### Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

Complaint of	)
Issue One and Campaign Legal Center	))))
Against	
Cox Media Group, licensee of WSB-TV, Atlanta, GA	))))
For Violations of the Communications Act § 315 and FCC Regulation § 73.1212	) ) )

To: Enforcement Bureau

#### COMPLAINT

Issue One and Campaign Legal Center file this complaint regarding violations of the Communications Act and Federal Communications Commission regulations by the Cox Media Group licensee of WSB-TV. In June 2017, WSB-TV ran a political ad sponsored by the House Majority PAC. The station failed to disclose information about House Majority PAC and the ad in its online political file as required by the Communications Act and Commission regulations.

I. Facts

### a. Parties

Issue One is a nonpartisan, nonprofit organization that seeks to "strengthen democracy and return government to the American people" through "political reform and government ethics."<sup>1</sup> The Campaign Legal Center is a nonpartisan, nonprofit legal

<sup>&</sup>lt;sup>1</sup> Issue One, About Us, <u>https://www.issueone.org/about/</u> (visited August 9, 2017).

organization that seeks "to improve our democracy and protect the fundamental right of all Americans to participate in the political process" by, among other things, seeking the enforcement of media and campaign laws.<sup>2</sup>

WSB-TV is an ABC-affiliated broadcast station in Atlanta, Georgia. Atlanta is the 10th largest Designated Market Area in the country, serving more than 2 million households.<sup>3</sup> Cox Media Group, licensee of WSB-TV, is headquartered in Atlanta, GA.<sup>4</sup> Cox is a subsidiary of Cox Enterprises, and is a media conglomerate that operates newspapers, publishing, television stations and websites on local and national scales.<sup>5</sup>

## b. The Advertisement

In June 2017, WSB-TV broadcast a political ad sponsored by House Majority

PAC, according to that station's political files.<sup>6</sup> House Majority PAC is a super PAC

"focused on holding Republicans accountable and helping Democrats win seats in the

House."7

<sup>4</sup> Cox Enterprises, Locations: Cox Media Group Corporate Headquarters, <u>http://locations.coxinc.com/divisions/cox-media-group</u>

<sup>&</sup>lt;sup>2</sup> Campaign Legal Center, About Us, <u>http://www.campaignlegalcenter.org/about/who-we-are</u> (visited August 9, 2017).

<sup>&</sup>lt;sup>3</sup> *Nielsen DMA Rankings – 2017 Television Season,* Lyons Public Relations Broadcast PR Solutions, (2016), <u>http://www.lyonspr.com/latest-nielsen-dma-rankings/</u>.

<sup>&</sup>lt;sup>5</sup> Cox Media Group, Roots, <u>https://www.coxmediagroup.com/our-roots/</u> (visited August 9, 2017).

<sup>&</sup>lt;sup>6</sup> See Political Files, WSB-TV, Federal Communications Commission, <u>https://publicfiles.fcc.gov/tv-profile/wsb-tv/political-files/2017/non-candidate-issue-ads/house-majority-pac/1a1db34a-94ec-d24a-282a-2c5fc4b5e4aa/</u> (last visited August 9 2017).

<sup>&</sup>lt;sup>7</sup> House Majority PAC, Our Story, <u>http://www.thehousemajoritypac.com/about-us/our-story</u> (last visited August 9, 2017).

The ad, entitled "Signs," criticizes Karen Handel, the Republican candidate in the runoff of the 2017 special election for Georgia's Sixth Congressional District.<sup>8</sup> The ad refers to Handel's tenure as Secretary of State of Georgia and criticizes her spending in the office.<sup>9</sup> The ad states:

> [Narrator:] Six campaigns for five different offices, but politician Karen Handel never changes, always taking taxpayers for a ride. A Lexus SUV, taxpayer funded air travel, \$15,000 on fancy office chairs while Georgia faced a huge budget deficit. With Handel's big spending on cruise control, taxpayers foot the bill.

> No matter the office, Karen Handel's the kind of politician we can't afford.

> House Majority PAC is responsible for the content of this advertising.

House Majority PAC claimed that it spent \$500,000 in total to broadcast this ad,

according to published reports.<sup>10</sup> House Majority PAC spent \$151,400 airing the

advertisement on WSB-TV, according to the contracts in the political file.<sup>11</sup> In the

agreement form in WSB-TV's political file, House Majority PAC acknowledged that the

ad related to the election in Georgia's Sixth Congressional District, yet answered "no" to

the question "Does the programming (in whole or in part) communicate 'a message

relating to any political matter of national importance."<sup>12</sup>

<sup>9</sup> See Tamar Hallerman, Georgia's 6th: Dems double down on Handel's 'big spending,' past runs for office, Atlanta Journal-Constitution (June 1, 2017), http://politics.blog.ajc.com/2017/05/30/georgia-6th-dems-double-down-on-handels-bigspending-past-runs-for-office/.

<sup>&</sup>lt;sup>8</sup> Exhibit A, attached is a screenshot of the ad and an *Atlanta Journal-Constitution* article confirming that the "Signs" ad ran on stations across Atlanta. The ad is available at https://www.youtube.com/watch?v=zrdM-4X U.

<sup>&</sup>lt;sup>11</sup> Exhibit B at 2, 4.

<sup>&</sup>lt;sup>12</sup> Exhibit C at 2.

#### II. Argument

The House Majority PAC ad triggers WSB-TV's political disclosure requirement for programming that "communicates a message relating to any political matter of national importance."<sup>13</sup> However, WSB-TV failed to disclose the proper information.

## a. The Communications Act and Commission regulation requirements.

When broadcasters run political ads, they must meet specific disclosure requirements set forth in the Communications Act and Commission regulations.

Section 315(e)(1) of the Communications Act requires that broadcast licensees maintain records regarding any request to purchase broadcast time that "communicates a message relating to any political matter of national importance, including (i) a legally qualified candidate; (ii) any election to Federal office; or (iii) a national legislative issue of public importance."<sup>14</sup>

For such requests, the licensee must disclose, among other things, "the name of the candidate to which the communication refers and the office to which the candidate is seeking election, the election to which the communication refers, or the issue to which the communication refers (as applicable),"<sup>15</sup> as well as "the name of the person purchasing the time, the name, address, and phone number of a contact person for such person, and a list of the chief executive officers or members of the executive committee or of the board of directors of such person."<sup>16</sup>

<sup>&</sup>lt;sup>13</sup> 47 U.S.C. § 315(e)(1)(B).

<sup>&</sup>lt;sup>14</sup> *Id.* § 315(e)(1)(B)(i)—(iii).

<sup>&</sup>lt;sup>15</sup> *Id.* § 315(e)(2)(E).

<sup>&</sup>lt;sup>16</sup> *Id.* § 315(e)(2)(G).

Similarly, Commission regulations require that, when a station broadcasts paid ads that concern a "political matter" or discuss a "controversial issue of public importance," and the ads are paid for by "a corporation, committee, association or other unincorporated group, or other entity," then "the station shall . . . [maintain] a list of the chief executive officers or members of the executive committee or of the board of directors of the corporation, committee, association or other unincorporated group . . . for public inspection." <sup>17</sup>

# b. The House Majority PAC ad triggers the disclosure requirements of the Communications Act and Commission's regulations.

The House Majority PAC ad run by WSB-TV triggers the disclosure requirements of section 315(e)(2) of the Communications Act and § 73.1212(e) of the Commission's rules for two reasons. First, the ad refers to Karen Handel, a "legally qualified candidate" for the U.S. House of Representatives in Georgia's Sixth Congressional District.<sup>18</sup> Under Commission rules, a legally qualified candidate is any person who has "publicly announced his or her intention to run for nomination or office," is qualified to hold that office, and, if seeking election or nomination by means of a "primary, general or special election," has "qualified for a place on the ballot."<sup>19</sup> Handel had publicly announced that she was running for office and on February 15, 2017, declared that she had qualified for a

<sup>&</sup>lt;sup>17</sup> 47 C.F.R. § 73.1212(e).

<sup>&</sup>lt;sup>18</sup> See Exhibit A.

<sup>&</sup>lt;sup>19</sup> 47 C.F.R. § 73.1940.

place on the ballot, making her a legally qualified candidate.<sup>20</sup> Handel raised more than \$1.5 million for her campaign in 2017.<sup>21</sup>

Second, the ad refers to an election to Federal office.<sup>22</sup> The advertisement features a Karen Handel for U.S. Congress yard sign and discourages voters from supporting Handel when she was running for federal election.<sup>23</sup> House Majority PAC's filings with the Federal Election Commission (FEC) also acknowledge that its advertisements aired during this period opposed Federal candidate Karen Handel.<sup>24</sup>

### c. WSB-TV failed to disclose the information required by law.

WSB-TV uploaded a number of documents to its online political file for the sale of airtime for "Signs," including but not limited to: the contract,<sup>25</sup> which discloses rates, dates, and times the ad ran, in compliance with section 315(e)(2)(A)-(D); and the National Association of Broadcasters (NAB) Form PB-18, "Agreement Form for Non-Candidate/Issue Advertisements" ("NAB Agreement").<sup>26</sup>

The NAB Agreement provides the space for stations to meet the disclosure requirements of § 315 of the Communications Act. The form asks whether the ad communicates a "message relating to any political matter of national importance." If yes, then the station must, in the next section, disclose the name of the candidate, the office

http://docquery.fec.gov/pdf/141/201706069056314141/201706069056314141.pdf. <sup>25</sup> See Exhibit B.

<sup>&</sup>lt;sup>20</sup> Karen Handel Qualifies for Georgia's 6th Congressional District, Karen Handel for Congress, https://karenhandel.com/karen-handel-qaualifies-georgias-6th-congressional-district/ (last visited August 14, 2017).

<sup>&</sup>lt;sup>21</sup> See Hallerman, supra note 9.

<sup>&</sup>lt;sup>22</sup> See Exhibit A.

<sup>&</sup>lt;sup>23</sup> Id.

<sup>&</sup>lt;sup>24</sup> See, e.g. House Majority PAC, FEC Schedule E 24/48 Hour Report of Independent Expenditures (June 6, 2017),

<sup>&</sup>lt;sup>26</sup> See Exhibit C.

being sought, the date of the election and/or the issue to which the ad refers. The form gives several examples of legislative issues of national importance, including the "Affordable Care Act."

WSB-TV incorrectly answered "no" to the question of whether "the programming (in whole or in part) communicate[s] 'a message relating to any political matter of national importance."<sup>27</sup> The following questions for programming that does communicate a message relating to a political matter of national importance were left unanswered. As a result, WSB-TV failed to properly disclose the office being sought by the candidates as well as other information required by law. This constitutes a violation of the Communications Act.

#### Conclusion

The Communications Act and Commission rules are intended to inform the public about the amount of spending and source of funding when broadcast stations air paid programming concerning candidates, elections, and political matters of public importance. WSB-TV has failed to disclose this important information. Thus, Issue One and Campaign Legal Center respectfully request that the Commission take prompt action to ensure that this information is made available to the public through WSB-TV's public file. We further request that the Commission take other measures, such as assessing forfeitures and issuing a Public Notice reminding broadcast stations of their obligations, to ensure that this and other broadcast stations include all of the legally required disclosures in the future.

<sup>&</sup>lt;sup>27</sup> Exhibit C at 1.

August 21, 2017

Respectfully submitted,

Calu

Issue One, by Meredith McGehee 1401 K Street, NW, Washington, DC 20005, Suite 350 (202) 888-6820

Campaign Legal Center, by Brendan M. Fischer 1411 K Street, NW, Suite 1400 Washington, DC 20005 (202) 736-2200

Tyler Cole Issue One 1401 K Street, NW, Suite 350 Washington, DC 20005 Counsel to Issue One

Brendan Fischer The Campaign Legal Center 1411 K Street, NW, Suite 1400 Washington, DC 20002 Counsel to the Campaign Legal Center