August 25, 2016

Marlene H. Dortch, Esq.
Secretary
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Re: Written *Ex Parte* Communication, MB Docket Nos. 14-50, 09-182, 07-294

Dear Ms. Dortch:

On June 30, the National Association of Broadcasters filed a request under the Freedom of Information Act (FOIA) seeking "[m]aterials including, but not limited to, studies, reports, articles, presentations, empirical data, surveys and/or internet sources" considered by the Federal Communications Commission's (FCC) Media Bureau, Office of Strategic Planning & Policy Analysis, and Chairman Tom Wheeler and his staff in connection with "developing and/or drafting" policies in the above-captioned proceedings.[1] The resulting collection of thirteen documents,[2] which we received on August 16 and is attached hereto, is, to put it mildly, underwhelming. A hollow foundation for research or analysis, the records prove what broadcasters have long suspected -- the FCC has taken a purposeful "head in the sand" approach to its required quadrennial examination of the media marketplace.

As the Third Circuit Court of Appeals noted earlier this summer, the broadcast ownership rules "lay the groundwork for how the broadcast industry operates and have major implications for television, radio, and newspaper organizations."[3] Yet even incorporating the few documents the Commission excluded for licensing reasons – "six broadcast and/or cable advertising cost and revenue reports from SNL Kagan and two Commission staff analyses of broadcast and cable television ratings surveys from The Nielsen Company" – the attached set of documents demonstrates that the Commission's decision to maintain and even tighten broadcast ownership restrictions has been driven by reasons that have nothing to do with a serious examination of data. Indeed, with the exception of the Knight Foundation study on increasing consumption of news on mobile phones – which actually supports broadcasters' arguments that they are no longer gatekeepers to information – the records are devoid of useful data. There is zero examination, for example, of the

[1] *See* Freedom of Information Act Request from Rick Kaplan, General Counsel and Executive Vice President, National Association of Broadcasters (June 30, 2016).

[2] *See* Federal Communication Commission's Reply to National Association of Broadcaster's June 30, 2016 Freedom of Information Act request, attached.

[3] *Prometheus Radio Project v. FCC*, 824 F.3d 33, 37 (3d Cir. 2016).

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decline of the print newspaper industry; no record about how the Internet has helped democratize the flow of information; and nothing else that suggests the Commission performed the kind of rigorous inquiry that Congress mandated.

Instead, the records include information that was already publicly available, including several that can best be described as "odds and ends." They contain, for example, the entire Consolidated Appropriations Act of 2016 (which, among other things, blocked the Commission's retroactive ban on joint sales agreements), two documents that serve only to prove the existence of the CW Television Network, publicly-available correspondence between several senators and FCC Chairman Tom Wheeler, and, perhaps most peculiar of all, the Commission's "informal timeline" for consideration of merger applications – even as the rules continue to prohibit mergers. According to the FCC's attached cover letter, these "materials update, supplement and/or support information in the record of the proceeding."[4]

While the Commission will no doubt argue that the existing record provided enough information on which to base its decision to maintain its analog-era rules, these records expose a particularly lackluster and ultimately arbitrary and capricious effort by the FCC to seek out and consider other information that would show unequivocally how marketplace changes have nullified the need for the rules, at least in their current form. Looking through the attached record, it is impossible to conclude that Commission staff made any serious attempt to examine the issues presented from a fresh perspective. The fact, for example, that Commission staff relied upon a 2014 blog post (again publicly available) from Chairman Wheeler and Commissioner Mignon Clyburn suggests a pre-ordained, results-oriented decision-making process rather than an open-minded approach befitting of an expert agency. This peek behind the curtain is no doubt a disappointment and insult to stakeholders and other Americans that expect the FCC to make thoughtful decisions based on current data.

Ultimately, these records provide further evidence that the Commission's decision to maintain the existing broadcast ownership restrictions, including the wildly outdated printed newspaper cross-ownership ban, is arbitrary and capricious, and continues to be contrary to law.

Respectfully submitted,

Rick Kaplan
General Counsel and Executive Vice President
Legal and Regulatory Affairs

[4] *See* Letter from Michael S. Perko, Chief, Office of Communications and Industry Information, Media Bureau, to Rick Kaplan (Aug. 12, 2016), included in attachment.

Federal Communications Commission
Washington, D.C. 20554

August 12, 2016

In Reply Refer to:
FOIA 2016-725

Mr. Rick Kaplan
General Counsel
National Association of Broadcasters
1771 N Street, NW
Washington, D.C. 20036

Dear Mr. Kaplan:

This letter is in response to your Freedom of Information Act (FOIA) request for materials "including, but not limited to, studies, reports, articles, presentations, empirical data, surveys and/or internet sources" considered by the Federal Communications Commission in connection with "developing and/or drafting policy recommendations" for MB Dockets 14-50, 09-182 and 04-256. Your request specifically excludes "communications that are protected by legal privileges, internal communications and drafts of agency decisions." For the reasons provided below, your request is granted in part and denied in part. [1]

In response to your request, Commission staff searched agency files, but excluded from the search all materials in the public record of the consolidated media ownership rulemaking proceeding as of the date that your request was submitted.[2] Staff identified 21 responsive records, described in the enclosed index. These materials update, supplement and/or support information in the record of the proceeding. The Media Bureau is releasing the records in their entirety, with the exception of eight documents that are withheld pursuant to the statutory exemption protecting proprietary information, as explained herein.

Exemption 4 of the FOIA permits the Commission to withhold from disclosure any documents, or portions of documents, containing either trade secrets or commercial or financial information that is obtained from a person, and privileged or confidential.[3] Where information has been required to be submitted to the agency, the information may be withheld under Exemption 4 upon a showing that (1) disclosure would likely impair the government's ability to obtain necessary information in the future or (2) disclosure would likely cause substantial harm

[1] On July 29, 2016, this office provided you notice by e-mail communication that the time for response to your request was extended by 10 business days. The extension was taken pursuant to 47 C.F.R. §0.461(g)(1)(iii) in order to coordinate processing among different Bureaus/Offices within the Commission.

[2] Under 47 C.F.R. 0.461(f)(6), only records in the custody of the Commission at the time a FOIA request is received shall be considered in searching for and locating responsive records.

[3] *See* 5 U.S.C. §552 (b)(4), 47 C.F.R. §0.457(d).

to the competitive position of the person from whom the information was obtained.[4] If the submission of information was voluntary, it may be withheld on a showing that it is information not customarily released to the public.[5]

Our search for records responsive to your request produced six broadcast and/or cable advertising cost and revenue reports from SNL Kagan and two Commission staff analyses of broadcast and cable television ratings surveys from The Nielsen Company (Nielsen). The Media Bureau has determined that the SNL Kagan materials are licensed commercial research products, made available only by purchase, and that their release may impair the ability of the Commission to obtain information from SNL Kagan for future agency work. With respect to the analyses of Nielsen surveys, the Media Bureau finds that the information they contain is inextricably linked to data provided by Nielsen to the Commission under commercial contract that may not be released without authorization. Accordingly, these documents are withheld from disclosure in their entirety.

Your request has been categorized as "commercial." Under Section 0.470 of the Commission's rules (Assessment of Fees), commercial entities requesting materials pursuant to the FOIA are to be assessed charges that recover the full direct cost of time spent on search, review and document reproduction.[6] This request involved four hours of search by a GS-12 Commission staff member ($50.50/hour), four hours of search and review by GS-14 Commission staff members ($70.96/hour), and seven hours of search by GS-15 Commission staff members ($83.47/hour). The request also involved duplication of 93 pages ($0.10/page). Thus, the total charge for your request is $1079.43.

The Commission's Financial Management Division, Office of the Managing Director, will send you a statement for $1079.43 in the near future. Please remit payment in accordance with the instructions provided on the statement. Payment is due 30 days after receipt of the statement.

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[4] *See e.g., Merchant & Gould*, P.C. 26 FCC Rcd 6556, 6557 (2011) *(citing Nat'l Parks and Conservation Ass'n v. Morton,* 498 F. 2d 765, 770 (DC Cir. 1974)).

[5] *See Critical Mass Energy Project v. NRC,* 975 F. 2d 871, 879 (D.C. Cir 1992) *cert. denied*, 507 U.S. 984 (1993).

[6] In your request, you authorize fees up to $2500.

If you consider this to be a denial of your FOIA request, you may seek review by filing an application for review with the Office of General Counsel. An application for review must be *received* by the Commission within 30 calendar days of the date of this letter.[7] You may file an application for review by mailing the application to Federal Communications Commission, Office of General Counsel, 445 12th St SW, Washington, DC 20554, or you may file your application for review electronically by e-mailing it to FOIA-Appeal@fcc.gov. Please caption the envelope (or subject line, if via e-mail) and the application itself as "Review of Freedom of Information Action."

Sincerely,

Michael S. Perko
Chief, Office of Communications and
Industry Information
Media Bureau

Enclosures

[7] 47 C.F.R. §§ 0.461(j), 1.115; 47 C.F.R. § 1.7 (documents are considered filed with the Commission upon their receipt at the location designated by the Commission).

INDEX OF RESPONSIVE RECORDS

Records Released

1. Chairman Tom Wheeler & Commissioner Mignon Clyburn, Making Good on the Promise of Independent Minority Ownership of Television Stations (Dec. 4, 2014)
2. FCC, *Informal Timeline for Consideration of Applications for Transfers or Assignments of Licenses or Authorizations Relating to Complex Mergers*
3. Pew Research Center, Audio: Spotify and Pandora Active Users (2014),
4. Press Release, Ipsos, Ipsos Tunes in With Americans: AM/FM Radio Continues to Make Waves in the In-Car Environment (April 9, 2015)
5. Consolidated Appropriations Act, 2016, § 628, P.L. 114-113 (2015)
6. Correspondence between Roy Blunt et al., United States Senator, and Tom Wheeler, Chairman, FCC, OLA Docket No. 16-9 (filed Mar. 15, 2016)
7. Warner Bros., *The CW Television Network – WarnerBros.com – The Studio*
8. CBS Corporation, *The CW* (*The CW*)
9. Sydney Ember, *In Sheldon Adelson's Newsroom, Looser Purse Strings and a Tighter Leash*, N.Y. Times (May 22, 2016)
10. Knight Foundation, Mobile-First News: How People Use Smartphones to Access Information (2016)
11. Hannah Weikel, *New Radio Stations Broadcast to Underserved Neighborhoods*, The Washington Times (Dec. 19, 2015)
12. Gannett, News Release, *Gannett Completes Company Split to Move Forward as the Nation's Largest Local-to-National Media Company* (June 29, 2015)
13. Media General, News Release, *Media General Completes Sale of Newspapers to Berkshire Hathaway* (June 25, 2012)

Records Withheld

1. FCC staff analysis of broadcast television ratings data from Nielsen
2. FCC staff analysis of week-by-week broadcast and cable television ratings data from Nielsen
3. SNL Kagan, TV Network Summary, Broadcast Networks by Average Prime Time TVHH Delivery (000) as of June 8, 2016
4. SNL Kagan, TV Network Summary, Basic Cable Networks by Average Prime Time TVHH Delivery (000) as of June 8, 2016

5. SNL Kagan, TV Network Summary, Basic Cable Networks by Calculated CPM ($) as of June 8, 2016
6. SNL Kagan, TV Network Summary, Broadcast Networks by Calculated CPM ($) as of June 8, 2016
7. SNL Kagan, TV Network Summary, Broadcast Networks by Net Advertising Revenue ($000) as of June 8, 2016
8. SNL Kagan, TV Network Summary, Basic Cable Networks by Net Advertising Revenue ($000) as of June 8, 2016

Making Good on the Promise of Independent Minority Ownership of Television Stations

December 4, 2014 - 1:52 pm

Increasing minority ownership of television broadcast stations has been an often-stated, but elusive goal. While there is widespread agreement on the need for progress, there has been very little by way of new ideas to solve the twin problems of access and opportunity. For several years, the only path available to minority entrepreneurs required troubling financial dependency and constrained programming choices. With the Media Bureau's approval of several transactions today, however, we see the emergence of new ownership models that will not only bring more independent voices to the station ownership ranks in a manner that promotes diversity, competition, and localism.

Each recent success detailed below is grounded in steps the Commission took this year to rein in abuse of the "sidecar" business model. This allowed television station owners to structure broadcast transactions in ways that openly circumvented our local TV ownership rule, which generally forbids ownership of more than one station in a local market. The effect was to deny opportunities for minority ownership and management.

In aligning our treatment of Joint Sales Agreements (JSAs) for TV stations -- which permitted the larger, financially dominant station in a market to sell advertising for a weaker station -- with that of radio stations, we sought to reduce any influence on programming at the smaller station that might naturally attach to such arrangements. Moreover, allowing major broadcasters to tie up stations as sidecars made it harder for truly independent would-be broadcasters to compete to buy available stations.

In addition, the Media Bureau issued processing guidelines advising broadcasters that the Bureau will look closely at proposed transactions in which stations share services while maintaining extensive financial entanglements, such as options to buy or loan guarantees. Such a combination of arrangements raises questions whether the independent ownership that our rules require truly exists. By enforcing our local TV rule, we sought to achieve its purposes of protecting competition and diversity in local TV markets.

In total, the Bureau approved transactions that will result in ten new minority- and women-owned stations:

- *KPEJ-TV, Odessa, Texas, and KMSS-TV, Shreveport, Louisiana*. Marshall Broadcasting Group, Inc., owned by Pluria Marshall, Jr., will obtain each of these stations from Nexstar Broadcasting, Inc. Mr. Marshall, an African-American media executive with extensive experience running television and radio stations, began his career at WLBT-TV in Jackson, Mississippi, later becoming Vice President and General Manager at WLBM-TV in Meridian, Mississippi. During his five-year tenure at WLBM-TV, Mr. Marshall tried to become a broadcast station owner four separate times, with each transaction falling through due to his inability to obtain financing. Nexstar will provide financial assistance for no more than five years after closing, with no express or implicit financial support after that date. Use of JSAs is limited to 15 percent of sales, the attribution floor established in the Commission's JSA order. Marshall will acquire its own programming independently of Nexstar, other than the 15 percent of programming for which Nexstar will be allowed to handle advertising sales. This incubation arrangement addresses the difficulty that Mr. Marshall previously

encountered in obtaining financing for a station purchase and supports the entry of a new independent voice in these local markets.

- *WEVV-TV, Evansville, Indiana*. DuJuan McCoy, CEO of Bayou City Broadcasting Evansville, Inc. will become part-owner of WEVV-TV and will run the day-to-day operations; a private investment group will provide the money for the sale. His experience includes over a decade of growing small, medium, and large stations. Mr. McCoy, an African-American, indicated that he has the responsibility to "lay down groundwork for future minorities so that there's some type of track record of success with minorities running television stations."[1]

- *WMMP(TV), Charleston, South Carolina, WCFT(TV), Tuscaloosa, Alabama, and WJSU-TV, Anniston, Alabama*. The Bureau is also approving the sale of stations from Sinclair Broadcasting to Howard Stirk Holdings, LCC, which is owned and controlled by Armstrong Williams. Sinclair will sell these stations rather than turn them in for cancellation as it had previously announced. Mr. Williams, a well-recognized African-American political commentator with years of experience in the broadcast industry, has said that he will obtain programming by, among other things, producing original local public affairs programs aired during prime time.

- *KJCT(TV), Grand Junction, CO, KXJB(TV), Valley City, ND, KAQY(TV), Columbia, LA, and KNHL(TV), Hastings, NE*. Gray Television, Inc., retained MMTC Media and Telecom Brokers, the brokerage arm of the Minority Media and Telecommunications Council, to identify and facilitate the transfer of these full-power television stations following the termination of their services agreements with Gray. The sales will provide Ravi Kapur and Sherry Nelson the first opportunity to purchase a full-power television station. Jeff Chang will purchase his second full-power television station.

What we have done in a very short time is foster clear-eyed market-based solutions to the longstanding challenge of low minority broadcast ownership. The examples above indicate real and replicable progress of which the broadcast industry should take note. We look forward to the continued expansion of minority ownership of broadcast stations and invite the participation of all stakeholders in working toward this goal.

[1] *Adam Buckman, DuJuan Is The Real McCoy Station Owner,* TVNewsCheck: The Business of Broadcasting, Oct. 1, 2014.

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Informal Timeline for Consideration of Applications for Transfers or Assignments of Licenses or Authorizations Relating to Complex Mergers

The following timeline generally identifies the tasks the FCC performs in order to complete its review of assignment or transfer of control applications involving complex or difficult issues, and the time normally needed to complete them.

The timeline represents the Commission's goal of completing action on assignment and transfer of control applications (i.e., granting, designating for hearing, or denying) within 180 days of the public notice accepting the applications. Routine applications are decided well within the 180-day mark. It is the Commission's policy to decide all applications, regardless of whether they are highlighted on the web page, as expeditiously as possible consistent with the Commission's regulatory responsibilities. Although the Commission will endeavor to meet its 180-day goal in all cases, several factors could cause the Commission's review of a particular application to exceed 180 days. The timeline is intended to promote transparency and predictability in the Commission's process. For transactions highlighted on the Commission's web page, the timeline provides the public with ready access to information about the status of a pending transaction.

The Commission occasionally receives requests by outside parties to "stop the clock" for a particular transaction. The timeline carries with it no procedural or substantive rights or obligations, but merely represents an informal benchmark by which to evaluate the agency's progress on a particular transaction. Accordingly, stopping the clock is a decision purely within the Commission's discretion.

Further, although the Commission seeks to meet the 180-day benchmark in all cases, its statutory obligation to determine that an assignment or transfer serves the public interest takes precedence over the informal timeline. The Commission's failure to release an order within the 180-day benchmark is not indicative of how it will resolve the issues raised in this proceeding.

We believe that the timeline has been a useful tool for both the agency and the public since it was first proposed in March 2000. We appreciate the comments and suggested changes we have received and continue to invite suggestions on additional improvements we can make to improve further the transparency and predictability of the Commission's assignment and transfer of control processes.

All dates are approximate

Please note that all dates in the timeline are approximate and are subject to change. For example, if a due date falls on a weekend or holiday, the due date will be moved to the next business day and subsequent due dates will be moved accordingly.

Application: Applicants can benefit most from the agency's effort to streamline its process for reviewing applications by providing the Commission with the necessary accurate information in the proper form at the earliest time.

- Applicants' Tasks—pre-Public Notice
  - Identify complete list of licenses and authorizations involved
  - Contact relevant Bureaus
  - Identify appropriate application forms, appropriate filing process, and related applications/requests, in consultation with relevant FCC staff
  - File necessary forms, applications, and special requests for relief

Day 0: Public Notice: Accepting the Applications for Filing

- Minimum requirements for an application to be accepted for filing — facially complete application addressing the relevant issues and providing sufficient support for agency analysis and meaningful public comment, with a complete and accurate identification of all relevant licenses and authorizations
- The Public Notice will generally contain:
  - General nature of applications and related transaction and waivers and other rulings requested by parties, if any
  - List of licenses/authorizations to be transferred/assigned/granted/discontinued, with associated file numbers
  - Due dates for pleadings and instructions how to file comments
  - Designation of proceeding as "permit-but-disclose," allowing parties to meet with Commission staff and individual Commissioners on an ex parte basis
  - Contact information

- The issuance of the Public Notice starts the 180-day clock.
- A Protective Order limiting access to confidential information may also be issued at or about this same time.

Day 30: Comments and Petitions to Deny Due

- Ordinarily, comments and Petitions to Deny are due 30 days after the Public Notice is issued; occasionally they are due after 45 days
- Persons and entities that file petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Persons who file comments will have those comments duly considered by the FCC but may not have the right to participate in any formal hearing or file appeals to the courts.

Day 45: Oppositions to Petitions to Deny and Comments Due

- Ordinarily, Oppositions are due 15 days after Petitions to Deny and Comments are due. Waiting until the reply stage to introduce arguments and evidence that were clearly available and relevant at the initial application stage is discouraged and may require additional time for public comment that will not be charged against the agency's time clock.

Day 52: Replies to Oppositions

- Ordinarily, Replies are due one week after Oppositions are due.

Day 90: Initial Information Request

- The Commission will endeavor to send to the parties an initial request for information, if necessary, by Day 90 and in many cases will be able to do so earlier. If the Commission does not issue an initial information request by Day 90 it may still do so at any time after this date.

Days 52-180: Analysis of Record; Discussions with Parties

- Analysis of Record; Discussions with Parties.

Day 180: FCC issues Order granting applications...

- FCC issues Order granting applications, granting applications with conditions, or designating applications for hearing (denials without a hearing are possible only in very limited circumstances).

Considerations in "Stopping the Clock"

- The Commission may "stop the clock," that is, suspend its informal timeline, when the Commission's ability to process and review the merits of an application is impeded by justifiable delay, the parties' actions, or external events. Stopping the clock in such circumstances is intended to provide a more accurate picture of the time the Commission finds necessary to process a particular transaction. Stopping the clock does not itself delay a decision in a proceeding; it merely reflects that a decision could be delayed as a result of some external factor. When this occurs, the Commission ordinarily sends the parties a letter explaining the reason for stopping the clock and posting that letter on the web page. The following are common, but non-exhaustive, examples of reasons for stopping the clock:
  - The Commission extends the time for filing pleadings.
  - The Applicants do not respond to a request for information within a stated time period.
  - The Commission finds it appropriate to await resolution of issues pending before the relevant U.S. law enforcement or national security agencies.
  - The Commission receives significant new information about an application, or the parties file a substantial amendment to the application.

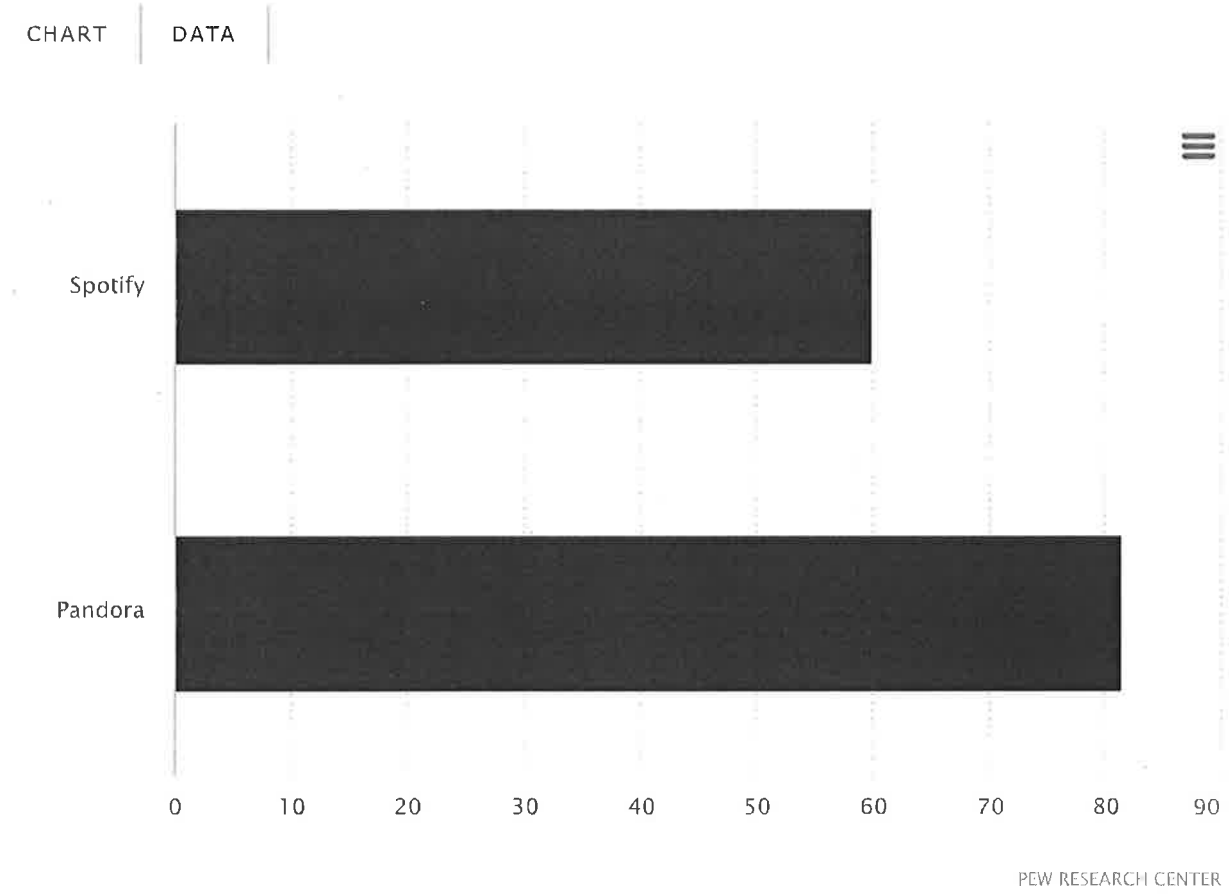
- If the Commission stops the clock, it generally will restart it as soon as the event justifying its stoppage has been resolved such that the Commission's review process is no longer impeded. On rare occasions the clock may be reset to a prior date.

PewResearchCenter

Journalism & Media

Audio: Spotify and Pandora Active Users (2014)

Number of users in millions



Source: TechCrunch and Spotify

Ipsos Tunes in With Americans: AM/FM Radio Continues to Make Waves in the In-Car Environment

Radio Remains the Preferred Form of Audio Entertainment in the Car, Followed by CDs

Public Release Date: Thursday, April 9, 2015, 6:00 AM EST

Ipsos is an independent market research company controlled and managed by research professionals. Founded in France in 1975, Ipsos has grown into a worldwide research group with a strong presence in all key markets. Ipsos ranks third in the global research industry. With offices in 87 countries, Ipsos delivers insightful expertise across five research specializations: brand, advertising and media, customer loyalty, marketing, public affairs research, and survey management. Ipsos researchers assess market potential and interpret market trends. They develop and build brands. They help clients build long-term relationships with their customers. They test advertising and study audience responses to various media and they measure public opinion around the globe. Ipsos has been listed on the Paris Stock Exchange since 1999 and generated global revenues of €1,669.5 ($2,218.4 million) in 2014.

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Ipsos Tunes in With Americans: AM/FM Radio Continues to Make Waves in the In-Car Environment

Radio Remains the Preferred Form of Audio Entertainment in the Car, Followed by CDs

New York, NY – A recent survey by Ipsos once again shows that in the car, Americans prefer radio to CDs or streaming services – and that while countless studies claim that music engagement has evolved as the media landscape has changed, research shows that this definitively does not hold true in the car.

The survey showed that in an in-car environment, 84% of Americans use AM/FM radio as their audio entertainment over new technology options. And they're tuning in frequently – 62% say that they listen to the radio at least once a day in their cars and 67% say they turn on their AM/FM radio as soon as they put on audio in the car. Similarly, in the car, the majority (64%) of Americans still use a CD player, keeping an average of 10.5 CDs in their vehicle. While consumers do seem averse to purchasing new CDs (68% say they have not purchased any new CDs in the last year), only 22% of those who aren't buying new CDs say it's because they are replacing the discs with digital streaming services. Most either don't want any new CDs (27%) or find CDs to be too much money (23%).

Cost seems to be a common thread when it comes to in-car entertainment. While there is only a small population of Americans that stream their in-car audio, less than one-third of those

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are paying for these services. Of those that use streaming digital audio services but do not pay, 80% say they would not be willing to pay in the future.

"The in-car environment is unlike any other when it comes to media behavior," says Thomas Spinelli, Vice President with Ipsos MediaCT. "Our studies show that despite all the technological advances we've made when it comes to digital listening, the vast majority of Americans still prefer AM/FM radio overall and especially expect it to be a part of their cars – in fact, virtually all said they wouldn't buy a car without a radio."

"We're certainly seeing reluctance amongst Americans to pay for music in the in-car environment," continues Spinelli. "The ability to listen to free music is important to Americans, as is their comfort with their current AM/FM setup. However, as new vehicles roll out, many of which are equipped with built in digital music services, we may see a shift in how Americans are thinking about listening in their cars. That being said, the overwhelming current popularity of radio illustrates that advertisers and marketers may want to think more buttons and knobs than bells and whistles – at least when it comes to the in-car environment."

This data incorporates results from a previous Ipsos/iHeartMedia online study fielded in January 2015 (sample size of N=1036; US 18+ representative to Census) with new findings from an independent Ipsos Online Omnibus conducted March 18-19, 2015 (sample size of N=1005; US 18+ representative to Census).

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For more information on this news release, please contact:

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FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901–5902; not to exceed $4,000 for official reception and representation expenses; purchase and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109, $339,844,000, to remain available until expended: *Provided*, That in addition, $44,168,497 shall be made available until expended for necessary expenses associated with moving to a new facility or reconfiguring the existing space to significantly reduce space consumption: *Provided further*, That $384,012,497 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, shall be retained and used for necessary expenses and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 2016 so as to result in a final fiscal year 2016 appropriation estimated at $0: *Provided further*, That any offsetting collections received in excess of $384,012,497 in fiscal year 2016 shall not be available for obligation: *Provided further*, That remaining offsetting collections from prior years collected in excess of the amount specified for collection in each such year and otherwise becoming available on October 1, 2015, shall not be available for obligation: *Provided further*, That, notwithstanding 47 U.S.C. 309(j)(8)(B), proceeds from the use of a competitive bidding system that may be retained and made available for obligation shall not exceed $117,000,000 for fiscal year 2016: *Provided further*, That, of the amount appropriated under this heading, not less than $11,600,000 shall be for the salaries and expenses of the Office of Inspector General.

ADMINISTRATIVE PROVISIONS—FEDERAL COMMUNICATIONS COMMISSION

SEC. 501. Section 302 of the Universal Service Antideficiency Temporary Suspension Act is amended by striking "December 31, 2016", each place it appears and inserting "December 31, 2017".

SEC. 502. None of the funds appropriated by this Act may be used by the Federal Communications Commission to modify, amend, or change its rules or regulations for universal service support payments to implement the February 27, 2004 recommendations of the Federal-State Joint Board on Universal Service regarding single connection or primary line restrictions on universal service support payments.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $34,568,000, to be derived from the Deposit Insurance Fund or, only when appropriate, the FSLIC Resolution Fund.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, $76,119,000, of which $5,000,000 shall remain available until September 30, 2017, for lease expiration and replacement lease expenses; and of which not to exceed $5,000 shall be available for reception and representation expenses.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, and including hire of experts and consultants, hire of passenger motor vehicles, and including official reception and representation expenses (not to exceed $1,500) and rental of conference rooms in the District of Columbia and elsewhere, $26,200,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That, notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses, $306,900,000, to remain available until expended: *Provided*, That not to exceed $300,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718: *Provided further*, That, notwithstanding any other provision of law, not to exceed $124,000,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a), regardless of the year of collection, shall be retained and used for necessary expenses in this appropriation: *Provided further*, That, notwithstanding any other provision of law, not to exceed $14,000,000 in offsetting collections derived from fees sufficient to implement and enforce the Telemarketing Sales Rule, promulgated under the Telemarketing and Consumer Fraud and Abuse Prevention Act (15 U.S.C. 6101 et seq.), shall be credited to this account, and be retained and used for necessary expenses in this appropriation:

Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2016, so as to result in a final fiscal year 2016 appropriation from the general fund estimated at not more than $168,900,000: *Provided further*, That none of the funds made available to the Federal Trade Commission may be used to implement subsection (e)(2)(B) of section 43 of the Federal Deposit Insurance Act (12 U.S.C. 1831t).

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFERS OF FUNDS)

Amounts in the Fund, including revenues and collections deposited into the Fund, shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation, and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings, including grounds, approaches, and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of $10,196,124,000, of which—

(1) $1,607,738,000 shall remain available until expended for construction and acquisition (including funds for sites and expenses, and associated design and construction services) as follows:

(A) $341,000,000 shall be for the DHS Consolidation at St. Elizabeths;

(B) $105,600,000 shall be for the Alexandria Bay, New York, Land Port of Entry;

(C) $85,645,000 shall be for the Columbus, New Mexico, Land Port of Entry;

(D) $947,760,000 shall be for new construction projects of the Federal Judiciary as prioritized in the "Federal Judiciary Courthouse Project Priorities" plan approved by the Judicial Conference of the United States on September 17, 2015, and submitted to the House and Senate Committees on Appropriations on September 28, 2015;

(E) $52,733,000 shall be for new construction and acquisition projects that are joint United States courthouses and Federal buildings, including U.S. Post Offices, on the "FY2015–FY2019 Five-Year Capital Investment Plan" submitted by the General Services Administration to the House and Senate Committees on Appropriations with the agency's fiscal year 2016 Congressional Justification; and

(F) $75,000,000 shall be for construction management and oversight activities, and other project support costs, for the FBI Headquarters Consolidation:

Provided, That each of the foregoing limits of costs on new construction and acquisition projects may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in a transmitted prospectus, if required, unless advance approval is obtained from the Committees on Appropriations of a greater amount;

(2) $735,331,000 shall remain available until expended for repairs and alterations, including associated design and construction services, of which—

(A) $310,331,000 is for Major Repairs and Alterations;

(B) $300,000,000 is for Basic Repairs and Alterations; and

(C) $125,000,000 is for Special Emphasis Programs, of which—

(i) $20,000,000 is for Fire and Life Safety;

(ii) $20,000,000 is for Judiciary Capital Security;

(iii) $10,000,000 is for Energy and Water Retrofit and Conservation Measures; and

(iv) $75,000,000 is for Consolidation Activities: *Provided*, That consolidation projects result in reduced annual rent paid by the tenant agency: *Provided further*, That no consolidation project exceed $20,000,000 in costs: *Provided further*, That consolidation projects are approved by each of the committees specified in section 3307(a) of title 40, United States Code: *Provided further*, That preference is given to consolidation projects that achieve a utilization rate of 130 usable square feet or less per person for office space: *Provided further*, That the obligation of funds under this paragraph for consolidation activities may not be made until 10 days after a proposed spending plan and explanation for each project to be undertaken, including estimated savings, has been submitted to the Committees on Appropriations of the House of Representatives and the Senate:

Provided, That funds made available in this or any previous Act in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount identified for each project, except each project in this or any previous Act may be increased by an amount not to exceed 10 percent unless advance approval is obtained from the Committees on Appropriations of a greater amount: *Provided further*, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations:

Provided further, That the amounts provided in this or any prior Act for "Repairs and Alterations" may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: *Provided further,* That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading "Repairs and Alterations", may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading "Repairs and Alterations" or used to fund authorized increases in prospectus projects;

(3) $5,579,055,000 for rental of space to remain available until expended; and

(4) $2,274,000,000 for building operations to remain available until expended, of which $1,137,000,000 is for building services, and $1,137,000,000 is for salaries and expenses: *Provided further*, That not to exceed 5 percent of any appropriation made available under this paragraph for building operations may be transferred between and merged with such appropriations upon notification to the Committees on Appropriations of the House of Representatives and the Senate, but no such appropriation shall be increased by more than 5 percent by any such transfers: *Provided further*, That section 508 of this title shall not apply with respect to funds made available under this heading for building operations: *Provided further*, That the total amount of funds made available from this Fund to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by 40 U.S.C. 3307(a), has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under 40 U.S.C. 592(b)(2) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 2016, excluding reimbursements under 40 U.S.C. 592(b)(2), in excess of the aggregate new obligational authority authorized for Real Property Activities of the Federal Buildings Fund in this Act shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

GENERAL ACTIVITIES

GOVERNMENT-WIDE POLICY

For expenses authorized by law, not otherwise provided for, for Government-wide policy and evaluation activities associated with the management of real and personal property assets and certain administrative services; Government-wide policy support responsibilities relating to acquisition, travel, motor vehicles, information technology management, and related technology activities; and services as authorized by 5 U.S.C. 3109; $58,000,000.

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses authorized by law, not otherwise provided for, for Government-wide activities associated with utilization and donation of surplus personal property; disposal of real property; agency-wide policy direction, management, and communications; the Civilian Board of Contract Appeals; and services as authorized by 5 U.S.C. 3109; $58,560,000, of which $25,979,000 is for Real and Personal Property Management and Disposal; $23,397,000 is for the Office of the Administrator, of which not to exceed $7,500 is for official reception and representation expenses; and $9,184,000 is for the Civilian Board of Contract Appeals: *Provided*, That not to exceed 5 percent of the appropriation made available under this heading for Office of the Administrator may be transferred to the appropriation for the Real and Personal Property Management and Disposal upon notification to the Committees on Appropriations of the House of Representatives and the Senate, but the appropriation for the Real and Personal Property Management and Disposal may not be increased by more than 5 percent by any such transfer.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and service authorized by 5 U.S.C. 3109, $65,000,000, of which $2,000,000 is available until expended: *Provided*, That not to exceed $50,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958 (3 U.S.C. 102 note), and Public Law 95–138, $3,277,000.

PRE-ELECTION PRESIDENTIAL TRANSITION

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by the Pre-Election Presidential Transition Act of 2010 (Public Law 111–283), not to exceed

$13,278,000, to remain available until September 30, 2017: *Provided*, That such amounts may be transferred and credited to "Acquisition Services Fund" or "Federal Buildings Fund" to reimburse obligations incurred for the purposes provided herein in fiscal year 2015 and 2016: *Provided further*, That amounts made available under this heading shall be in addition to any other amounts available for such purposes.

FEDERAL CITIZEN SERVICES FUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of Citizen Services and Innovative Technologies, including services authorized by 40 U.S.C. 323 and 44 U.S.C. 3604; and for necessary expenses in support of interagency projects that enable the Federal Government to enhance its ability to conduct activities electronically, through the development and implementation of innovative uses of information technology; $55,894,000, to be deposited into the Federal Citizen Services Fund: *Provided*, That the previous amount may be transferred to Federal agencies to carry out the purpose of the Federal Citizen Services Fund: *Provided further*, That the appropriations, revenues, reimbursements, and collections deposited into the Fund shall be available until expended for necessary expenses of Federal Citizen Services and other activities that enable the Federal Government to enhance its ability to conduct activities electronically in the aggregate amount not to exceed $90,000,000: *Provided further*, That appropriations, revenues, reimbursements, and collections accruing to this Fund during fiscal year 2016 in excess of such amount shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts: *Provided further*, That any appropriations provided to the Electronic Government Fund that remain unobligated may be transferred to the Federal Citizen Services Fund: *Provided further*, That the transfer authorities provided herein shall be in addition to any other transfer authority provided in this Act.

ADMINISTRATIVE PROVISIONS—GENERAL SERVICES ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

SEC. 510. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 511. Funds in the Federal Buildings Fund made available for fiscal year 2016 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided*, That any proposed transfers shall be approved in advance by the Committees on Appropriations of the House of Representatives and the Senate.

SEC. 512. Except as otherwise provided in this title, funds made available by this Act shall be used to transmit a fiscal year 2017 request for United States Courthouse construction only if the request: (1) meets the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; (2) reflects the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan; and (3) includes a standardized courtroom

utilization study of each facility to be constructed, replaced, or expanded.

SEC. 513. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in consideration of the Public Buildings Amendments Act of 1972 (Public Law 92–313).

SEC. 514. From funds made available under the heading Federal Buildings Fund, Limitations on Availability of Revenue, claims against the Government of less than $250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations of the House of Representatives and the Senate.

SEC. 515. In any case in which the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate adopt a resolution granting lease authority pursuant to a prospectus transmitted to Congress by the Administrator of the General Services Administration under 40 U.S.C. 3307, the Administrator shall ensure that the delineated area of procurement is identical to the delineated area included in the prospectus for all lease agreements, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to each of such committees and the Committees on Appropriations of the House of Representatives and the Senate prior to exercising any lease authority provided in the resolution.

SEC. 516. With respect to each project funded under the heading "Major Repairs and Alterations" or "Judiciary Capital Security Program", and with respect to E-Government projects funded under the heading "Federal Citizen Services Fund", the Administrator of General Services shall submit a spending plan and explanation for each project to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after the date of enactment of this Act.

SEC. 517. With respect to each project funded under the heading of "new construction projects of the Federal Judiciary", the General Services Administration, in consultation with the Administrative Office of the United States Courts, shall submit a spending plan and description for each project to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate not later than 120 days after the date of enactment of this Act.

SEC. 518. With respect to each project funded under the heading of "joint United States courthouses and Federal buildings, including U.S. Post Offices", the General Services Administration shall submit a spending plan and explanation for the projects to be undertaken to the Committees on Appropriations of the House of Representatives and the Senate not later than 60 days after the date of enactment of this Act.

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

SALARIES AND EXPENSES

For payment to the Harry S Truman Scholarship Foundation Trust Fund, established by section 10 of Public Law 93–642, $1,000,000, to remain available until expended.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978, and the Whistleblower Protection Act of 1989 (5 U.S.C. 5509 note), including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, direct procurement of survey printing, and not to exceed $2,000 for official reception and representation expenses, $44,490,000, to remain available until September 30, 2017, and in addition not to exceed $2,345,000, to remain available until September 30, 2017, for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

MORRIS K. UDALL AND STEWART L. UDALL FOUNDATION

MORRIS K. UDALL AND STEWART L. UDALL TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payment to the Morris K. Udall and Stewart L. Udall Trust Fund, pursuant to the Morris K. Udall and Stewart L. Udall Foundation Act (20 U.S.C. 5601 et seq.), $1,995,000, to remain available until expended, of which, notwithstanding sections 8 and 9 of such Act: (1) up to $50,000 shall be used to conduct financial audits pursuant to the Accountability of Tax Dollars Act of 2002 (Public Law 107–289); and (2) up to $1,000,000 shall be available to carry out the activities authorized by section 6(7) of Public Law 102–259 and section 817(a) of Public Law 106–568 (20 U.S.C. 5604(7)): *Provided*, That of the total amount made available under this heading $200,000 shall be transferred to the Office of Inspector General of the Department of the Interior, to remain available until expended, for audits and investigations of the Morris K. Udall and Stewart L. Udall Foundation, consistent with the Inspector General Act of 1978 (5 U.S.C. App.).

ENVIRONMENTAL DISPUTE RESOLUTION FUND

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1998, $3,400,000, to remain available until expended.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives and Records Administration and archived Federal records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, the activities of the Public Interest Declassification Board, the operations and maintenance of the electronic records archives, the hire of passenger motor vehicles, and for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning, $372,393,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Reform Act of 2008, Public Law 110–409, 122 Stat. 4302–16 (2008), and the Inspector General Act of 1978 (5 U.S.C. App.), and for the hire of passenger motor vehicles, $4,180,000.

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities, and to provide adequate storage for holdings, $7,500,000, to remain available until expended: *Provided*, That from amounts made available under this heading in Public Laws 111–8 and 111–117 for necessary expenses related to the repair and renovation of the Franklin D. Roosevelt Presidential Library and Museum in Hyde Park, New York, the remaining unobligated balances shall be available to implement the National Archives and Records Administration Capital Improvement Plan.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, $5,000,000, to remain available until expended.

NATIONAL CREDIT UNION ADMINISTRATION

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

For the Community Development Revolving Loan Fund program as authorized by 42 U.S.C. 9812, 9822 and 9910, $2,000,000 shall be available until September 30, 2017, for technical assistance to low-income designated credit unions.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, the Ethics Reform Act of 1989, and the Stop Trading on Congressional Knowledge Act of 2012, including services as

authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses, $15,742,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management (OPM) pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of OPM and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, $120,688,000, of which $2,500,000 shall remain available until expended for Federal investigations enhancements, and of which $616,000 may be for strengthening the capacity and capabilities of the acquisition workforce (as defined by the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 4001 et seq.)), including the recruitment, hiring, training, and retention of such workforce and information technology in support of acquisition workforce effectiveness or for management solutions to improve acquisition management; and in addition $124,550,000 for administrative expenses, to be transferred from the appropriate trust funds of OPM without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by sections 8348(a)(1)(B), 8958(f)(2)(A), 8988(f)(2)(A), and 9004(f)(2)(A) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of OPM established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2016, accept donations of money, property, and personal services: *Provided further*, That such donations, including those from prior years, may be used for the development of publicity materials to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $4,365,000, and in addition, not to exceed $22,479,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided,* That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12) as amended by Public Law 107–304, the Whistleblower Protection Enhancement Act of 2012 (Public Law 112–199), and the Uniformed Services Employment and Reemployment Rights Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $24,119,000.

POSTAL REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Postal Regulatory Commission in carrying out the provisions of the Postal Accountability and Enhancement Act (Public Law 109–435), $15,200,000, to be derived by transfer from the Postal Service Fund and expended as authorized by section 603(a) of such Act.

PRIVACY AND CIVIL LIBERTIES OVERSIGHT BOARD

SALARIES AND EXPENSES

For necessary expenses of the Privacy and Civil Liberties Oversight Board, as authorized by section 1061 of the Intelligence Reform and Terrorism Prevention Act of 2004 (42 U.S.C. 2000ee), $21,297,000, to remain available until September 30, 2017.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed $3,500 for official reception and representation expenses, $1,605,000,000, to remain available until expended; of which not less than $11,315,971 shall be for the Office of Inspector General; of which not to exceed $75,000 shall be available for a permanent secretariat for the International Organization of Securities Commissions; of which not to exceed $100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations and staffs to exchange views concerning securities matters, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance including: (1) incidental expenses such as meals; (2) travel and transportation; and (3) related lodging or subsistence; and of which not less than $68,223,000 shall be for the Division of Economic and Risk Analysis: *Provided*, That fees and charges authorized by section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee) shall be credited to this account as offsetting collections: *Provided further*, That not to exceed $1,605,000,000 of such offsetting collections shall be available until expended for necessary expenses of this account: *Provided further*, That the total amount appropriated under this heading from the general fund for fiscal year 2016 shall be reduced as such offsetting fees are received so as to result in a final total fiscal year 2016 appropriation from the general fund estimated at not more than $0.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and not to exceed $750 for official reception and representation expenses; $22,703,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever the President deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles as authorized by sections 1343 and 1344 of title 31, United States

Code, and not to exceed $3,500 for official reception and representation expenses, $268,000,000, of which not less than $12,000,000 shall be available for examinations, reviews, and other lender oversight activities: *Provided*, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan program activities, including fees authorized by section 5(b) of the Small Business Act: *Provided further*, That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to remain available until expended, for carrying out these purposes without further appropriations: *Provided further*, That the Small Business Administration may accept gifts in an amount not to exceed $4,000,000 and may co-sponsor activities, each in accordance with section 132(a) of division K of Public Law 108–447, during fiscal year 2016: *Provided further*, That $6,100,000 shall be available for the Loan Modernization and Accounting System, to be available until September 30, 2017: *Provided further*, That $3,000,000 shall be for the Federal and State Technology Partnership Program under section 34 of the Small Business Act (15 U.S.C. 657d).

ENTREPRENEURIAL DEVELOPMENT PROGRAMS

For necessary expenses of programs supporting entrepreneurial and small business development, $231,100,000, to remain available until September 30, 2017: *Provided*, That $117,000,000 shall be available to fund grants for performance in fiscal year 2016 or fiscal year 2017 as authorized by section 21 of the Small Business Act: *Provided further*, That $25,000,000 shall be for marketing, management, and technical assistance under section 7(m) of the Small Business Act (15 U.S.C. 636(m)(4)) by intermediaries that make microloans under the microloan program: *Provided further*, That $18,000,000 shall be available for grants to States to carry out export programs that assist small business concerns authorized under section 1207 of Public Law 111–240.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $19,900,000.

OFFICE OF ADVOCACY

For necessary expenses of the Office of Advocacy in carrying out the provisions of title II of Public Law 94–305 (15 U.S.C. 634a et seq.) and the Regulatory Flexibility Act of 1980 (5 U.S.C. 601 et seq.), $9,120,000, to remain available until expended.

BUSINESS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $3,338,172, to remain available until expended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That subject to section 502 of the Congressional Budget Act of 1974, during

fiscal year 2016 commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958 shall not exceed $7,500,000,000: *Provided further*, That during fiscal year 2016 commitments for general business loans authorized under section 7(a) of the Small Business Act shall not exceed $26,500,000,000 for a combination of amortizing term loans and the aggregated maximum line of credit provided by revolving loans: *Provided further*, That during fiscal year 2016 commitments for loans authorized under subparagraph (C) of section 502(7) of The Small Business Investment Act of 1958 (15 U.S.C. 696(7)) shall not exceed $7,500,000,000: *Provided further*, That during fiscal year 2016 commitments to guarantee loans for debentures under section 303(b) of the Small Business Investment Act of 1958 shall not exceed $4,000,000,000: *Provided further*, That during fiscal year 2016, guarantees of trust certificates authorized by section 5(g) of the Small Business Act shall not exceed a principal amount of $12,000,000,000. In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $152,725,828, which may be transferred to and merged with the appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by section 7(b) of the Small Business Act, $186,858,000, to be available until expended, of which $1,000,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan programs and shall be transferred to and merged with the appropriations for the Office of Inspector General; of which $176,858,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program, which may be transferred to and merged with the appropriations for Salaries and Expenses; and of which $9,000,000 is for indirect administrative expenses for the direct loan program, which may be transferred to and merged with the appropriations for Salaries and Expenses.

ADMINISTRATIVE PROVISIONS—SMALL BUSINESS ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

SEC. 520. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 608 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 521. (a) Subparagraph (C) of section 502(7) of the Small Business Investment Act of 1958 (15 U.S.C. 696(7)), as in effect on September 25, 2012, shall be in effect in any fiscal year during which the cost to the Federal Government of making guarantees under such subparagraph (C) and section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is zero, except that—

(1) subclause (I)(bb) and subclause (II) of clause (iv) of such subparagraph (C) shall not be in effect;

(2) unless, upon application by a development company and after determining that the refinance loan is needed for good cause, the Administrator of the Small Business Administration waives this paragraph, a development company shall limit its financings under section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) so that, during any fiscal year, new financings under such subparagraph (C) shall not exceed 50 percent of the dollars loaned under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) during the previous fiscal year; and

(3) clause (iv)(I)(aa) of such subparagraph (C) shall be applied by substituting "job creation and retention" for "job creation".

(b) Section 303(b)(2)(B) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)(2)(B)) is amended by striking "$225,000,000" and inserting "$350,000,000".

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $55,075,000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $248,600,000, to be derived by transfer from the Postal Service Fund and expended as authorized by section 603(b)(3) of the Postal Accountability and Enhancement Act (Public Law 109–435).

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $51,300,000: *Provided*,

That travel expenses of the judges shall be paid upon the written certificate of the judge.

TITLE VI

GENERAL PROVISIONS—THIS ACT

(INCLUDING RESCISSION)

SEC. 601. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 602. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 604. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriations Act.

SEC. 605. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 606. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with chapter 83 of title 41, United States Code.

SEC. 607. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating chapter 83 of title 41, United States Code.

SEC. 608. Except as otherwise provided in this Act, none of the funds provided in this Act, provided by previous appropriations Acts to the agencies or entities funded in this Act that remain available for obligation or expenditure in fiscal year 2016, or provided from any accounts in the Treasury derived by the collection of fees and available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that: (1) creates a new program; (2) eliminates a program, project, or activity; (3) increases funds or personnel for any program, project, or activity for which funds have been denied or restricted by the Congress; (4) proposes to use funds directed for a specific activity by the Committee on Appropriations of either the House of Representatives or the Senate for a different purpose; (5) augments existing programs, projects, or activities in excess of

$5,000,000 or 10 percent, whichever is less; (6) reduces existing programs, projects, or activities by $5,000,000 or 10 percent, whichever is less; or (7) creates or reorganizes offices, programs, or activities unless prior approval is received from the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That prior to any significant reorganization or restructuring of offices, programs, or activities, each agency or entity funded in this Act shall consult with the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That not later than 60 days after the date of enactment of this Act, each agency funded by this Act shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate to establish the baseline for application of reprogramming and transfer authorities for the current fiscal year: *Provided further*, That at a minimum the report shall include: (1) a table for each appropriation with a separate column to display the President's budget request, adjustments made by Congress, adjustments due to enacted rescissions, if appropriate, and the fiscal year enacted level; (2) a delineation in the table for each appropriation both by object class and program, project, and activity as detailed in the budget appendix for the respective appropriation; and (3) an identification of items of special congressional interest: *Provided further*, That the amount appropriated or limited for salaries and expenses for an agency shall be reduced by $100,000 per day for each day after the required date that the report has not been submitted to the Congress.

SEC. 609. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2016 from appropriations made available for salaries and expenses for fiscal year 2016 in this Act, shall remain available through September 30, 2017, for each such account for the purposes authorized: *Provided*, That a request shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate for approval prior to the expenditure of such funds: *Provided further*, That these requests shall be made in compliance with reprogramming guidelines.

SEC. 610. (a) None of the funds made available in this Act may be used by the Executive Office of the President to request—

(1) any official background investigation report on any individual from the Federal Bureau of Investigation; or

(2) a determination with respect to the treatment of an organization as described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code from the Department of the Treasury or the Internal Revenue Service.

(b) Subsection (a) shall not apply—

(1) in the case of an official background investigation report, if such individual has given express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) if such request is required due to extraordinary circumstances involving national security.

SEC. 611. The cost accounting standards promulgated under chapter 15 of title 41, United States Code shall not apply with respect to a contract under the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

SEC. 612. For the purpose of resolving litigation and implementing any settlement agreements regarding the nonforeign area cost-of-living allowance program, the Office of Personnel Management may accept and utilize (without regard to any restriction on unanticipated travel expenses imposed in an Appropriations Act) funds made available to the Office of Personnel Management pursuant to court approval.

SEC. 613. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefits program which provides any benefits or coverage for abortions.

SEC. 614. The provision of section 613 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 615. In order to promote Government access to commercial information technology, the restriction on purchasing nondomestic articles, materials, and supplies set forth in chapter 83 of title 41, United States Code (popularly known as the Buy American Act), shall not apply to the acquisition by the Federal Government of information technology (as defined in section 11101 of title 40, United States Code), that is a commercial item (as defined in section 103 of title 41, United States Code).

SEC. 616. Notwithstanding section 1353 of title 31, United States Code, no officer or employee of any regulatory agency or commission funded by this Act may accept on behalf of that agency, nor may such agency or commission accept, payment or reimbursement from a non-Federal entity for travel, subsistence, or related expenses for the purpose of enabling an officer or employee to attend and participate in any meeting or similar function relating to the official duties of the officer or employee when the entity offering payment or reimbursement is a person or entity subject to regulation by such agency or commission, or represents a person or entity subject to regulation by such agency or commission, unless the person or entity is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.

SEC. 617. Notwithstanding section 708 of this Act, funds made available to the Commodity Futures Trading Commission and the Securities and Exchange Commission by this or any other Act may be used for the interagency funding and sponsorship of a joint advisory committee to advise on emerging regulatory issues.

SEC. 618. (a)(1) Notwithstanding any other provision of law, an Executive agency covered by this Act otherwise authorized to enter into contracts for either leases or the construction or alteration of real property for office, meeting, storage, or other space must consult with the General Services Administration before issuing a solicitation for offers of new leases or construction contracts, and in the case of succeeding leases, before entering into negotiations with the current lessor.

(2) Any such agency with authority to enter into an emergency lease may do so during any period declared by the President to require emergency leasing authority with respect to such agency.

(b) For purposes of this section, the term "Executive agency covered by this Act" means any Executive agency provided funds by this Act, but does not include the General Services Administration or the United States Postal Service.

SEC. 619. (a) There are appropriated for the following activities the amounts required under current law:

(1) Compensation of the President (3 U.S.C. 102).

(2) Payments to—

(A) the Judicial Officers' Retirement Fund (28 U.S.C. 377(o));

(B) the Judicial Survivors' Annuities Fund (28 U.S.C. 376(c)); and

(C) the United States Court of Federal Claims Judges' Retirement Fund (28 U.S.C. 178(l)).

(3) Payment of Government contributions—

(A) with respect to the health benefits of retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849); and

(B) with respect to the life insurance benefits for employees retiring after December 31, 1989 (5 U.S.C. ch. 87).

(4) Payment to finance the unfunded liability of new and increased annuity benefits under the Civil Service Retirement and Disability Fund (5 U.S.C. 8348).

(5) Payment of annuities authorized to be paid from the Civil Service Retirement and Disability Fund by statutory provisions other than subchapter III of chapter 83 or chapter 84 of title 5, United States Code.

(b) Nothing in this section may be construed to exempt any amount appropriated by this section from any otherwise applicable limitation on the use of funds contained in this Act.

SEC. 620. The Public Company Accounting Oversight Board (Board) shall have authority to obligate funds for the scholarship program established by section 109(c)(2) of the Sarbanes-Oxley Act of 2002 (Public Law 107–204) in an aggregate amount not exceeding the amount of funds collected by the Board as of December 31, 2015, including accrued interest, as a result of the assessment of monetary penalties. Funds available for obligation in fiscal year 2016 shall remain available until expended.

SEC. 621. None of the funds made available in this Act may be used by the Federal Trade Commission to complete the draft report entitled "Interagency Working Group on Food Marketed to Children: Preliminary Proposed Nutrition Principles to Guide Industry Self-Regulatory Efforts" unless the Interagency Working Group on Food Marketed to Children complies with Executive Order No. 13563.

SEC. 622. None of the funds made available by this Act may be used to pay the salaries and expenses for the following positions:

(1) Director, White House Office of Health Reform.

(2) Assistant to the President for Energy and Climate Change.

(3) Senior Advisor to the Secretary of the Treasury assigned to the Presidential Task Force on the Auto Industry and Senior Counselor for Manufacturing Policy.

(4) White House Director of Urban Affairs.

SEC. 623. None of the funds in this Act may be used for the Director of the Office of Personnel Management to award a contract, enter an extension of, or exercise an option on a contract to a contractor conducting the final quality review processes for

background investigation fieldwork services or background investigation support services that, as of the date of the award of the contract, are being conducted by that contractor.

SEC. 624. (a) The head of each executive branch agency funded by this Act shall ensure that the Chief Information Officer of the agency has the authority to participate in decisions regarding the budget planning process related to information technology.

(b) Amounts appropriated for any executive branch agency funded by this Act that are available for information technology shall be allocated within the agency, consistent with the provisions of appropriations Acts and budget guidelines and recommendations from the Director of the Office of Management and Budget, in such manner as specified by, or approved by, the Chief Information Officer of the agency in consultation with the Chief Financial Officer of the agency and budget officials.

SEC. 625. None of the funds made available in this Act may be used in contravention of chapter 29, 31, or 33 of title 44, United States Code.

SEC. 626. From the unobligated balances available in the Securities and Exchange Commission Reserve Fund established by section 991 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111–203), $25,000,000 are rescinded.

SEC. 627. None of the funds made available in this Act may be used by a governmental entity to require the disclosure by a provider of electronic communication service to the public or remote computing service of the contents of a wire or electronic communication that is in electronic storage with the provider (as such terms are defined in sections 2510 and 2711 of title 18, United States Code) in a manner that violates the Fourth Amendment to the Constitution of the United States.

SEC. 628. Beginning on the date of enactment of this Act, in the current fiscal year and continuing through September 30, 2025, the Further Notice of Proposed Rulemaking and Report and Order adopted by the Federal Communications Commission on March 31, 2014 (FCC 14–28), and the amendments to the rules of the Commission adopted in such Further Notice of Proposed Rulemaking and Report and Order, shall not apply to a joint sales agreement (as defined in Note 2(k) to section 73.3555 of title 47, Code of Federal Regulations) that was in effect on March 31, 2014, and a rule of the Commission amended by such an amendment shall apply to such agreement as such rule was in effect on the day before the effective date of such amendment. A party to a joint sales agreement that was in effect on March 31, 2014, shall not be considered to be in violation of the ownership limitations of section 73.3555 of title 47, Code of Federal Regulations, by reason of the application of the rule in Note 2(k)(2), as so amended, to the joint sales agreement.

SEC. 629. During fiscal year 2016, none of the amounts made available by this Act may be used to finalize or implement the Safety Standard for Recreational Off-Highway Vehicles published by the Consumer Product Safety Commission in the Federal Register on November 19, 2014 (79 Fed. Reg. 68964) until after—

(1) the National Academy of Sciences, in consultation with the National Highway Traffic Safety Administration and the Department of Defense, completes a study to determine—

(A) the technical validity of the lateral stability and vehicle handling requirements proposed by such standard

for purposes of reducing the risk of Recreational Off-Highway Vehicle (referred to in this section as "ROV") rollovers in the off-road environment, including the repeatability and reproducibility of testing for compliance with such requirements;

(B) the number of ROV rollovers that would be prevented if the proposed requirements were adopted;

(C) whether there is a technical basis for the proposal to provide information on a point-of-sale hangtag about a ROV's rollover resistance on a progressive scale; and

(D) the effect on the utility of ROVs used by the United States military if the proposed requirements were adopted; and

(2) a report containing the results of the study completed under paragraph (1) is delivered to—

(A) the Committee on Commerce, Science, and Transportation of the Senate;

(B) the Committee on Energy and Commerce of the House of Representatives;

(C) the Committee on Appropriations of the Senate; and

(D) the Committee on Appropriations of the House of Representatives.

SEC. 630. Notwithstanding any other provision of law, not to exceed $2,266,085 of unobligated balances from "Election Assistance Commission, Election Reform Programs" shall be available to record a disbursement previously incurred under that heading in fiscal year 2014 against a 2008 cancelled account.

SEC. 631. None of the funds appropriated by this Act may be used by the Federal Communications Commission to modify, amend, or change the rules or regulations of the Commission for universal service high-cost support for competitive eligible telecommunications carriers in a way that is inconsistent with paragraph (e)(5) or (e)(6) of section 54.307 of title 47, Code of Federal Regulations, as in effect on July 15, 2015: *Provided*, That this section shall not prohibit the Commission from considering, developing, or adopting other support mechanisms as an alternative to Mobility Fund Phase II.

SEC. 632. (a) The Office of Personnel Management shall provide to each affected individual as defined in subsection (b) complimentary identity protection coverage that—

(1) is not less comprehensive than the complimentary identity protection coverage that the Office provided to affected individuals before the date of enactment of this Act;

(2) is effective for a period of not less than 10 years; and

(3) includes not less than $5,000,000 in identity theft insurance.

(b) DEFINITION.—In this section, the term "affected individual" means any individual whose Social Security Number was compromised during—

(1) the data breach of personnel records of current and former Federal employees, at a network maintained by the Department of the Interior, that was announced by the Office of Personnel Management on June 4, 2015; or

(2) the data breach of systems of the Office of Personnel Management containing information related to the background

United States Senate
WASHINGTON, DC 20510

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March 11, 2016

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Wheeler:

We write regarding action by the Federal Communications Commission (FCC) to bypass a bipartisan provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016.

On March 31, 2014, the FCC ignored bipartisan concerns raised by Congress and adopted a controversial policy that effectively eliminated joints sales agreements (JSAs). These agreements, under which stations jointly sell advertising, often allow local news stations to stay afloat in smaller markets that cannot sustain them independently. We have seen first-hand the benefits of JSAs in our local communities and across the country. JSAs contribute to programming diversity, such as Spanish-language programming, and minority ownership. In one case, a JSA saved lives by providing broadcasters in Joplin, Missouri, with financial efficiencies to upgrade their Doppler radar equipment prior to the devastating May 2011 tornado.

Recognizing the critical role local broadcasters play in communities around our states, Congress took bipartisan action to ensure existing JSAs can continue. As supporters of the provision in P.L. 114-113 that explicitly grandfathers existing JSAs, we are extremely disturbed to learn the FCC is now requiring parties to unwind these agreements in connection with broadcast license transfers.

The FCC is entrusted with an important responsibility to review license transfers, and it must not use these reviews to undermine Congress' clear intent to preserve JSAs that were lawfully executed prior to the FCC's 2014 rule changes. We believe the Commission can successfully address our concerns by taking the following remedial actions: (1) eliminating any conditions imposed on previously approved license transfers that require the termination of JSAs in existence prior to March 31, 2014; and (2) respecting the statutory grandfather of JSAs when evaluating any assignments and license transfers in the future.

We ask for your response no later than April 1, 2016. Thank you in advance for your cooperation in this matter.

Sincerely,

Roy Blunt
United States Senator

Richard Durbin
United States Senator

John Boozman
United States Senator

Barbara Mikulski
United States Senator

Ron Johnson
United States Senator

Charles Schumer
United States Senator

Cory Gardner
United States Senator

Kirsten Gillibrand
United States Senator

Roger Wicker
United States Senator

Robert P. Casey Jr.
United States Senator

Timothy Scott
United States Senator

Benjamin Cardin
United States Senator

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Roy Blunt
United States Senate
260 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Blunt:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

We read the statute as affecting the length of the grandfathering period and not the transferability of grandfathered JSAs. The non-transferability of grandfathered broadcast license terms is well-established in Commission precedent. A few examples of such precedent include.

- **Newspaper Broadcast Cross Ownership rule.** In adopting the 1975 prohibition on the cross-ownership of newspapers and broadcast stations, the Commission held that existing combinations that were grandfathered under the Commission's Order were not transferable and that the future owners would have to comply with the new rule.[1]
- **Local Radio and Local TV rules.** In revising the local radio and television ownership rules in 2003, the Commission grandfathered existing combinations that would have been out of compliance under the new rules, but made clear that such grandfathering was not transferable and that any future transfer or assignment would have to come into compliance with the new rule.[2]

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[1] *Amendment of Sections 73.34, 73.240, and 73.636 of the Commission's Rules Relating to Multiple Ownership of Standard, FM, and Television Broadcast Stations*, Second Report and Order, 50 FCC 2d 1046, 1076, ¶ 103 (1975). ("In addition, once a sale is to take place the rule would require a split in an existing combination. No divestiture would be effected nor hardship created since this is a voluntary action by the seller. Thus the [new NBCO] rule will apply to all applications for assignment or transfer other than those to heirs or legatees or those for pro-forma changes in ownership.")

[2] *2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Report and Order and Notice of Proposed Rulemaking, 18 FCC Rcd 13620, 13809-10, ¶ 487 (2003) (finding that allowing previous grandfathered combinations to be freely transferable "would hinder [the Commission's] effort to promote and ensure competitive markets" and that "[g]randfathered combinations, by definition, exceed the numerical limits that ... promote the public interest as related to competition").

- **Incentive Auction.** In its 2014 Report and Order regarding the upcoming Incentive Auction, the Commission confirmed that while it would grandfather existing station combinations previously approved by the Commission that otherwise would no longer comply with the media ownership rules as a result of the auction, upon the sale of any such grandfathered station combination in the future, the new owner is required to comply with the media ownership rules in place at the time of the transaction or else obtain a waiver.[3]

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

Tom Wheeler

[3] *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, 29 FCC Rcd 6567, 6848-49, ¶¶ 691-693 (2014).

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable John Boozman
United States Senate
141 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Boozman:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

We read the statute as affecting the length of the grandfathering period and not the transferability of grandfathered JSAs. The non-transferability of grandfathered broadcast license terms is well-established in Commission precedent. A few examples of such precedent include:

- **Newspaper Broadcast Cross Ownership rule.** In adopting the 1975 prohibition on the cross-ownership of newspapers and broadcast stations, the Commission held that existing combinations that were grandfathered under the Commission's Order were not transferable and that the future owners would have to comply with the new rule.[1]
- **Local Radio and Local TV rules.** In revising the local radio and television ownership rules in 2003, the Commission grandfathered existing combinations that would have been out of compliance under the new rules, but made clear that such grandfathering was not transferable and that any future transfer or assignment would have to come into compliance with the new rule.[2]

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I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

Tom Wheeler

[3] *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, 29 FCC Rcd 6567, 6848-49, ¶¶ 691-693 (2014).

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Benjamin L. Cardin
United States Senate
509 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Cardin:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

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I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

Tom Wheeler

[3] *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, 29 FCC Rcd 6567, 6848-49, ¶¶ 691-693 (2014).

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Bob Casey
United States Senate
393 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Casey:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

We read the statute as affecting the length of the grandfathering period and not the transferability of grandfathered JSAs. The non-transferability of grandfathered broadcast license terms is well-established in Commission precedent. A few examples of such precedent include:

- **Newspaper Broadcast Cross Ownership rule.** In adopting the 1975 prohibition on the cross-ownership of newspapers and broadcast stations, the Commission held that existing combinations that were grandfathered under the Commission's Order were not transferable and that the future owners would have to comply with the new rule.[1]
- **Local Radio and Local TV rules.** In revising the local radio and television ownership rules in 2003, the Commission grandfathered existing combinations that would have been out of compliance under the new rules, but made clear that such grandfathering was not transferable and that any future transfer or assignment would have to come into compliance with the new rule.[2]

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Richard J. Durbin
United States Senate
711 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Durbin:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Cory Gardner
United States Senate
354 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Gardner:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Kirsten Gillibrand
United States Senate
478 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Gillibrand:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

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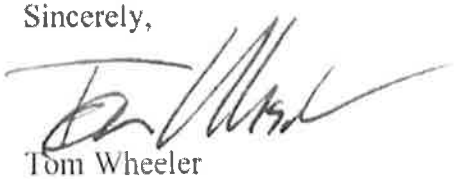

Tom Wheeler

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Ron Johnson
United States Senate
328 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Johnson:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Barbara A. Mikulski
United States Senate
503 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Mikulski:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

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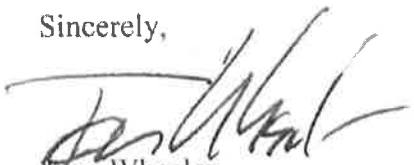

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Charles E. Schumer
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Schumer:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Tim Scott
United States Senate
520 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Scott:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 15, 2016

The Honorable Roger Wicker
United States Senate
555 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Wicker:

Thank you for your letter regarding concerns with Joint Sales Agreements (JSAs) in relation to the provision signed into law (P.L. 114-113) as part of the Consolidated Appropriations Act of 2016. I appreciate you sharing your views with me.

The Commission is fully complying with the statutory mandate to grandfather JSAs that were in existence prior to March 31, 2014, until September 30, 2025. When a license is sold, however, a new license is issued to a new owner. The former licensee of the station, who was the party to the original JSA, no longer has an interest in the license. The new licensee of the station is not a party to the original JSA, and any resulting new JSA was not "in effect on March 31, 2014." Therefore, there is nothing to grandfather.

We read the statute as affecting the length of the grandfathering period and not the transferability of grandfathered JSAs. The non-transferability of grandfathered broadcast license terms is well-established in Commission precedent. A few examples of such precedent include:

- **Newspaper Broadcast Cross Ownership rule.** In adopting the 1975 prohibition on the cross-ownership of newspapers and broadcast stations, the Commission held that existing combinations that were grandfathered under the Commission's Order were not transferable and that the future owners would have to comply with the new rule.[1]
- **Local Radio and Local TV rules.** In revising the local radio and television ownership rules in 2003, the Commission grandfathered existing combinations that would have been out of compliance under the new rules, but made clear that such grandfathering was not transferable and that any future transfer or assignment would have to come into compliance with the new rule.[2]

---

[1] *Amendment of Sections 73.34, 73.240, and 73.636 of the Commission's Rules Relating to Multiple Ownership of Standard, FM, and Television Broadcast Stations*, Second Report and Order, 50 FCC 2d 1046, 1076, ¶ 103 (1975). ("In addition, once a sale is to take place the rule would require a split in an existing combination. No divestiture would be effected nor hardship created since this is a voluntary action by the seller. Thus the [new NBCO] rule will apply to all applications for assignment or transfer other than those to heirs or legatees or those for pro-forma changes in ownership.")

[2] *2002 Biennial Regulatory Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996,* Report and Order and Notice of Proposed Rulemaking, 18 FCC Rcd 13620, 13809-10, ¶ 487 (2003) (finding that allowing previous grandfathered combinations to be freely transferable "would hinder [the Commission's] effort to promote and ensure competitive markets" and that "[g]randfathered combinations, by definition, exceed the numerical limits that ... promote the public interest as related to competition").

- **Incentive Auction.** In its 2014 Report and Order regarding the upcoming Incentive Auction, the Commission confirmed that while it would grandfather existing station combinations previously approved by the Commission that otherwise would no longer comply with the media ownership rules as a result of the auction, upon the sale of any such grandfathered station combination in the future, the new owner is required to comply with the media ownership rules in place at the time of the transaction or else obtain a waiver.[3]

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

Tom Wheeler

[3] *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, 29 FCC Rcd 6567, 6848-49, ¶¶ 691-693 (2014).

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THE CW TELEVISION NETWORK

Founded: January 24, 2006

THE CW TELEVISION NETWORK was formed as a joint venture between Warner Bros. Entertainment and CBS Corporation in 2006. The CW is America's fifth broadcast network, targeting young adult viewers, specifically young women 18-34. The CW offers a five-night, 10-hour primetime lineup of original programming that runs Monday through Friday; a one-hour weekday afternoon block; and a five-hour Saturday morning animation block to deliver a total of 20 hours of programming a week over six days.

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The CW

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In Sheldon Adelson's Newsroom, Looser Purse Strings and a Tighter Leash

Photo

Jennifer Robison, center, a reporter who left The Las Vegas Review-Journal this month. At least a dozen journalists have quit since Sheldon Adelson bought the paper in December.

Credit

Isaac Brekken for The New York Times

In late January, about a half-dozen reporters from The Las Vegas Review-Journal gathered at a colleague's apartment after work.

An article about a long-running lawsuit against Sheldon G. Adelson, the paper's new owner, had just been cut in half for the print edition on orders from the top editor, and the reporters were disturbed by what they considered editorial interference. With two other colleagues conferenced in, they discussed the possibility of a byline strike.

"There was a lot of frustration, a lot of venting," Jennifer Robison, a reporter who was at the meeting, recalled in a recent interview. "I remember someone talking about ordering a pizza but nobody was in the mood for anything like that."

The byline strike never materialized. But the hastily arranged meeting underscored simmering tensions in a

newsroom experiencing a tumultuous transition under new ownership.

With newspapers struggling to survive, it is not uncommon for wealthy businesspeople to step in and buy them — Jeff Bezos with The Washington Post, for instance, and John Henry with The Boston Globe. Each case presents potential conflicts in covering the owner's businesses, as well as concerns that the owner might attempt to influence coverage.

The problem is particularly acute for The Review-Journal. Mr. Adelson, the chairman of the Las Vegas Sands Corporation, is a casino magnate, a powerful Republican donor, a patron of education and a fierce defender of Israel, and his myriad interests present an almost singular example of how aggressive journalism can collide with the pursuits of a paper's owner.

That new dynamic has roiled the ranks of the newsroom, creating a divide between top editors who see it as part of their job to review coverage of Mr. Adelson, and staff members who chafe at what they perceive as inappropriate interference. In the nearly six months since Mr. Adelson purchased the paper, at least a dozen journalists have quit, been fired or made plans to leave soon; many cite a strained work environment and untenable oversight, in particular regarding the coverage of a bitter legal dispute related to Sands's operations in Macau.

There are advantages to having a billionaire as an owner, staff members agree. The newspaper has hired reporters and a graphic artist, and is upgrading its videography and photography equipment. Some employees, including Ms. Robison, have been given pay raises. A broken sewer pipe under the building has been fixed. Recently, the paper bought drones to use for news coverage.

"We're doing a lot of investment in this newspaper, in the people," Craig Moon, the new publisher, said. "Not only do we want it to be a great place to work but also a great newspaper and a great website."

Mr. Moon and Glenn Cook, the managing editor, say neither Mr. Adelson, 82, nor his associates review articles or direct news coverage. "There's never been any type of correspondence or information or calls from the Adelsons to do anything at this newspaper," Mr. Moon, who reports directly to the Adelson family, said in a telephone interview.

In his first extensive comments on his ownership, provided in written responses to questions from The New York Times, Mr. Adelson said his family bought The Review-Journal "as a financial investment" and hoped to improve its profitability. "We believe it's important that our Las Vegas community has a strong, growing, financially sound newspaper," he said.

Still, current and former staff members describe a newsroom in which employees are mistrustful of top management — a wariness that began with the secret sale of the paper to Mr. Adelson last December and was amplified by the handling of articles related to his family and business interests.

"Morale was already not great, but when Sheldon acquired the paper it was like a boom got lowered," Ms. Robison said. "People would literally joke about, 'What's going to happen if Sheldon buys the paper?' So when he actually did, it was this bizarre feeling, it was just surreal."

After 11 years at The Review-Journal, Ms. Robison left on Friday for a job in corporate communications. James G. Wright, a deputy editor, plans to leave in June. Another staffer who has departed is John L. Smith, a longtime columnist who filed for bankruptcy in 2007 while defending himself against a libel lawsuit brought by Mr. Adelson. After the casino magnate bought the paper, Mr. Smith was told by upper management that he was barred from writing about Mr. Adelson and another casino owner, Steve Wynn.

Among the others who have left are two reporters who covered areas aligned with Mr. Adelson's interests: gambling and stadium subsidies.

"There's no doubt about it — it's disappointing; I've been sorry to see every one of them go," Mr. Cook said in a telephone interview. "But we're going to replace them."

Mr. Wright, Ms. Robison, Mr. Smith and Stephanie Grimes, a features editor who was fired this month, spoke on the record for this article, as did several of the paper's current leaders. Nearly a dozen other current and former employees spoke on condition of anonymity because they feared retribution from Mr. Adelson, who in the past has sued journalists who portrayed him negatively.

Ms. Robison said there was not a "big epiphany" moment that made her decide to leave. "It's been kind of gradual as I've watched things change," she said. "I feel like I can work there for as long as I want, but if I do, I'm going to cross a line I didn't know existed."

The Review-Journal is Nevada's largest newspaper, with a print circulation of about 100,000. From a squat brick building near a freeway interchange known as the "Spaghetti Bowl," its newsroom staff of roughly 100 covers topics central to the city and the state. For decades, those included the many business, political and personal interests of Mr. Adelson.

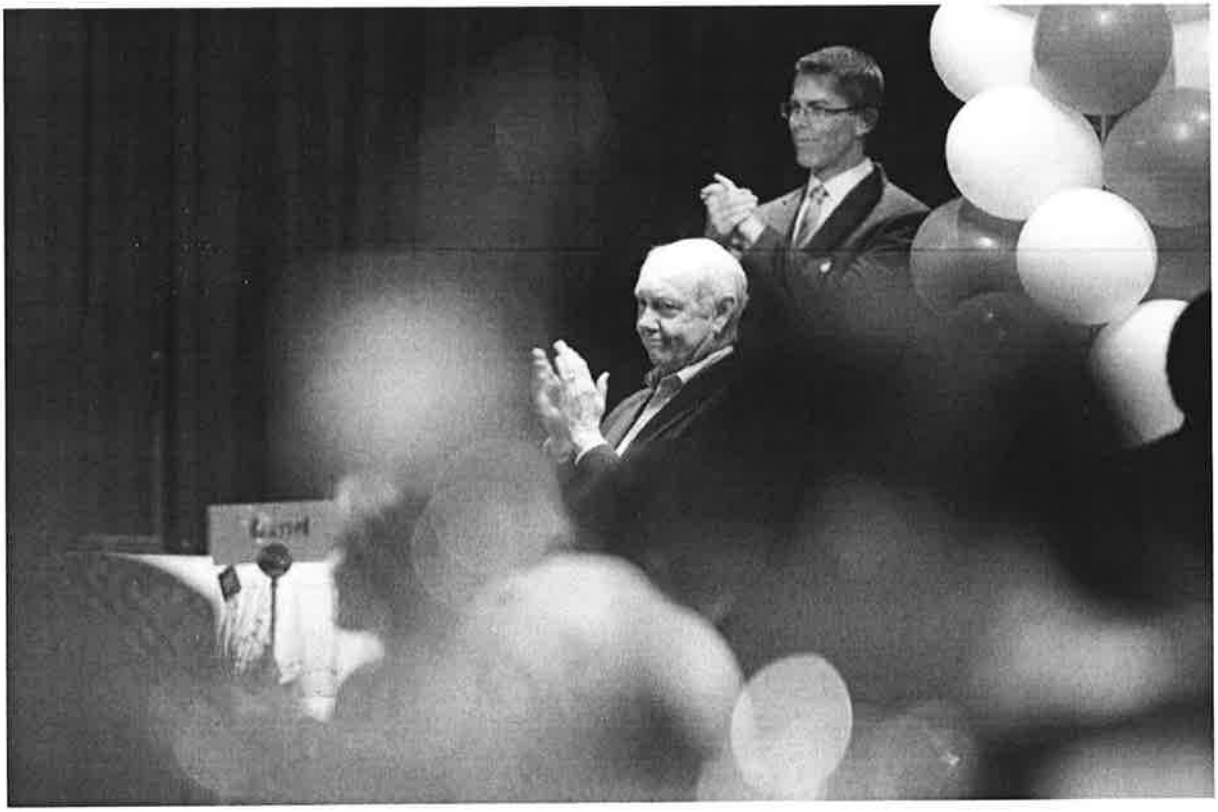
Then suddenly last December, the paper's employees discovered that they worked for Mr. Adelson; in fact, their reporting uncovered his ownership after he secretly purchased the paper for $140 million through a Delaware-based limited liability company managed by an unknown Connecticut newspaper owner.

The clandestine sale upset many employees and raised concerns about whether Mr. Adelson would use the paper to advance his own agenda. (Mr. Adelson owns a newspaper in Israel, Israel Hayom, which has been accused of being a mouthpiece for the country's prime minister, Benjamin Netanyahu.)

Within two months of the sale, the paper's top executives were replaced. Mr. Moon, a former executive at Gannett, took over as publisher. Mr. Cook, a senior editorial writer at the newspaper, was interim editor in chief until the role was filled in February by J. Keith Moyer, a former publisher of the Star Tribune in Minneapolis.

When he was named interim editor, Mr. Cook said, he decided that he would review all articles related to Mr. Adelson and his business interests. Now, the protocol is that both he and Mr. Moyer review such articles, Mr. Cook said.

Photo



Credit
Isaac Brekken for The New York Times

Mr. Adelson said he "didn't ask for the policy" but believed it was appropriate. "I hope the people in charge are fact-checking to ensure that whatever is written about me or my family or my interests is fair," he said.

Mr. Wright, Ms. Robison and others say they think that top editors are not just reviewing articles, but trying to shape them in ways that make them more favorable to Mr. Adelson.

"The tipping point for me was at the point where every day I was being asked to do things that made me feel uncomfortable — that took me farther away from doing what I would consider quality journalism and more into the realm of presenting things in tune with the owner's other interests," Mr. Wright said. He is leaving next month for a yearlong journalism fellowship at the University of Michigan.

Mr. Moyer was traveling last week and was not available for comment. Mr. Cook said: "Keith and I simply want to make sure that our coverage is beyond reproach and is as fair as it can possibly be. We recognize that, especially in the eyes of some people, we're never going to get it right."

Journalists say they have become accustomed to periods of calm in the newsroom interrupted by flare-ups; Mr. Wright, Ms. Robison and others describe a strained, and at times adversarial, relationship with the paper's new leaders. After Mr. Smith, the columnist, resigned in April, Mr. Moyer held a meeting and effectively told reporters that if they were unhappy with his decisions, they could quit.

Immediately after the sale, there was a kind of "we're in this together" mentality. But now, with so many departures, that sense of connection to the newspaper has largely disappeared.

"Most of what happened breaks my heart," said Ms. Grimes, the former features editor. "We've lost so many

good journalists, some that I know wouldn't have left without this happening."

Mr. Adelson runs his business empire from an office at his Venetian resort, reached by a guarded private elevator. It is decorated with magazine covers featuring images of himself. Models of the jets he owns hang from the ceiling over a boardroom table at which he often sits.

Mr. Adelson has not set foot in The Review-Journal's newsroom since the sale, and Mr. Moyer said in an interview last month that the owner "doesn't have anything to do with stories that run in the paper."

In his responses, Mr. Adelson said, "I have never spoken to anybody in the newsroom, nor have we called them to establish news-gathering policies."

He added: "By the way, newspapers are the first of over 50 companies that I started where my employees tell me how to run my business."

In some cases, Mr. Wright and several others said, the paper's new leaders may be making decisions pre-emptively that they think will please the casino magnate. But they also say they believe that the handling of articles related to Mr. Adelson suggests there is influence from above.

Much of the controversy over editorial interference involves coverage of the Macau-related lawsuit against Sands. Filed in 2010 by a former employee, Steven C. Jacobs, it contains allegations of bribes to officials in Macau. The case, which carries significant ramifications for Sands's casino operations, is sensitive and acrimonious. Mr. Adelson's legal team has repeatedly tried to have the judge in the case removed (unsuccessfully), claiming she is biased.

Suspicions about interference were heightened shortly after Mr. Adelson bought the paper, when The Review-Journal reported that several of its reporters had been asked to monitor three local judges in the weeks before the purchase, including the judge overseeing the suit.

In the ensuing months, Mr. Wright and others say, articles about the suit received particularly close scrutiny. In February, Mr. Wright said, Mr. Cook instructed him to produce an article about a motion filed by lawyers for Sands. Mr. Cook mandated that the article include 12 bullet points from the filing that the Adelson side said showed the judge's bias, without regard for the article's length.

"We were not allowed to summarize or edit them in any way," Mr. Wright said.

When Mr. Jacobs filed a court document, the paper's management chose not to run an article but instead posted the document online. Mr. Cook said the document was so heavily redacted that it was "basically impossible" to write about. For another article about the case, Mr. Wright said, Mr. Moyer removed or condensed material that outlined Mr. Jacobs's arguments, saying the story was too long.

Staff members also point to coverage of Las Vegas Sands's attempt to build an N.F.L.-ready stadium using hundreds of millions of dollars in public funding.

The original version of an article that ran in early February, a copy of which was obtained by The Times, quoted an economics professor as saying it was "the height of hypocrisy" that Mr. Adelson was "preaching to get

government out of people's lives, and he turns around and says he needs $780 million to build a new stadium."

Word came down through Mr. Cook that Mr. Moon thought the article focused too much on criticism of Mr. Adelson's proposal, Mr. Wright said. The "hypocrisy" quote, and another saying the plan was "highly risky," were removed before the article was published.

Mr. Wright said the message was sent that "Moon felt that the comments about Sheldon were personally directed and wouldn't be allowed in the story."

Mr. Cook said the quote was removed because it incorrectly characterized Mr. Adelson's viewpoint.

In response to claims of editorial interference, Mr. Cook said: "The notion that editors shouldn't edit stories is pretty silly. The reality is we're supposed to be editing stories, we're supposed to be trying to make them better."

He said it was "not my motivation" to be kind to the owner.

The constant review, though, has fueled frustration in the newsroom. One day in February, a reporter sent an email to editors just after 4 a.m. (a copy was obtained by The Times). Distressed and unable to sleep, the reporter complained that details were inserted into his story that made it inaccurate. If this continued, the reporter wrote, "the newspaper is nothing more than the PR extension of Las Vegas Sands through the Adelson publisher."

"I can't live with that," the reporter wrote. "And I hope you can't either."

In his written responses, Mr. Adelson said he and his family would "continue to invest in the paper and its people." He laid out a vision that included creating an investigative team, adding health and political sections and forming a fact-checking department.

Mr. Wright said he thought there was a "silver lining" to having a billionaire as an owner. "I think he legitimately is interested in having a quality publication, and he doesn't have to worry about the bottom line."

"But it's like a lot of things in life," Mr. Wright added. "Eventually you have to pay the bill. In this case, the bill is you sacrifice some editorial independence to the interests of the owner."

A version of this article appears in print on May 23, 2016, on page A1 of the New York edition with the headline: Adelson's Era: Do Billions Erode Press Freedom?. Order Reprints| Today's Paper|Subscribe

MOBILE-FIRST NEWS:

HOW PEOPLE USE SMARTPHONES TO ACCESS INFORMATION

MAY 2016

Knight Foundation

PART ONE

NEWS GOES MOBILE: HOW PEOPLE USE SMARTPHONES TO ACCESS INFORMATION

3 The challenge

4 Audience size and time spent reading news on mobile

6 Why develop a news app

8 Types of news content that dominate on mobile

10 How mobile users engage with news content

PART TWO

MOBILE AMERICA: HOW DIFFERENT AUDIENCES TAP MOBILE NEWS

13 Introduction

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16 How mobile users access news content

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PART ONE
NEWS GOES MOBILE:
HOW PEOPLE USE SMARTPHONES TO ACCESS INFORMATION

THE CHALLENGE

Rapid advances in technology have left news organizations scrambling to manage how news is created, consumed and delivered. People have shifted towards accessing news first via desktops and laptops, and now through the ubiquitous smartphone.

Since 2011, the rate of adult U.S. smartphone ownership has increased notably from 46 to 82 percent[1], and is nearing a saturation point among some age groups. In just the past two years, individual mobile news consumption has grown rapidly. In fact, 89 percent of the U.S. mobile population (144 million users) now access news and information via their mobile devices.[2] As news organizations seek to better manage this digital transformation across platforms, engage with their audience and stay competitive, what should they understand about their audience's changing behavior on mobile news? And, how are diverse audiences approaching access to mobile news and information differently?

This two-part series, excerpted from a custom research study conducted with Nielsen and commissioned by Knight Foundation in September 2015, delves first into several key findings, and then dives into how specific groups of people use different mobile platforms for news.

1. Nielsen Mobile Insights Survey 2011-2015.
2. Nielsen Electronic Mobile Measurement Panel, Average Monthly Penetration, P18+, Oct 2013-Sept 2015.

The findings show that:

- There is a substantial audience for mobile news. Nearly the entire population of adult mobile users consume news on their devices, and more users are spending news time on social platforms.
- While mobile users only spend 5 percent of mobile time on news, on average, the time they do spend includes "hard" news about current events and global news, as opposed to routine weather reports and other forms of "soft" news.
- Mobile users who access news through apps spend more time reading the content, but the overall audience for apps is small, so it's essential to know who those users are.
- Social media sites and apps are important sources of news for social media users, although television remains their top source. However, social media users also depend on friends, contacts and individuals they follow as trusted news sources as much as or more than they depend on media outlets.
- Mobile news users active on social networks do not just passively engage with news content but take offline action related to the content.

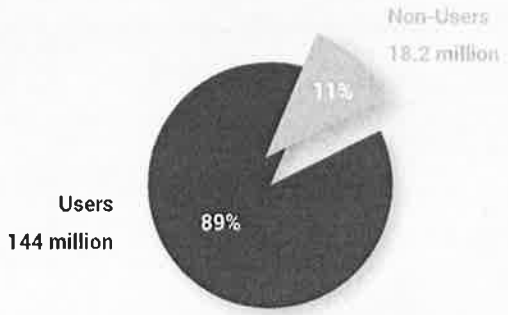
Other studies on mobile news behavior rely heavily on self-reported survey data but Knight Foundation wanted a clearer picture of genuine behaviors. To obtain actual user data, Knight worked with Nielsen's Electronic Mobile Measurement Panel to conduct a 24-month mobile news trend analysis. Panel recruits use an "always-on" meter on their mobile devices to monitor user activity, both across apps and on browsers. Nielsen also conducted a supplementary, self-reported survey to account for in-app news consumption on social networking sites (for example, reading an article posted on Twitter or Facebook).

AUDIENCE SIZE AND TIME SPENT READING NEWS ON MOBILE

A substantial mobile news audience exists, and many of those users are spending news time on social platforms.

Eighty-nine percent of the adult U.S. mobile population (144 million people) access news and information via their mobile device. While analysis of the mobile news audience shows that it had grown 9 percent from the previous year (see Figure 3), but the increase has recently slowed, suggesting that the mobile news audience is reaching a plateau.

FIGURE 1: MOBILE NEWS CONSUMPTION BY POPULATION



TOTAL NUMBER OF MOBILE USERS IS 162.2 MILLION

FIGURE 2: MONTHLY MOBILE CONSUMPTION BY TIME SPENT

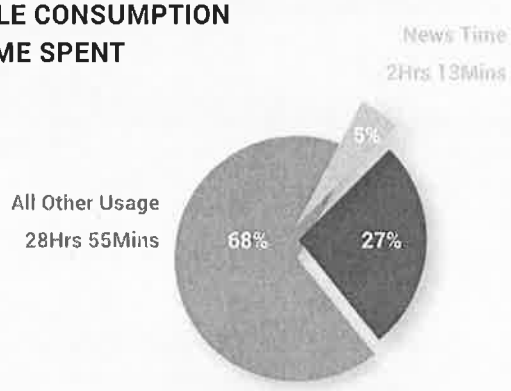
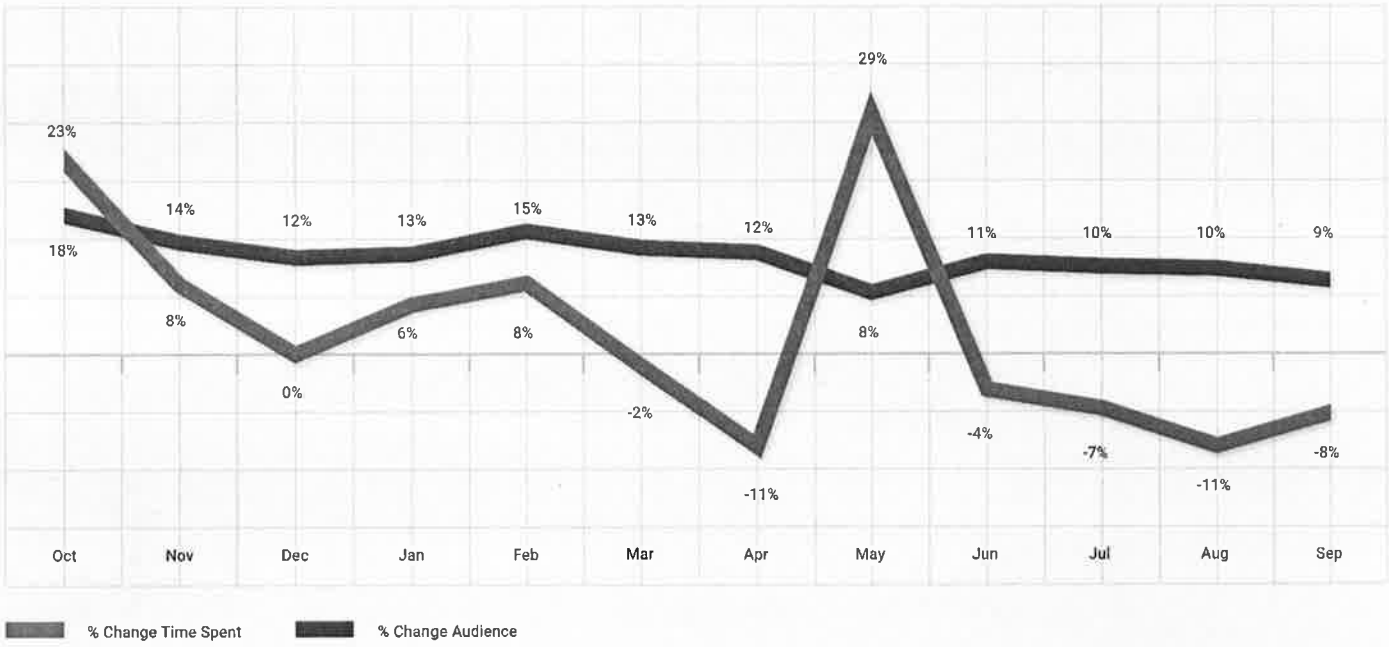


FIGURE 3: MONTHLY MOBILE NEWS USAGE 2013/14 VS. 2014/15
News Category (Web + Apps)



But the activities people perform on mobile is changing. The metered data from the Nielsen panel show that mobile news-seekers, on average, dedicate nearly 5 percent (or more than 2 hours) of their monthly mobile time to news (see Figure 2).[3] However, an analysis of year-over-year changes (see Figure 3) suggests that time spent directly on mobile apps and sites has declined over the past year.[4] This decline contrasts with substantial news activity taking place on social networking platforms.

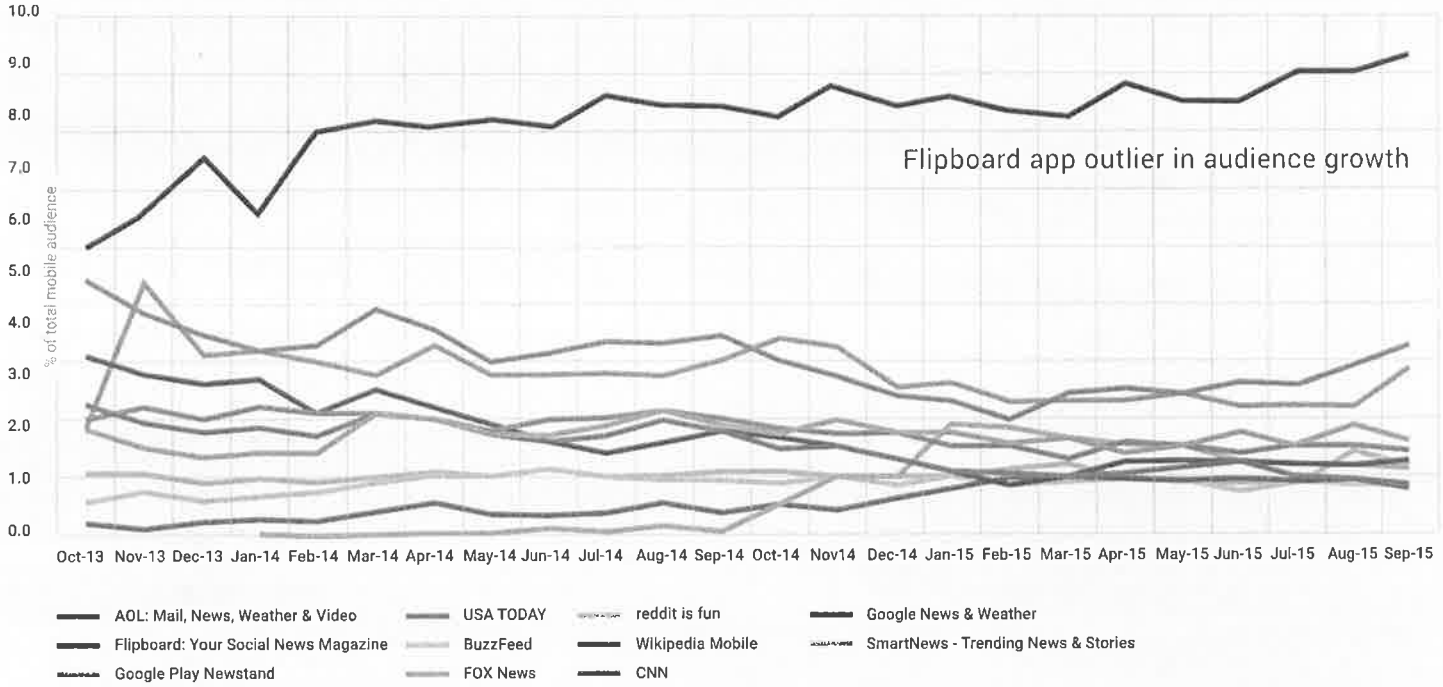
TODAY, MOBILE NEWS REACHES NEARLY 90 PERCENT OF MOBILE USERS BUT READING TIME MAY BE SHIFTING TOWARDS SOCIAL NETWORKS.

Indeed, 27 percent of mobile time (more than 12 hours per month) is spent on social networking sites, and Nielsen's supplemental survey showed that half of social networkers spend time looking at news; 70 percent of Facebook users, for example, use Facebook for news every day.[5]

While news organizations with national (or international) reach are experimenting with and active on mobile and social media platforms, many local and regional outlets have been slower to migrate toward the capabilities needed to become "digital-first" operations – meaning their workflow (and the content they develop) prioritizes production for mobile and online platforms over print. Even large publishers and online outlets are wrestling with how to distribute digital content via social channels such as Facebook's Instant Articles to make the most of possible revenue from this large audience.

3. Nielsen EMM Panel, Average Monthly Penetration, P18+, Oct13-Sept15, and Nielsen EMM Panel, Average Monthly Time Spent, P18+, Oct13-Sept15. Percentages are rounded to represent whole numbers.
4. Outliers seen as in May usually indicate a media event that attracts national attention. One potential media event that cascaded across news channels in May 2015 was the delivery of Princess Charlotte by Kate Middleton, the Duchess of Cambridge.
5. Nielsen EMM Social Networking Survey, 2015. Base: Get news from top 5 social networking apps (n varies: Facebook – 1092; Instagram – 563; Google+ - 493; Twitter – 588; LinkedIn – 401).

FIGURE 4: MONTHLY AUDIENCE BY APPLICATION
Top Apps in Mobile News Category



WHY DEVELOP A NEWS APP

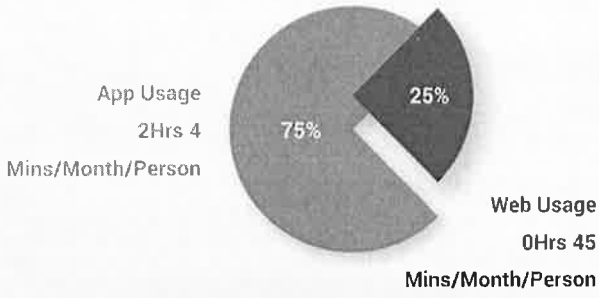
News-seekers spend significant time using apps, but news organizations need to understand the users to maximize the benefits.

The data from the custom Nielsen research study among users of the top 10 mobile news sites and applications show that while the mobile news audience largely uses both app and sites the majority of mobile time is spent within apps (see Figure 5).

The audience, however, is generally much more limited among apps overall. As the Nielsen study illustrates, the audience of Flipboard (a top news aggregator app) is the only one that has been steadily increasing[6] while audiences for other top apps are flattening.

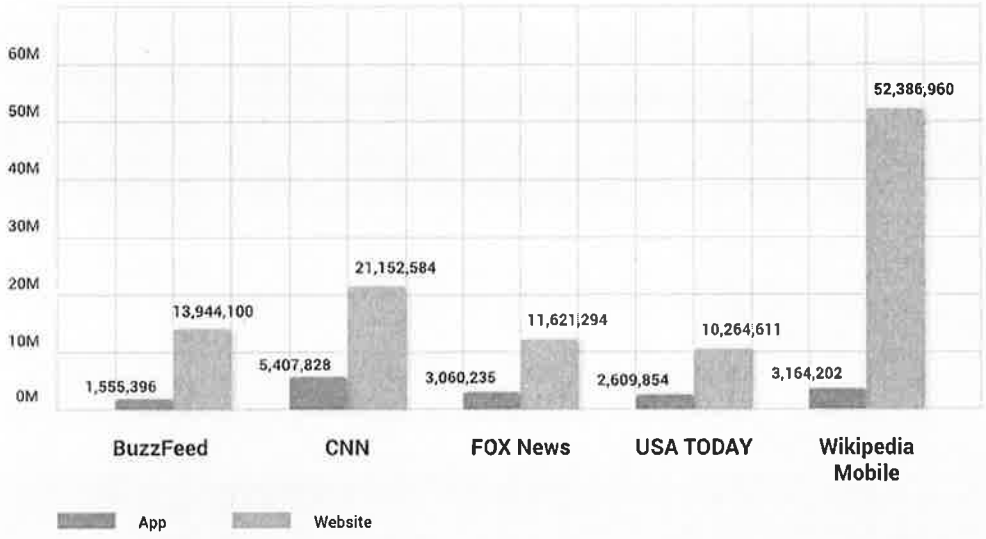
News organizations across the spectrum are grappling with this issue, trying to determine a value proposition for developing a native (or brand) app versus focusing on a mobile responsive site. The audience for apps tends to consist of "power," or loyal, users, but the audience that uses mobile news sites (versus apps) may be quite different. Figures 6 and 7 highlight the substantial difference between audience size and monthly time spent on top apps versus mobile sites.

FIGURE 5: TOTAL MOBILE NEWS TIME SPENT (APP V. WEB BROWSER)



6. Flipboard acquired CNN's Zite news app and integrated its users and content in mid-2014, which may account for a slight increase in audience size during that period.

FIGURE 6: AVERAGE MONTHLY USERS (TOP APPS)



TIME SPENT ON APPS HIGH, BUT AUDIENCES MUCH SMALLER

An emerging discussion on the value of apps shows that some publishers believe that discussions around mobile strategy are too app-centric, and they question whether building an app is worth the time and expense. Others are betting that if an app is well designed and the audience is targeted, there could be substantial revenue opportunities. While the answer may look different depending on a news organization's audience and behavior, this area is still wide open for much experimentation.

FIGURE 7: AVERAGE MONTHLY TIME SPENT PER PERSON

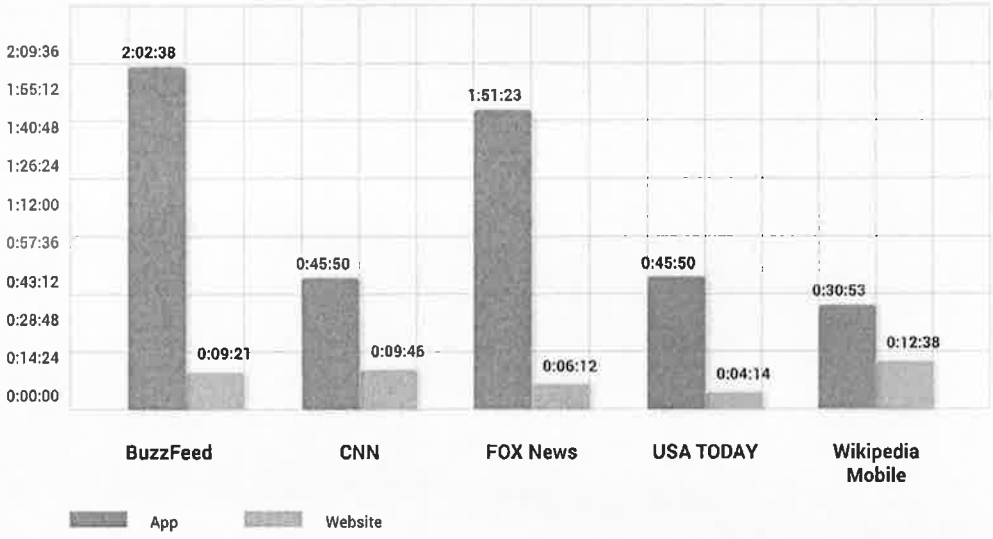
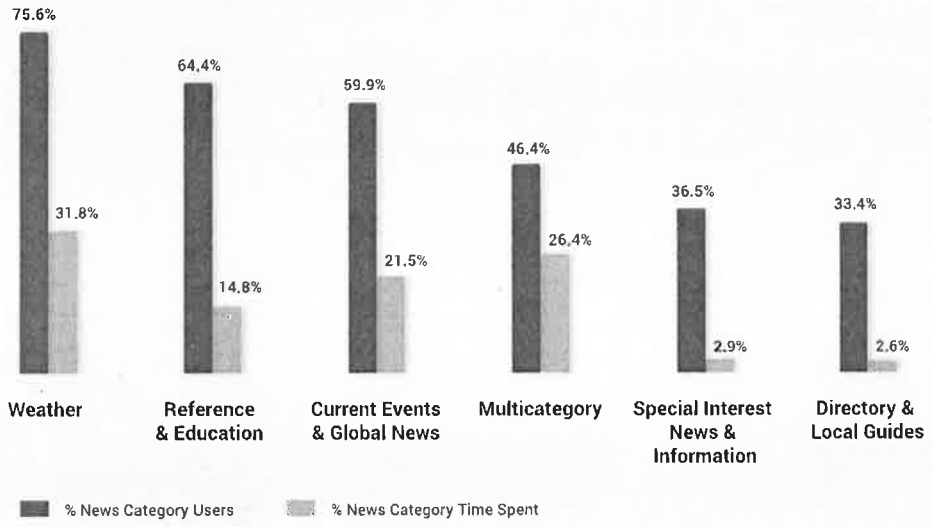


FIGURE 8: AVERAGE MONTHLY DISTRIBUTION OF USERS BY NEWS SUBCATEGORY
News Category (Web + Apps)



Nielsen's News and Information Subcategories Defined

Multicategory news:
Apps and sites that contain multiple (two-plus) news and information categories.

Current events and global news:
Apps and sites that provide information about local, national, and/or world news.

WHAT TYPES OF NEWS CONTENT DOMINATE ON MOBILE

The content users access and how they do it varies by platform.

Nearly half the time spent on news is within what Nielsen classifies as "multicategory news" and all current event and global news content areas on sites and apps.[7] However, weather and reference sites and apps (including dominant sites such as Wikipedia[8]) are the most popular areas in terms of total audience size, with current events and global news not far behind. Multicategory news includes mobile news sites containing multiple areas of news content areas, such as BuzzFeed, Mashable or National Geographic. Figure 8 illustrates that mobile news readers' interests (and a significant amount of monthly mobile news time) extend well beyond reference information or "soft news"-type weather content.

The supplemental survey of social networkers in the panel provides data as to the frequency of news consumption within social apps (see Figure 9).[9] The data around frequency does suggest that the time spent reading news of all kinds on mobile is greater than the 5 percent of what is trackable given the prevalence of in-app usage.[10]

7. Nielsen EMM Panel, Average % of News Category Users and % of Time Spent on News Category, P18+, Oct 2013–Sept 2015.
8. Full disclosure statement: Wikimedia Foundation receives Knight Foundation grant support.
9. Nielsen EMM Social Networking Survey, 2015. Base: Get news from top 5 social networking apps (n varies: Facebook – 1092; Instagram – 563; Google+ - 493; Twitter – 588; LinkedIn – 401).
10. Note that data on mobile time spent on news are drawn only from the metered behavioral data collected by Nielsen from its opt-in Electronic Mobile Measurement panel, which directly measures a users' time spent on their mobile phones. The meter data does not contain news consumption time happening within social media platforms.

The news content accessed looks different in social media and between social platforms. Nielsen's survey also provided more granular insights into the types of news consumed across social media platforms. As Figure 10 illustrates, entertainment news dominates social networking news consumption and patterns of news consumption are similar across Facebook, Twitter and Google+. However, consumption patterns diverge on Instagram and LinkedIn. LinkedIn, for example, is highly accessed by news-seekers looking for tech and financial/business news whereas Instagram's content on lifestyle dominates.[11]

FIGURE 9: FREQUENCY OF USING SOCIAL NETWORKING APPS FOR NEWS-SEEKING

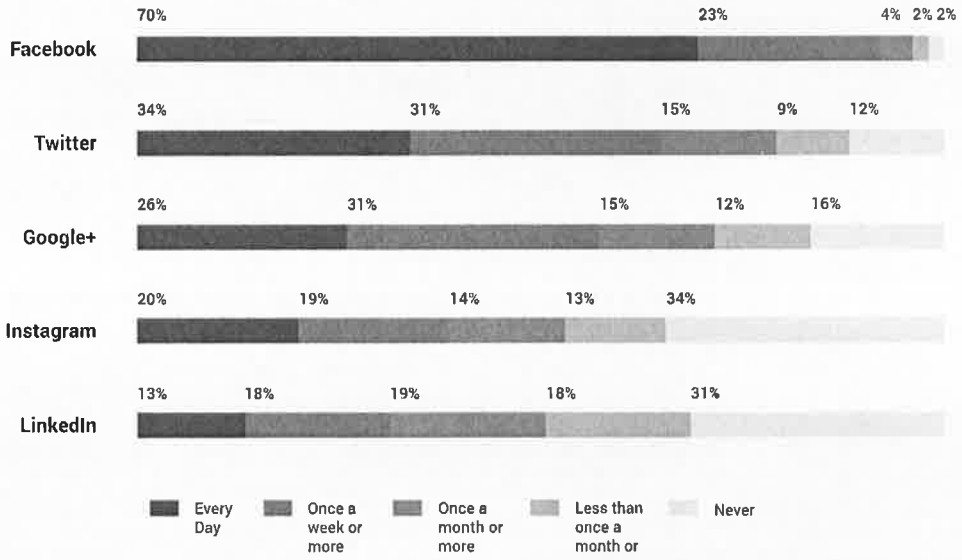
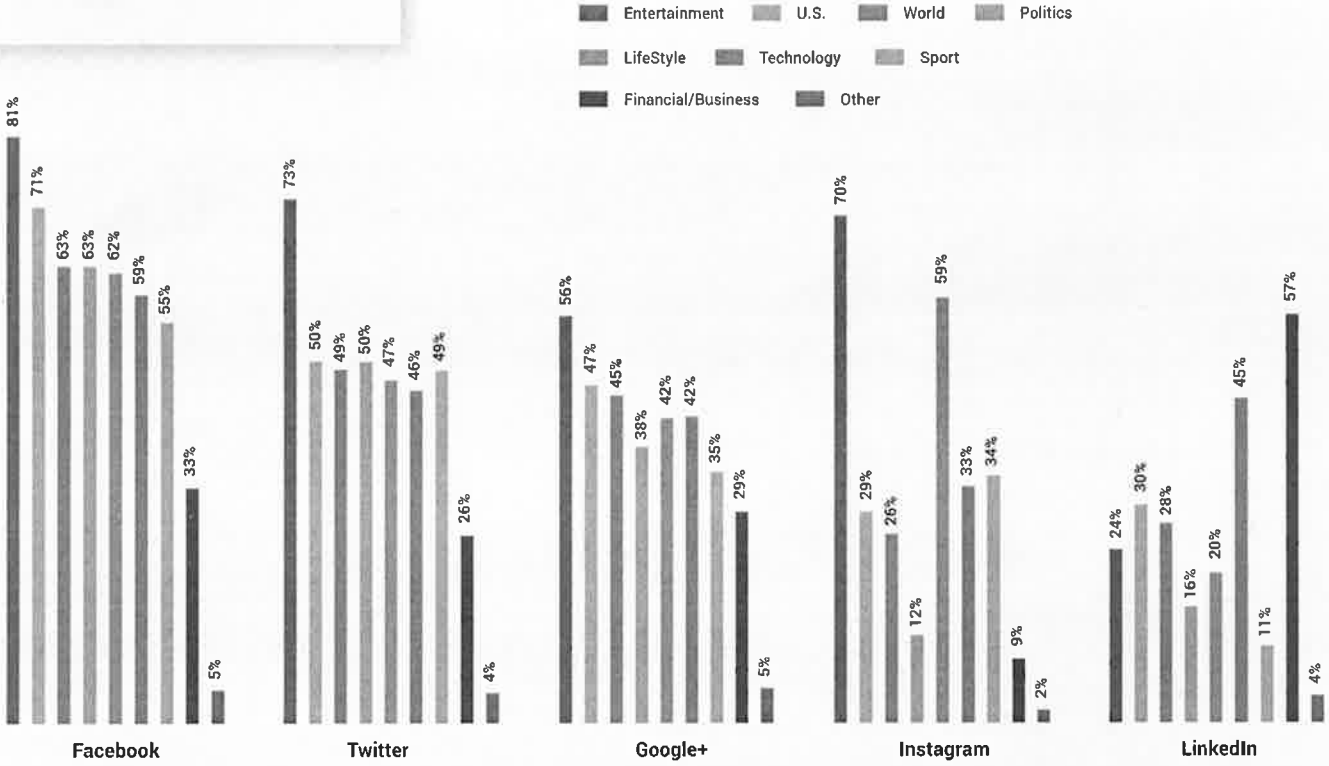


FIGURE 10: TYPES OF NEWS CONSUMED, BY APP



11. Nielsen EMM Social Networking Survey, 2015. Base: Get news from top five social networking apps monthly or more often (n varies: Facebook – 1046; Instagram – 283; Google+ - 357; Twitter – 462; LinkedIn – 206).

HOW MOBILE USERS ENGAGE WITH NEWS CONTENT

Mobile news-seekers engage both online and off and trust shared content.

The behavioral and survey data illustrate that the audience is immense for news across mobile sites and apps and continues to grow within social platforms. Indeed, **social networking apps on mobile compete as a news source with other media forms** trailing only TV but pulling ahead of radio, newspapers and magazines among social networkers (see Figure 11).[12]

Moreover, respondents were also asked how they receive their news on select social networking apps. **News-seekers depend on friends, contacts and individuals followed as trusted news sources** as much as or more than they depend on the media outlets themselves (see Figure 12).[13]

FIGURE 11: SOURCES USED FOR NEWS-SEEKING

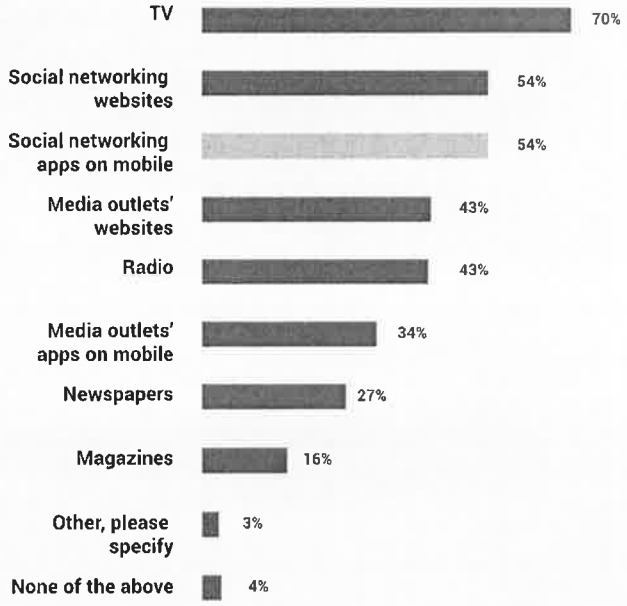
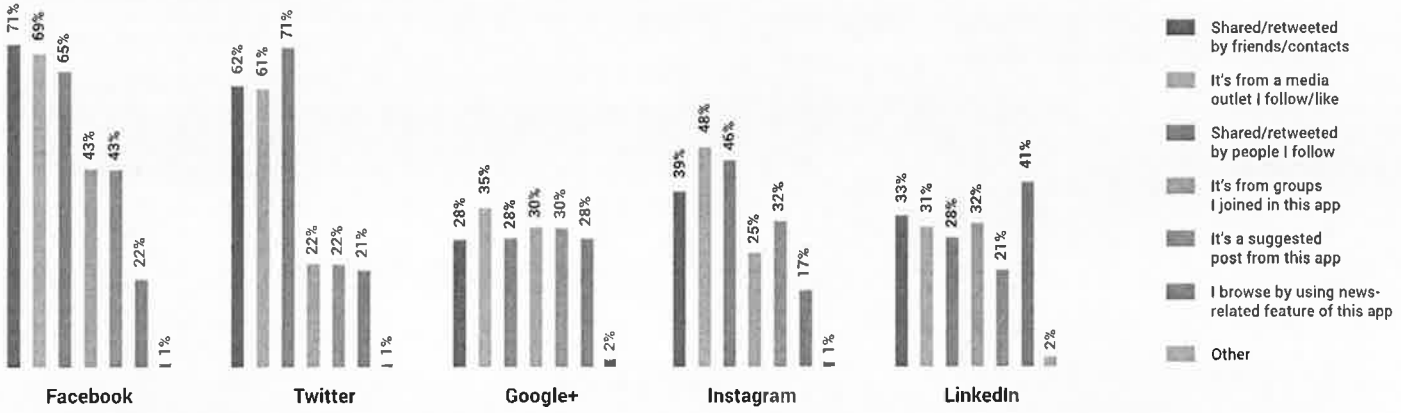


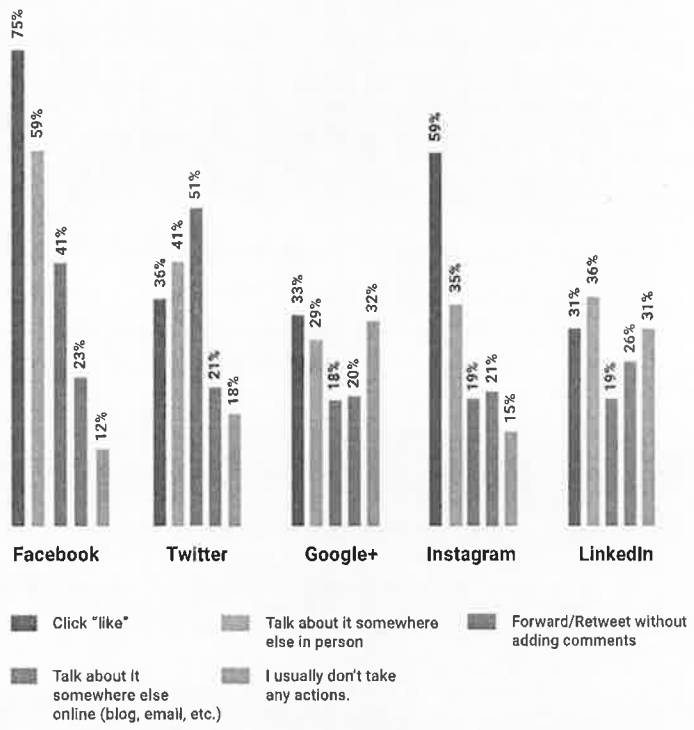
FIGURE 12: HOW TO RECEIVE NEWS BY APP



12. Nielsen EMM Social Networking Survey, 2015. Base: Social networking mobile users (n=2176).
13. Nielsen EMM Social Networking Survey, 2015. Base: Get news from top 5 social networking apps monthly or more often (n varies: Facebook – 1046; Instagram – 283; Google+ - 357; Twitter – 462; LinkedIn – 206). Survey question: Within each of the following social networking apps, how do you receive news?

But what happens after a person accesses news, and how does that person engage with content both online and off? **The data from Nielsen's custom commissioned study show that a high number of social network news readers take action after accessing news.**[14] More than 80 percent of Facebook, Twitter and Instagram users take action after accessing news, the dominant actions being clicking "like" (in Facebook and Instagram) or "retweeting without comment" (see Figure 13). Typically, the data illustrated that low-intensity forms of engagement are the most common but that rates of higher-intensity forms of engagement were also notable. For example, 59 percent of Facebook users and 41 percent of Twitter users reported that they talk about news somewhere else in person. As publishers think about how they would like audiences to engage with their content, these different platforms offer insights into the opportunities.

FIGURE 13: ACTIONS TAKEN, BY SOCIAL APP



59% OF FACEBOOK USERS AND 41% OF TWITTER USERS TALK ABOUT NEWS SOMEWHERE ELSE IN PERSON.

CONCLUSION

Part one of this series provides a snapshot of mobile news access across sites, apps and social networking platforms. The data show that a fundamental shift has happened toward accessing news via mobile—and that the landscape continues to evolve. Adapting to and leveraging the opportunities in these evolving audience trends in news behavior is critical to any news organization's survival.

14. Survey question leading to this insight was "Within each of the following social networking apps, what kind of actions do you often take after accessing news? Select all that apply for each app." Answer list included Facebook, Twitter, Google+, Instagram and LinkedIn. The term "accessing news" was self-defined by respondents and could indicate actions such as reading a headline, reading the synopsis of a post or clicking through to an article.

PART TWO
MOBILE AMERICA:
HOW DIFFERENT AUDIENCES TAP MOBILE NEWS

INTRODUCTION

Millennials loom large in mobile usage (85 percent have a smartphone[15]), but data on how news is accessed (and by whom) paint a more complex and evolving demographic picture.

Demographic shifts (by age, race/ethnicity and income) and changing behaviors in mobile news usage could have profound implications for both legacy and upstart news providers. In the mobile era, the reality may be that news organizations must have astute targeting and audience development, as well as flexibility with digital strategy.

Over the past decade, news organizations have been managing a sea change in the way news is consumed and delivered. In just the past two years, individual mobile news consumption has grown rapidly. In fact, 89 percent of the adult U.S. mobile population (144 million users) now access news and information via their mobile devices.[16] As news organizations look to manage this digital transformation, engage with a changing audience base, and stay competitive, what should they understand about how different audiences approach access to mobile news and information?

This second installment of Knight's two-part series on mobile news usage takes a deeper dive into specific demographics and different mobile platforms. Highlights from the custom research study conducted with Nielsen showed that:

15. www.nielsen.com/us/en/insights/news/2014/mobile-millennials-over-85-percent-of-generation-y-owns-smartphones.html
16. Nielsen EMM Panel, Average Monthly Penetration, P18+, Oct13-Sept15

- The mobile news user base as a whole reflects the current U.S. population with all its racial, ethnic and economic diversity.
- The younger generations of mobile news users are actively consuming news, but in a different way; they tend to find news through social media and emerging chat apps.
- An increasingly diverse mobile news user base offers glimpses of the future news audience.
- The information and reference site Wikipedia is linked to news behavior and is a critical pathway to the news and information ecosystem.

WHO'S ACTIVE ON MOBILE NEWS

The audience for mobile news is more diverse than at first glance.

The emerging demographic variations among social networking news users certainly offer a glimpse into the future audience for news.[17] While the entire EMM panel provides an overarching demographic snapshot of the mobile news audience, part one of this mobile research showed that much of mobile news time is happening within social networks.

17. The social networking survey confidence interval was 95 percent. The survey was conducted online, in English, and weighted on age, gender and education. While we can look at attitudinal and behavioral variations among racial/ethnic groups, the data are not necessarily representative of these groups, as it was not weighted using these variables. For a full description of survey methodology, please see the section at the end of this document.
18. Please note that all EMM panelists are recruited in English only and may not be fully representative of the Hispanic population.

SNAPSHOTS FROM THE NIELSEN MOBILE PANEL

Metered Behavioral Data mobile news consumer (on sites and news apps)

Users skew older adult (ages 35+) and higher income, but in line with racial/ethnic groups compared to the general population.

6 in 10 are non-Hispanic whites who are employed and/or with household incomes above $50,000.

Lower-income households (less than $50,000) also seek out news on mobile at 37.6 percent of all mobile news users.

Among minority populations, Hispanics lead mobile news-seeking in all categories.[18]

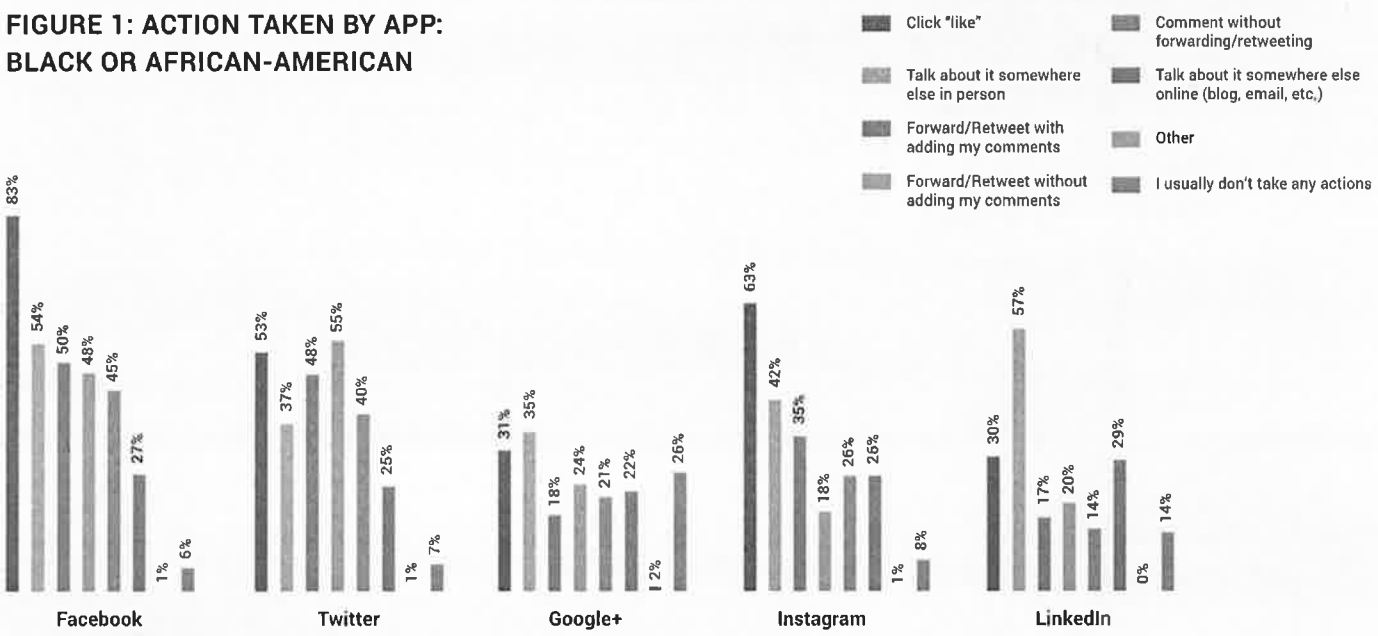
As education increases, so does time spent on mobile news.

Older millennials (ages 25-34) tap into news earlier in the day and are slightly more likely than their younger counterparts (ages 18-24) to seek out mobile news.

FINDING OF IN-APP SOCIAL NETWORKING SURVEY MOBILE NEWS CONSUMER

Overall, younger millennials (ages 18-24) and the affluent ($75,000+) are more likely to seek news within social networking apps.

FIGURE 1: ACTION TAKEN BY APP: BLACK OR AFRICAN-AMERICAN

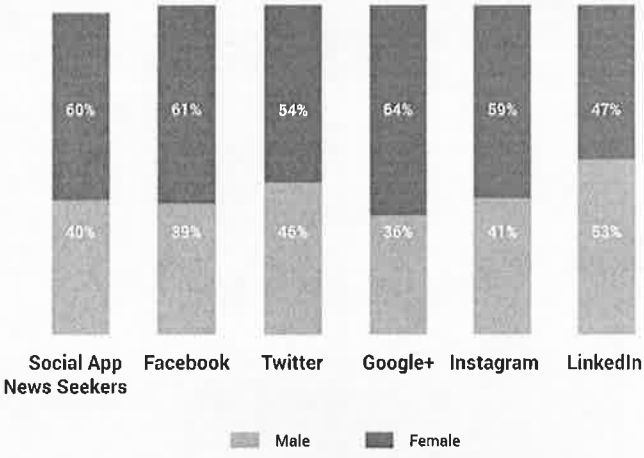


These survey data also hint at the distinct behaviors emerging among various demographics and how they engage with mobile news. For instance, **African-Americans actively engage on certain social media platforms.** They are more likely to "like" tweets on Twitter and forward posts with commentary on Instagram (see Figure 1).[19]

Moreover, other mobile research conducted by Nielsen indicates that Hispanics are intensive smartphone users spending on average more than 14 hours a week for app, audio, video and web purposes.[20] Given that projections suggest that this demographic will account for more than half of the U.S. population growth in less than five years, understanding evolving behavior among this large and diverse demographic could help news content providers develop and target relevant audiences.

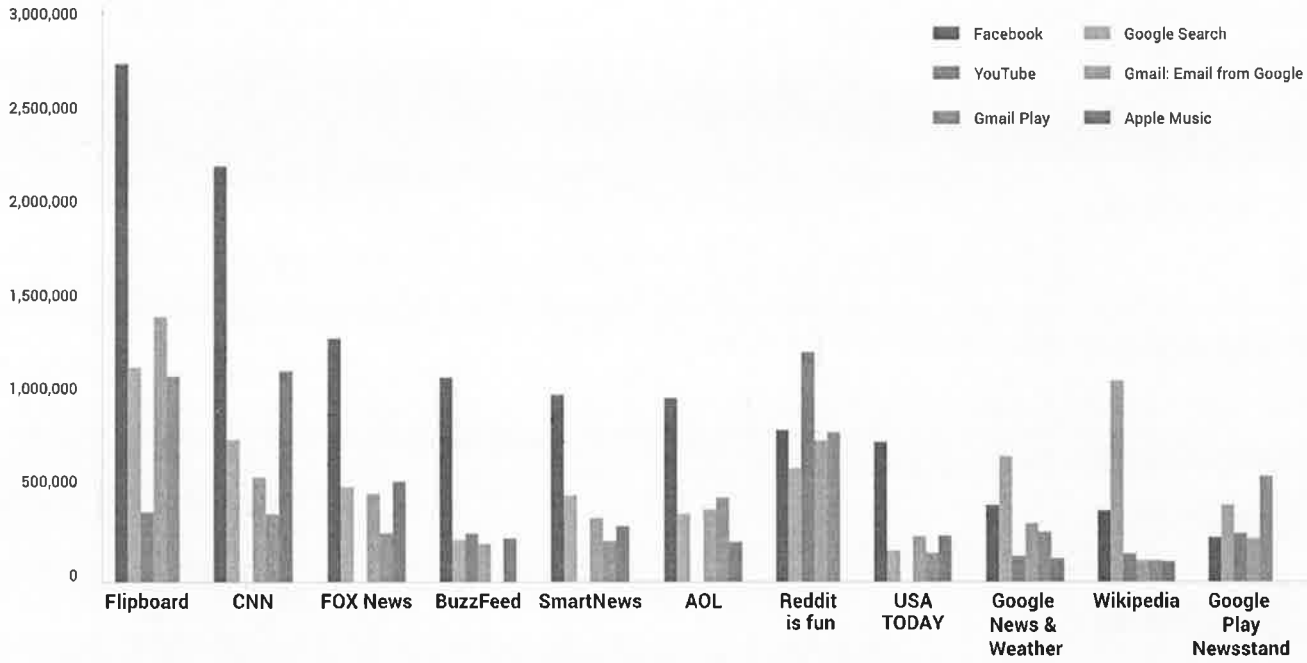
The metered data show that mobile news-seekers are also roughly evenly split between men and women but begin to diverge when looking at social apps for news.[21] With the exception of LinkedIn, women were more likely than their male counterparts to seek news across the five social networking platforms studied (see Figure 2).[22]

FIGURE 2: ACTION TAKEN, BY SOCIAL APP



19. Nielsen EMM Social Networking Survey, 2015. Base: Get news from top 5 social networking apps monthly or more often (n varies: Facebook – 1046; Instagram – 283; Google+ - 357; Twitter – 462; LinkedIn – 206). LinkedIn also showed high rates of engagement but the sample size for the African-American demographic is small.
Q17: Within each of the following social networking apps, what kind(s) of actions do you often take after accessing news? Select all that apply for each app.
20. From Nielsen Mobile Insights research focused on Super Consumer market segments: http://www.nielsen.com/us/en/insights/news/2015/us-hispanics-are-super-mobile-super-consumers.html.
21. Nielsen EMM Panel, Average Monthly Penetration by demographic group, Oct13-Sept15.
22. Nielsen EMM Social Networking Survey, 2015. Base: Get news from social networking apps (n varies: Social Apps News-Seekers – 1113; Facebook – 1046; Instagram – 283; Google+ - 357; Twitter – 462; LinkedIn – 206).

FIGURE 3: UNIQUE AUDIENCE FROM APPS USED PRIOR TO NEWS-RELATED APPS



HOW PEOPLE ACCESS NEWS CONTENT

The pathways—and who's coming—to news content are varied and evolving.

Nielsen metered data reveal that **search, email and social networking sites are launching pads for news-seeking activity in both apps and mobile sites.**[23]

Email newsletters that drive audience to news content are often not appreciated as much as social networks, but they are worth highlighting (see Figure 3). It seems that news-seekers still value curated content that lasts longer than a feed and that they have chosen to opt into.[24] The challenge for publishers in the mobile age is to be nimble not just in one channel but several.

Information and reference sites are linked to news behavior and often drive traffic to news content. Wikipedia figures prominently in mobile content access. Among mobile sites, Wikipedia reigns in terms of popularity (the app does well too) and amount of time users spend on the entity. **Wikipedia's site reaches almost one-third of the total mobile population each month (see Figure 6).**[25] Current news and events are often embedded within Wikipedia entries so it presents an opportunity to learn about an area of interest after reading a news article. What is clear from the Nielsen data is that the popular information site also drives traffic *to news*. For instance, Wikipedia was one of the top 10 websites visited prior to exploring sites as varied as BuzzFeed, Daily MailOnline, nytimes.com, usatoday.com, washingtonpost.com and Tribune Newspapers.[26]

Younger and diverse audiences highlight changing news behaviors on mobile. News-seekers coming from

23. Nielsen EMM Panel, Top 6 Sources for News-Seekers used Prior to News-Related Apps, Average Monthly Unique Audience from each website that goes to each News App, P18+, July-Sept 2015.
24. "For Email Newsletters, a Death Greatly Exaggerated". http://www.nytimes.com/2014/06/30/business/media/for-email-a-death-greatly-exaggerated.html.
25. Nielsen EMM Panel, % of Total Mobile Audience that visit the website in an average month, P18+, Oct13-Sept15.
26. Tribune Newspapers include the following: Los Angeles Times, Chicago Tribune, Orlando Sentinel, Sun-Sentinel, Baltimore Sun, The Hartford Courant, The Morning Call, Daily Press, Chicago Now.

FIGURE 4: REFERRAL PROFILE, BY AGE

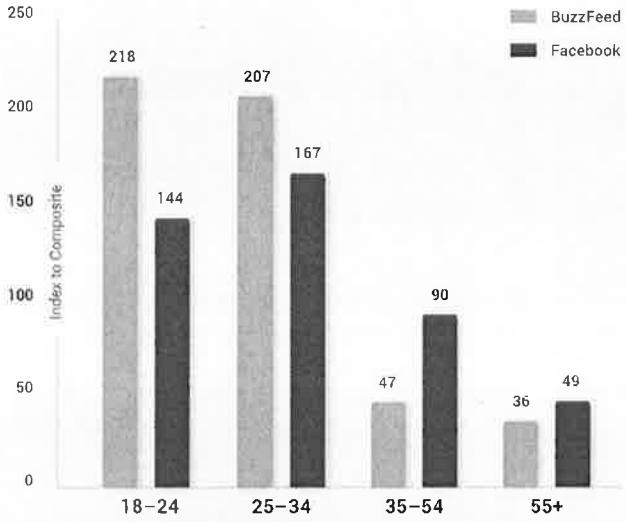
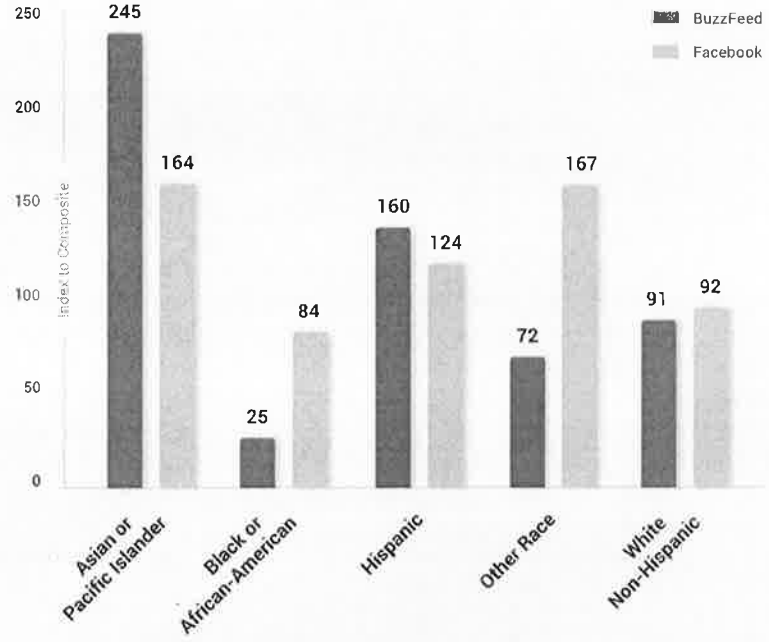


FIGURE 5: REFERRAL PROFILE, BY RACE/ETHNICITY



social sites and chat apps such as Snapchat, Facebook Messenger, Google Hangouts, Instagram and Pinterest **tend to be younger and more ethnically diverse**. YouTube referrals also play prominently among young millennials (ages 18-24). Conversely, mobile apps such as ESPN, Yahoo Stocks and Yahoo.com tend to bring in an older (ages 35+) and more affluent audience.[27]

The referral analysis also highlighted some notable players among younger and diverse audiences. Among mobile sites, BuzzFeed and Reddit dominate in bringing in young millennials to other mobile news sites. Those sites, in addition to CNN and Facebook, are also more likely to lead diverse audiences such as Asians and Hispanics to other mobile news content.[28] For example, figures 4 and 5 highlight the audience profile of BuzzFeed and Facebook as referral sources to other news sites – with higher concentrations of referrals coming from both younger and older millennials (ages 18-34) and Asians, Hispanics and Other Races highly represented.[29]

WHERE THEY COME FROM AND WHO THEY ARE

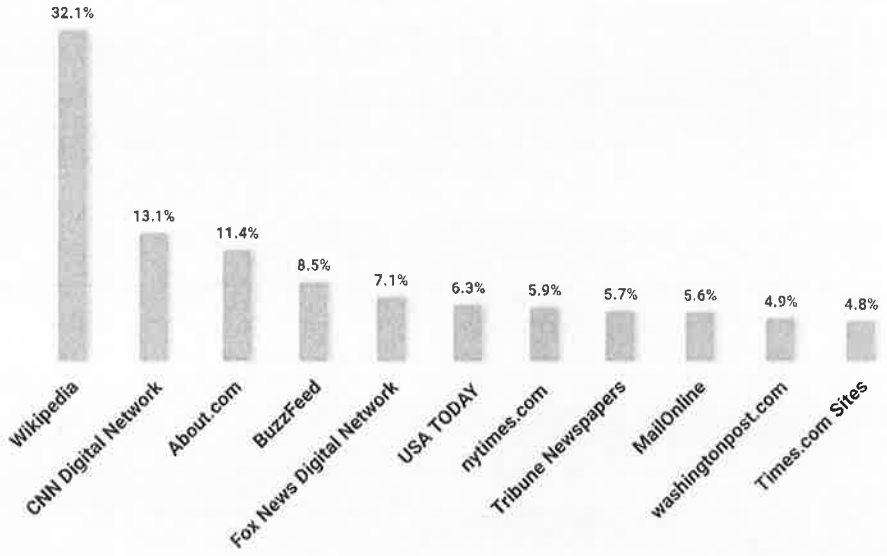
Young millennials (ages 18-24) are 3 and 4x more likely than typical online adults to go to news content from Instagram, Pinterest and Snapchat.

African-Americans are 2.5x more likely than typical online adults to go to news content from Twitter.

26. Nielsen EMM Panel, July 2015, Aug 2015, Sept 2015, Source Report, App used prior , Persons 18+ Average % of Total Demo that goes from each app to a news related app, Demo % indexed to Total US %.
27. Nielsen EMM Panel, July 2015, Aug 2015, Sept 2015, Source Report, App used prior , Persons 18+, Average % of Total Demo that goes from each app to a news related app, Demo % indexed to Total US %.
28. Nielsen EMM Panel, July 2015, Aug 2015, Sept 2015, Source Report, App used prior , Persons 18+, Average % of Total Demo that goes from each app to a news related app, Demo % indexed to Total US %.
29. Ibid.

Reddit users are also going deeper into the content. **Reddit devotees go to the app often (twice a day) and spend roughly five times the amount of time with Reddit's app than other top news apps.**[30] The popularity of this discussion forum and news aggregator app among younger audiences may suggest a tendency toward accessing multiple news source perspectives but also a desire for news that is personalized to their interests. Publishers of all sizes are reckoning with news aggregations' impact—whether through social media platforms or news apps—on their traditional distribution channels and related revenue models.

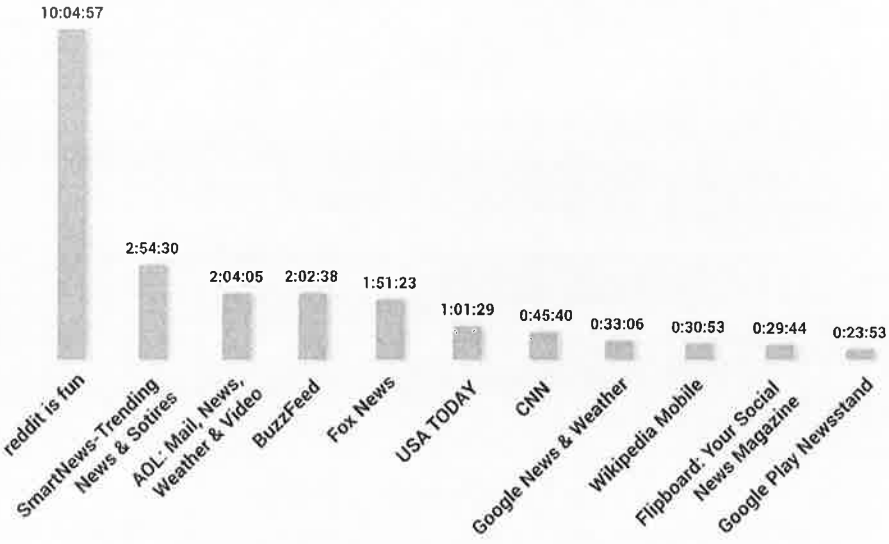
FIGURE 6: AVERAGE MONTHLY AUDIENCE REACH %
Top mobile websites



CONCLUSION

Part two of this series provides a snapshot of the evolving mobile news audience, as well as the behaviors on different social media platforms. Mobile pathways to news content can help news organizations better understand the changing demographics of those news consumers, as well as the impact to discourse that these demographic forces may entail. Overall, the data show that a fundamental shift has happened toward accessing news via mobile—and that the landscape continues to evolve. Adapting to and leveraging the opportunities in these audience trends in news behavior remains critical to any news organization's survival.

FIGURE 7: AVERAGE MONTHLY TIME SPENT PER PERSON
Top News Category Apps



30. Nielsen EMM Panel, Average Time Spent on each App by Month, P18+, Oct 2013-Sept 2015.

METHODOLOGY

Behavioral Insights Methodology

Nielsen's Electronic Mobile Measurement 3.0 is an observational, user-centric approach that uses passive metering technology on smartphones to track device and application usage on an opt-in convenience panel. At present there are approximately 9,000 panelists in the U.S. across both iOS and Android smartphone devices. Because the behavior is being tracked without interruption, this method provides a holistic view on all the activity on a smartphone.

A number of steps are taken after the data collection process to ensure that the reported data are representative of the adult mobile population. Weighting controls are applied across five characteristics (gender, age, income, race and ethnicity), while independent enumeration studies are carried out on a continuous basis to provide the most current estimate of the mobile population (aka Universe Estimation). Recruitment is conducted in English.

Survey Insights Methodology

Nielsen Electronic Mobile Measurement (EMM) Panel collects smartphone and tablet users' behavioral data of application (app) and website usage.

- A five-minute online survey, regarding news-seeking behaviors within social networking apps, was conducted among social networking users of EMM Panel in October 2015.
- The sample of mobile social networking users, including 2176 respondents, was weighted based on EMM Panel's Q3 2015 benchmark data of smartphone[31] social networking users. Weighting variables include age, gender, income and education.*
- Among the sample of mobile social networking users, 1078 respondents were identified as those who consume news within top five social networking apps (Facebook, Twitter, Google+, Instagram and LinkedIn).
- To facilitate a better recall, all behavior questions in this survey were asked based on the most recent-30-day time frame.
- "News" was defined for the survey participants as "current events happening somewhere, which could include a range of topics, such as world, U.S., technology, sports, entertainment, etc."

*Note: The survey was conducted online, in English, and weighted on age, gender and education. While we can look at attitudinal and behavioral variations among racial/ethnic groups, the data are not necessarily representative of these groups, as it was not weighted using these variables.

31. Among those 2,176 mobile social networking users, only 47 respondents (2 percent) do not use smartphones (they use only a tablet).

KEY TERMS IN THE STUDY

Active Reach (%): Percentage of all active eligible people on smartphones who visited the entities in News Category, calculated as such: Unique Audience on smartphones for News Category in the reporting period / Total Unique Audience in the Mobile Universe (smartphones) in that reporting period

Audience: Total number of unique persons who visited the entity (app or site) in the news category on smartphones at least once in the specified reporting period and within the U.S.

Minutes: Total time spent on entities in the news category in minutes.

News and Information Category: Apps/sites that specifically focus on news and/or resources to find very specific information points.

News and Information Subcategories:

- **Current Events and Global News**: Apps/sites that provide information about local, national, and/or world news.
- **Directories and Local Guides**: Apps/sites that provide information, products and/or services on directional information about a local area such as local dining. Multicategory News and Information: Apps/sites that contain multiple (two or more) news and information subcategories.
- **Multicategory News and Information**: Apps/sites that contain information specifically focused on one topic.
- **Weather**: Apps/sites that provide information, products and/or services on weather forecasts.

New radio stations broadcast to underserved neighborhoods

In this photo taken Dec. 9, 2015, Radio KALY axecutive director Mahamed Cali operates the mixing board during an on-air take Minneapolis. Broadcasting on 101.7 FM, KALY is the first Somali-American radio station, looking to serve and further connect the ... more >

By HANNAH WEIKEL - *Associated Press - Saturday, December 19, 2015*

MINNEAPOLIS (AP) - After many years of fighting for airspace, community radio is making a comeback in the Twin Cities.

The Minnesota Daily (http://bit.ly/1Y7Ni2S) reports that four new low-power FM radio stations across the Twin Cities have secured licenses from the Federal Communications Commission to broadcast their content to specific communities, like the local Somali-American population.

South Minneapolis' KALY, a Somali-language station, and St. Paul's WFNU Frogtown Community Radio are working with Prometheus Radio Project to establish their stations.

KALY started broadcasting in late

September and is now working with South Minneapolis neighborhood organizations to attract awareness and listeners, director Mahamed Cali said.

The station plays Somali music and transmits local news in the language to appeal to the large Somali-American community in Minneapolis and near the University of Minnesota, Prometheus Radio Project technical director Will Floyd said.

KALY is the first Somali-American FM radio station in the country, he said.

"We send volunteers to listen at neighborhood meetings to hear what they are talking about with important issues," Cali said. "And when we get the chance to talk to them we ask if they would like to partner with us to discuss these issues on the radio."

Guests, like officials from Minneapolis Public Schools, have appeared on the show to talk about topics like checking their kids' grades and getting in touch with teachers, he said.

"We want to empower the people who don't know how the schools work," he said, "because Minnesota has one of the biggest educaton gaps between black and white."

Two of the four new stations, including WFNU, are working to garner neighborhood support and funding before hitting the air, which Floyd said can be hard to attract.

So far, KALY has secured sponsorship from local organizations like Afro Deli near the University's West Bank campus, Cali said. Now, they're looking to state and federal grant funding for more long-term support.

"We want to create a permanent space where people can come and speak and share their ideas and put together a show and really give something to their community," Frogtown Neighborhood Association radio coordinator Julie Censullo said.

Frogtown has yet to install a radio antenna, though several DJs are already performing over the web, she said.

The Telecommunications Act of 1996, Floyd said, stymied community radio stations in cities across the country.

"The Act allowed the merging of news organizations, including radio statons," he said. "Before there were lots of mom and pop stations, but they were bought up by large corporations."

These mergers created a national shortage of community radio programming, Floyd said. Even today, he said, large cities - where low-power stations weren't allowed to form until 2013 - lack neighborhood stations.

Frogtown Community Radio DJ Charles Moss, also known as DJ ChuckSmooth, said he thinks his high school DJing experience prepared him for radio.

"The radio has allowed me to fulfill a deam I had shelved but also work with different cultures in the neighborhood," he said. "It provides a much-needed platform for community voices."

WFNU and KALY aim to bring positive news to the community to counteract local stations' stories on crime and poverty, Censullo said.

"There's so much media today that (homes) in on negativity," Moss said. "We want to pull out more positivitiy and be the voice of Frogtown and of St. Paul."

Frogtown Community Radio hopes to build their station and be on air by early 2016, Censullo said.

"Logistically, our goal for the future is to get on FM, to get an antenna up and get funding for the future," she said.

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Information from: The Minnesota Daily, http://www.mndaily.com/

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GANNETT

Published on *Gannett Investor Relations* (http://investors.gannett.com) on 6/29/15 7:30 am EDT

Gannett Completes Company Split to Move Forward as the Nation's Largest Local-to-National Media Company

Release Date:
Monday, June 29, 2015 7:30 am EDT

Terms:

Dateline City:
MCLEAN, Va.

MCLEAN, Va.--(BUSINESS WIRE [1])--Gannett Co., Inc. [NYSE:GCI] has completed the previously announced spin-off transaction, creating two publicly traded companies. The new Gannett, the largest and most diversified publishing company with a portfolio of 92 domestic media markets, Newsquest, a leading UK regional news publisher and our flagship national brand USA TODAY, is led by chief executive officer Robert Dickey, former president of the Gannett U.S. Community Publishing Division.

Also today, Gannett announced the creation of its nationwide USA TODAY Media Network, the largest local-to-national media network in the U.S. The network will be powered by an integrated and award-winning news organization with deep roots in 92 communities plus USA TODAY, one of the most recognized national media brands. This follows the recent acquisition of 11 markets through Digital First Media, and further underscores the unmatched local-to-national capabilities of the company.

"With more than 4,000 journalists across digital and print publications in more than 110 markets across the U.S. and U.K., plus the national reach of USA TODAY, Gannett is uniquely positioned as a next-generation media company," said Dickey. "Together, we are moving forward as one unified organization with a commitment to strengthening and forging connections in every community that we serve. Over the next year, we will continue to innovate and invest in this network, push the boundaries of storytelling and how it's experienced and diversify our offerings. We are proactively building a future in which media feels more personal, drives action and adapts to ever-evolving technologies and needs."

Dickey will oversee an executive leadership team including:

- Alison Engel, Chief Financial Officer. Engel formerly was senior vice president, chief financial officer & treasurer of A. H. Belo Corporation, and served that company following its spin-off in 2008 from Belo Corp.
- Jamshid Khazenie, Chief Technology Officer. Khazenie joined old Gannett in 2014 as vice president of digital technology & operations. Prior to old Gannett, he served as vice president of digital media technologies at Turner Broadcasting Systems and led digital technology at Orbitz, US News and PBS.
- David Payne, Chief Product Officer. Payne served as chief digital officer for old Gannett since 2011. He joined from ShortTail Media, Inc. where he served as president and CEO of the video ad technology start-up he co-founded in 2008. Prior to ShortTail, David was senior vice president and general manager of CNN.com.
- Maribel Perez Wadsworth, Chief Strategy Officer. Wadsworth previously served as senior vice president of strategic initiatives, U.S. Community Publishing, since 2014. From 2012 to 2014, she served as vice president of audience development and engagement and helped lead development and implementation of old Gannett's All Access Subscription Model and USA TODAY Local Edition. Wadsworth joined old Gannett in 2009.
- Barbara Wall, Chief Legal Officer. Wall has served as vice president and senior associate general counsel for old Gannett since 2009 and joined the legal staff in 1985. Wall has represented old Gannett's interests on a variety of issues, has written and lectured on the First Amendment, and has taught communications law at George Washington and American Universities.
- Andy Yost, Chief Marketing Office. Yost previously was senior vice president of consumer marketing for old Gannett, where he was responsible for all subscriber sales and retention for the U.S. Community Publishing properties and USA TODAY. Yost came to old Gannett in 2014 from Viacom Media Networks, where he served as senior vice president, marketing, customer relationship management.

- John Zidich, President of Domestic Publishing. Zidich was formerly chief executive of Republic Media & publisher of The Arizona Republic. Before coming to Phoenix, he served as president & publisher of the Reno (Nev.) Gazette-Journal, after starting his Gannett career in 1977 at the Stockton Record, formerly owned by old Gannett.
- David Harmon, Chief People Officer. Harmon will join Gannett on July 15 from the Federal Reserve Board where he served as the chief human capital officer. Prior to that, he was executive vice president of human resources and corporate services at AOL.
- Henry Faure Walker, Chief Executive Officer of Newsquest. Walker joined Newsquest in early 2014. Prior to joining Gannett, he was digital director for Johnston Press, another large regional publisher in the UK.

The new Gannett will be virtually debt-free with a highly focused operational strategy and significant flexibility to make strategic acquisitions. The company will also continue to invest in innovative storytelling, advertising solutions and diversified business opportunities to deliver attractive returns for shareholders.

Serving on the Gannett Board of Directors:

- John Jeffry Louis, Chairman, Gannett, Co-founder and former chairman, Parson Capital Corporation.
- Robert J. Dickey, Chief Executive Officer of Gannett.
- John E. Cody, President & former Executive Vice President and Chief Operating Officer of Broadcast Music, Inc.
- Lila Ibrahim, Chief Business Officer of Coursera.
- Larry S. Kramer, former President and Publisher of USA TODAY, former president of CBS Digital Media and founder of CBS MarketWatch.
- Tony A. Prophet, Corporate Vice President Education Marketing of Microsoft Corporation.
- Debra A. Sandler, previously Chief Health and Wellbeing Officer of Mars, Inc.
- Chloe R. Sladden, Co-founder of #angels and former Vice President, Media, of Twitter, Inc.

Greenhill & Co. is acting as financial advisor on the separation transaction and Wachtell, Lipton, Rosen & Katz is acting as legal advisor.

Forward Looking Statements

Certain statements in this press release may be forward looking in nature or constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "estimate," "could," "should," "intend," "may," "plan," "seek," "anticipate," "project" and similar expressions, among others, generally identify "forward-looking statements," which speak only as of the date the statements were made. The matters discussed in these forward-looking statements are subject to a number of risks, trends and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied in the forward-looking statements. A number of those risks, trends and uncertainties are discussed in the Company's filings with the U.S. Securities and Exchange Commission, including the Company's registration statement on Form 10. Any forward-looking statements should be evaluated in light of these important risk factors. The Company is not responsible for updating or revising any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Gannett Co., Inc. (NYSE: GCI) is a next-generation media company committed to strengthening communities across our network. Through trusted, compelling content and unmatched local-to-national reach, Gannett touches the lives of nearly 100 million people monthly. With more than 110 markets internationally, it is known for Pulitzer Prize-winning newsrooms, powerhouse brands such as USA TODAY and specialized media properties. To connect with us, visit www.gannett.com [2].

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FOR IMMEDIATE RELEASE
Monday, June 25, 2012

Media General Completes Sale of Newspapers to Berkshire Hathaway

RICHMOND, Va. - Media General, Inc. (NYSE: MEG) today completed the previously announced sale of 63 daily and weekly newspapers to World Media Enterprises, Inc., a subsidiary of Berkshire Hathaway, Inc. (NYSE: BRK.A and BRK.B), for $142 million in cash, subject to adjustment for working capital and other items. After transaction fees and the repayment of funds drawn on the revolving credit facility, Media General will use the net proceeds from the newspaper sale to offer to repay on a pro rata basis existing senior secured notes at par and a term loan with no prepayment penalty.

Media General is also in discussions with prospective buyers for its Tampa, Florida, print properties and associated websites.

"Selling our newspapers represents a monumental change for us – we've been in the newspaper business for more than 160 years. However, our model has been shifting more toward Broadcast and Digital in recent years," said Marshall N. Morton, president and chief executive officer of Media General. Broadcast television accounted for 77 percent of total Platform Cash Flow for the full year 2011 and for 87 percent in the first quarter of this Political year.

"We will now focus on our higher margin Broadcast television business. We have an attractive economic model, fueled by revenue growth, including Political, Retransmission and Digital revenues. For the second quarter of 2012, we expect to report Political revenues of more than $7 million, reflecting spending by both presidential campaigns, Super PACs, and contested races in our markets, including the Massachusetts Senate race and primaries in Virginia and South Carolina. We now expect Political revenues for the full year 2012 to be at the high end of our previously announced range of $40-45 million," Mr. Morton said.

"Our plans are underway to increase Broadcast cash flow and EBITDA margins. At the market level, we are focused on ratings and share increases as well as expense management. At the corporate level, as previously announced, we are reducing corporate expense from $32 million to $20 million, a run rate we plan to achieve before the end of this year. The increased cash flow will support and accelerate our deleveraging plan and we have good incentive to do so. Our new term loan agreement provides a stepdown in the interest rate from 10.5 percent to 9 percent if leverage were to reach 3.50x," Mr. Morton said.

Forward-Looking Statements
This news release contains forward-looking statements that are subject to various risks and uncertainties and should be understood in the context of the company's publicly available reports filed with the Securities and Exchange Commission. Media General's future performance could differ materially from its current expectations.

About Media General
Media General is a leading provider of news, information and entertainment across broadcast television, digital media and mobile platforms, serving consumers and advertisers in strong local markets, primarily in the Southeastern United States. The company's broadcast operations include 18 network-affiliated television stations and their associated digital and mobile media services. Media

General's network affiliations include eight NBC stations, eight CBS, one ABC and one CW. Six of its stations operate in the Top 40 markets in the United States. Media General's stations reach more than one-third of TV households in the Southeast and more than 8 percent of U.S. TV households. Media General got its start in the television business in 1955 when it launched WFLA-TV in Tampa, Florida, as an NBC affiliate. Today, WFLA is the company's largest TV station, operating in the 14th largest DMA in the United States. Media General continues to own The Tampa Tribune and its associated print properties and expects to enter into a transaction with one of several prospective buyers for the group.

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