

GREATER PUBLIC FCC Underwriting Guidelines and Compliance Workshop Great Great

Why Does This Matter? There's a New Sheriff in Town!

The New York Times

F.C.C. Chair Orders Investigation Into NPR and PBS Sponsorships

Brendan Carr, the chairman of the Federal Communications Commission, said the inquiry could help Congress decide whether to continue funding local stations.



"I am concerned that NPR and PBS broadcasts could be violating federal law by airing commercials," said Brendan Carr, the chair of the Federal Communications Commission, who was appointed by President Trump. Em Schatt/The New York Times





FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, DC 20554

Brendan Carr Chairman

January 29, 2025

Katherine Maher President and Chief Executive Officer National Public Radio

Paula A. Kerger President and Chief Executive Officer PBS

RE: Federal License Obligations of NPR and PBS Member Stations

Dear Ms. Maher and Ms. Kerger,

I am writing to inform you that I have asked the FCC's Enforcement Bureau to open an investigation regarding the airing of NPR and PBS programming across your broadcast member stations.

As you know, NPR and PBS distribute their programming through a network of approximately 1.500 NPR and PBS member broadcast stations. The relevant broadcast stations, which are licensed to operate by the FCC, are limited by the terms of their federal authorizations to operating as noncommercial educational broadcast stations. or VCLs.

Federal law probibits any NCE station from running commarcial advertisements. More specifically, Section 399B of the Communications Act prohibits an NCE station from airing commercials or other promotional aurouncements are ball of for-profit entities. For-profit entities that contribute funds to NCE stations may receive on-air acknowledgements, but the PCC has long held that these underwriting announcements are for identification purposes only. These announcements should not promote the contributor's products, services, or businesses, and they may not contain comparative or qualitative descriptions, price information, calls to action, or inducements to bay, sell, rent, or lease.

I am concerned that NPR and PBS broadcasts could be violating federal law by airing commercials. In particular, it is possible that NPR and PBS member stations are broadcasting underwriting announcements that cross the line into prohibited commercial advertisements.

It is important to me, as Chairman of the FCC, that NCE broadcass stations stay true to their important missions and refrain from operating as noncommercial in name only. That is why, as noted above. I have asked the FCC's Enforcement Bureau, with assistance from the FCC's

Enhanced Underwriting Announcements vs. Advertisements

The FCC allows Noncommercial Educational Stations to broadcast "Enhanced Underwriting Announcements" but prohibits airing of "Advertisements."

But what is the difference?!

Remember – Don't focus on what YOU think the difference is (or what you think the difference should be); all that matters is what the FCC thinks the difference is.



At the Extremes

Advertisement

Come on down to Santucci's for the best pizza in Philly. Bring the whole family in on a Tuesday and you can get two delicious extra-large pizzas for just \$15. Philly has been loving our amazing service and award-winning drinks for over 65 years!

Enhanced Underwriting Announcement

Sponsored by Santucci's, serving pizza and drinks for over 65 years.

The extremes are easy to distinguish but when you get close to line between the two it can be very difficult to distinguish.



The FCC's Definition of Advertisement

An announcement that promotes a for-profit product, service or facility.

The station receives some form (any form!) of compensation for airing the announcement.



Promotion -Four No's and a Not

NO Price Information

NO Call to Action

NO Inducements

NO Qualitative or Comparative Language

NOT Too Long





No Price Information

No mention of any price, cost or value associated with a product or service.



No Call to Action

No mention of something the listener should do related to the product or service.

No Inducements

No mention of inducements to buy, sell, rent or lease.



No Qualitative or Comparative Language

No mention of how good a product or service is and no comparisons to other products or services.



Not Too Long

The FCC has indicated that any announcement longer than 30 seconds is likely to be promotional.

Also, any long list of goods or services, or even a long description runs the risk of becoming promotional.



Established Names & Slogans

Watch Out - This Can Get Tricky!



"For Profit"

Don't Forget About "For Profit."



Compensation

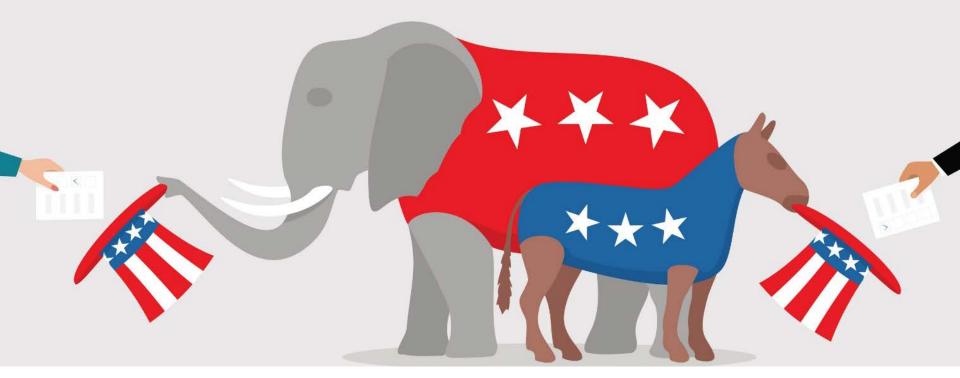
The station receives some form (any form!) of compensation for airing the announcement.

Compensation – The question to ask is "What motivated the airing of the announcement?"



Clear and Accurate Sponsorship Identification (Plugola & Payola)





Political Announcements

No Political Announcements Supporting or Opposing a Candidate.



Public Importance

No Paid "Issue Ads" Expressing a View on an Issue of Public Importance.



Fundraising

No Fundraising for Other Non-Profits

In a Nutshell

Announcements may include:

- Name and contact information such as, address, telephone number, or web address
- Brands or trade names of products or services offered
- Value neutral descriptions of product or services
- Non-promotional slogan
- Historical information



In a Nutshell

Announcements may not include:

- Price information
- Calls to action
- Inducements to buy, sell, or lease
- Comparative or qualitative language
- Excessive repetition of information



Compliance Worksheets Documentation = An Ounce of Prevention



For-Profit Underwriter and Sponsorship ID Compliance Worksheet

- Stations can only accept underwriting that complies with the FCC's underwriting rules.
- Stations cannot accept underwriting that supports or opposes a candidate for political office.
- Stations cannot accept underwriting that expresses a view on a matter of public importance or interest (i.e., "issue advertising").

| For-Profit Underwriter Informati |
|----------------------------------|
|----------------------------------|

Entity Name:

Entity Address:

| Contact Name: | | |
|---------------|--|--|

Contact Phone and Email Address:

Please refer to Greater Public's FCC Regulations Toolkit for guidance.

Does the proposed creative include any of the following?

| Price Information | Yes | No No |
|---|---------|-------|
| A Call to Action | Yes | 🗆 No |
| An Inducement to Buy, Sell, Rent or Lease | Ves Yes | □ No |
| Comparative Information | Yes | I No |



Not-For-Profit Underwriter and Sponsorship ID Compliance Worksheet

- Stations cannot accept underwriting that supports or opposes a candidate for political office.
- Stations cannot accept underwriting that expresses a sponsor's view on a matter of public importance or interest (i.e., "issue advertising").

Not-For-Profit Underwriter Information

Entity Name:

Entity Address:

Contact Name:

Contact Phone and Email Address:

Provide details and documentation regarding entity's not-for-profit status (e.g., What were you told by the contact person? What documentation were you provided? What did you do to verify the entity's not-for-profit status?):

Please refer to Greater Public's <u>FCC Regulations Toolkit</u> for additional guidance as you complete the following:

FG: 103358863.1

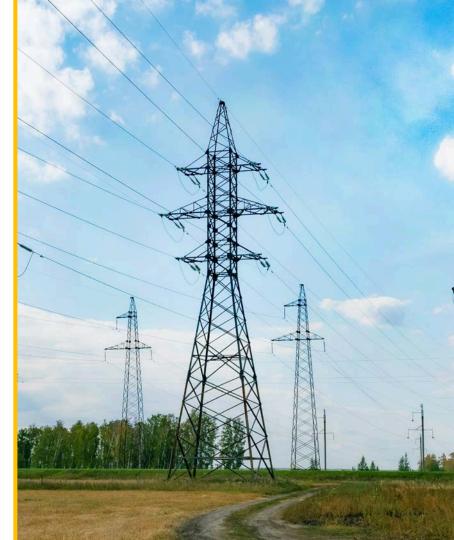


Let's Get Warmed Up

- Sponsored by Main Street Toyota. I find the people at Main Street Toyota to be very accommodating, and the owner Joey to be delightfully honest. Located on the web at MainStreetToyota.com.
- Sponsored by City Financial. City Financial reaches out to the business community to deliver quality financial services. Call Jenny at 867-5309.
- Support comes from CM Auto, now offering a discount on any air conditioning recharge with a Pennzoil oil change and 14-point lube check. Come on down to 4444 Traffic Street, Philadelphia.

Let's Dive In

Support comes from Pennsylvania Power, who believes in putting the people of Pennsylvania first. Pennsylvania Power is working to deliver clean energy in a reliable way to Pennsylvania neighborhoods and communities. More information about how Pennsylvania Power is investing in Pennsylvania's future at Pennsylvania Power dot com slash Value.





South Philly Subaru supports WCAR announcing the Subaru A Lot To Love event presenting the full line of Outbacks with Standard Symmetrical All Wheel Drive. Outbacks are customizable on the Premium, Limited, Touring and Onyx editions, in stock and available. Philly Subaru Subaru also offers test drives on their Symmetrical All-Wheel Drive vehicles, including Crosstrek, Outback, Ascent and the all-electric Solterra. Family owned and operated. Philly Subaru Subaru dot com.

Opera Philly presents its fourth annual Opera in the Park...everyone is welcome.

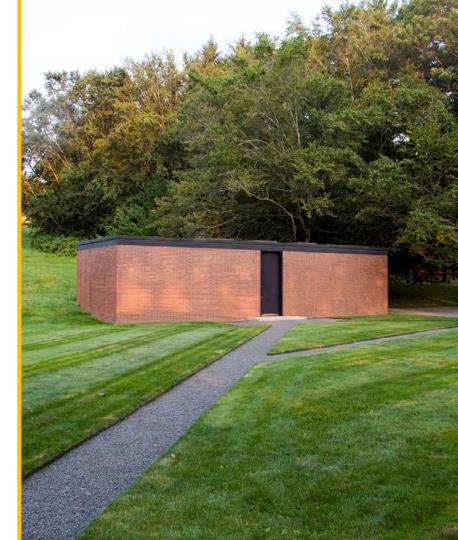
It's a free outdoor concert, Saturday, July 13 at the Dell Music Center in East Fairmount Park, featuring world famous soloists performing opera and Broadway favorites as well as highlights from the upcoming season. More information available at operaphilly.org.





"Support for WPHI comes from PHITA. LinkPHI is the region's plan to enhance public transit equitably and responsibly, while addressing growth in Philadelphia. It is designed to increase public transit, and build more sidewalks, safer bike paths and walkable communities. Learn more at LinkPHI dot com."

WKRP is supported by The Glass House in Downtown Cincinnati. Celebrating 75 Years with the newly restored 1949 Brick House opening May 2nd and 2024 installation of Shigeru Ban: Paper Log House. Public tours run Thursday -Monday, April 15th - December 15th. Advanced tickets are required at theglasshouse.org.





Support for programming comes from **BluePrint Financial Planning. Providing** clients throughout the state with comprehensive strategies for tax efficient investing, retirement income planning and estate planning. BP Financial Planning dot com. BluePrint Financial Planning is not a broker/dealer and is independent of **RJFS**, Raymond James Financial Services, Inc. Member FINRA/SIPC.



Support for WRIP comes from Philadelphia Cremation and Burial. Supporting the community from rave to grave, with comprehensive death care services, up-front costs and arrangements made in person, by phone, or online. Philadelphia Cremation and Burial specializes in natural practices like aquamation, cremation and terramation. So, when the party's over, families can work with a funeral home committed to caring for their clients and the environment. More information available at PCB.com.

Are you looking for a way to make a difference in your community? The Pennsylvania Highway Patrol is hiring men and women of all backgrounds with salaries starting at \$51,000 per year. PAHP candidates can also earn a free Associates Degree during their time at the Training Academy and there are dozens of career paths available through the Pennsylvania Highway Patrol. To learn more about becoming a PAHP Officer visit PAHP dot Pennsylvania dot gov and see if you have what it takes to join Pennsylvania's finest.







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