and other similar services. Ancillary and supplementary services do not include "any video broadcast signal provided at no direct charge to viewers"—in other words, a free, over-the-air multicast stream is not an ancillary and supplementary service.

The annual filing requirement has long been an annoyance for broadcasters, who have been required to report to the FCC (using Form 2100, Schedule G, formerly known as Form 317) whether they have offered any "ancillary" or "supplementary" services during the 12-month period ending on the preceding September 30—even if they did not provide any ancillary or supplementary services or receive revenue from those services during the relevant reporting period.

The Public Notice relieves most stations of that burden, at least with respect to this year's December 1st filing deadline.

Of course, many stations had already filed the form this year. But for this who haven't, it is one less thing to worry about. In this case, procrastination appears to have paid off!

If you have any questions concerning the information discussed in this memorandum, please contact your communications counsel or any of the undersigned.

Stephen Hartzell, Editor

BROOKS, PIERCE, McLENDON, HUMPHREY & LEONARD, L.L.P.

Wade H. Hargrove
Mark J. Prak
Marcus W. Trathen
David Kushner
Coe W. Ramsey
Charles E. Coble
Charles F. Marshall
Stephen Hartzell
Julia C. Ambrose
Elizabeth E. Spainhour
J. Benjamin Davis
Timothy G. Nelson
Amanda M. Whorton

Julia C. Ambrose
Elizabeth E. Spainhour
J. Benjamin Davis
Timothy G. Nelson
Amanda M. Whorton

This Legal Review should in no way be construed as legal advice or a legal opinion on any specific set of facts or circumstances. Therefore, you should consult with legal counsel concerning any specific set of facts or circumstances.

© 2017 Brooks, Pierce, McLendon, Humphrey & Leonard, L.L.P