
UPDATE May 19, 2020

FCC Waives EEO Outreach Requirements for COVID-19 Rehiring Purposes

On May 4, 2020, the FCC's Media Bureau released an [Order](#) waiving the broad outreach requirements of the FCC's EEO recruitment rules to allow affected broadcast licensees and MVPDs to return operations to full strength once circumstances permit the re-hiring of released employees.

The FCC's EEO rules ordinarily require MVPDs that employ six or more full-time employees to engage in broad recruitment outreach for all full-time job vacancies. However, broadcast licensees and MVPDs may now rehire full-time employees who were laid off due to circumstances related to the ongoing COVID-19 pandemic without first conducting broad recruitment outreach. This waiver is conditioned on the broadcast licensee or MVPD rehiring such employees within nine months after the date they were laid off.

The FCC's EEO rules contain complex outreach, recordkeeping and reporting requirements. They apply on an employment unit basis and vary depending on the number of full-time employees employed in the unit. If you have any questions about EEO compliance, please contact Scott Friedman at (314) 462-9000 or sfriedman@cinnamonmueller.com.

Sinclair Agrees to Pay \$48 Million Civil Penalty Under FCC Consent Decree

On May 6, 2020, the FCC [announced](#) that Sinclair Broadcast Group had agreed to pay a \$48 million civil penalty – the largest ever by a broadcaster – and abide by a strict compliance plan in order to close three open investigations.

Specifically, the Consent Decree closes investigations into (i) Sinclair's disclosure of information relating to its proposed acquisition of stations owned by Tribune Media, (ii) whether the company met its obligations to negotiate retransmission consent agreements in good faith, and (iii) Sinclair's failure to identify the sponsor of content it produced and supplied to both Sinclair and non-Sinclair television stations.

A copy of the Consent Decree is not yet available. If you have questions regarding retransmission consent and the good faith negotiation rules, please contact Scott Friedman at (314) 462-9000 or sfriedman@cinnamonmueller.com or Bruce Beard at (314) 394-1535 or bbeard@cinnamonmueller.com.

FCC Proposes FY 2020 Cable Regulatory Fees

On May 13, 2020, the FCC released a [Report and Order and Notice of Proposed Rulemaking](#) seeking comment on its proposed regulatory fees for fiscal year 2020. Congress requires the FCC to annually collect regulatory fees to cover its operational costs, and the FCC sets the fees by calculating the proportion of the total number of FCC employees needed to regulate a particular service.

Proposed Regulatory Fees. The FCC has proposed the following regulatory fees:

- **2020 Cable/IPTV regulatory fee:** The FCC has proposed that cable systems (including IPTV systems) that had subscribers as of December 31, 2019 pay \$0.89 per subscriber, a \$0.03 increase from 2019.
 - **DBS regulatory fee:** In 2015, the FCC made DBS a sub-category of the Cable/IPTV fee category and adopted an initial regulatory fee of \$0.12 per subscriber. The FCC increased the DBS fee to \$0.27 per subscriber in 2016, \$0.38 per subscriber in 2017, \$0.48 per subscriber in 2018, \$0.60 in 2019 and has proposed a \$0.72 per subscriber fee for 2020.
- **CARS licenses and permits:** The FCC has proposed that CARS facilities operating on October 1, 2019 pay \$1,300.00, even if the facility's license expired after October 1, 2019.
- **Interconnected VoIP regulatory fee:** The FCC proposes an ITSP fee of \$0.00321 for each dollar of interstate and international telecommunications revenue that a provider reports on its Form 499-A.

Filing Procedures and Window. Following adoption of its FY 2020 Fee Order (likely in August), the FCC will collect these fees during a subsequent filing window (likely in September). All licensees must use their FRN and password to access the [Fee Filer System](#), and review, create, update, or change the fees owed. Then, each licensee must make payments electronically – online payment with a credit card, online payment from a bank account, or by sending a wire transfer. Fee Filer will print a Form 159-E for users to transmit via fax for wire transfers.

If you have any questions about regulatory fee payments, please contact Scott Friedman at (314) 462-9000 or sfriedman@cinnamonmueller.com.

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