

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Hearst Properties Inc., Licensee of)	
Station WESH(TV), Daytona Beach,)	
Florida)	
)	File No. _____
KMBC Hearst Television Inc.,)	
Licensee of KMBC-TV, Kansas)	
City, Missouri)	
)	
WISN Hearst Television Inc.,)	
Licensee of Station WISN-TV,)	
Milwaukee, Wisconsin)	

**RESPONSE OF HEARST PROPERTIES INC., KMBC HEARST
TELEVISION INC., AND WISN HEARST TELEVISION INC. TO
THE DECEMBER 10, 2015, COMPLAINTS OF THE INSTITUTE
OF PUBLIC REPRESENTATION ON BEHALF OF CAMPAIGN
LEGAL CENTER, COMMON CAUSE, AND SUNLIGHT FOUNDATION**

Hearst Properties Inc., licensee of Station WESH(TV), Daytona Beach, Florida, KMBC Hearst Television Inc., licensee of KMBC-TV, Kansas City, Missouri, and WISN Hearst Television Inc., licensee of WISN-TV, Milwaukee, Wisconsin (collectively “Hearst Respondents”), by their attorneys, submit this Response to the Complaints filed by the Institute of Public Representation on behalf of Campaign Legal Center, Common Cause, and the Sunlight Foundation (collectively, “Complainants”) dated December 10, 2015, against the Hearst Respondents in connection with the above-captioned matter (“collectively Complaints”).¹

The Complainants effectively ask the Commission to enact a new “donor disclosure” rule that would require stations to pierce the veil of registered political committees, investigate their

¹ By e-mail dated January 6, 2016, from Gary Schonman to the undersigned, the time for filing this Response was graciously extended to and including January 29, 2016.

funding sources, and disclose certain donors as the “true sponsors” of the political advertisement. Such a rule is not supported by Section 317 of the Communications Act of 1934, as amended (the “Communications Act”), the Commission’s regulations, or existing precedent, would be wholly impractical to define, would impose a new investigative mandate on stations, and would leave stations in a persistent state of regulatory uncertainty and risk. The merits of any new “donor disclosure” rule, if any, should be debated and decided by Congress or the Federal Election Commission and imposed and enforced upon the regulated political committees that possess all of the relevant information regarding their donors and the amount of control their exercise over the committee’s public communications.²

In support of this Response, the Hearst Respondents incorporate by reference the following attached declarations: Declaration of Jim Carter, President of the Licensee and General Manager of WESH(TV) (“Carter Decl.”), Declaration of Jan Wade, President of the Licensee and General Manager of WISN-TV (“Wade Decl.”), and Declaration of Sarah Smith, President of the Licensee and General Manager of KMBC-TV (“Smith Decl.”).

I. Introduction and Background

The Hearst Respondents are three of the 30 local television stations serving 26 television markets owned and operated by Hearst Television Inc. (“HTV”)—an award-winning leader in television and digital political journalism. During each election cycle, HTV devotes extensive

² Alternatively, if the Commission were to determine that the Communications Act already authorizes the Commission to make adopt such a rule—and the Hearst Respondents do not concede that it does—the Commission must undertake a rulemaking proceeding pursuant to the Administrative Procedure Act and cannot announce such a far-reaching, sweeping change in the course of the instant adjudicative proceeding.

coverage of election-related discourse under its “Commitment” banner.³ For “Commitment 2016,” each HTV station will continue to provide at least 12 minutes of election-related airtime in each of the 30 days leading up to the 2016 general election and in some select primaries. The stations also will continue to produce local, regional and national debates, “Candidate Accountability” features, and a segment entitled “8 issues/8 weeks” that will focus on the candidates’ positions on major issues leading up to presidential primaries. The Commitment series also includes “truth check” segments relating to candidate statements and political advertisements. *See* Carter Decl. at ¶ 3, Wade Decl. at ¶ 3, Smith Decl. at ¶ 3.

On or about November 6, 2015, the Hearst Respondents began airing issue advertisements purchased by Independence USA PAC (“IUSA PAC”), a non-connected, independent expenditure-only political committee that is registered with the Federal Elections Commission (“FEC”).⁴ *See* Carter Decl. at ¶ 4, Wade Decl. at ¶ 4, Smith Decl. at ¶ 4. Each advertisement criticized state Attorneys General in Florida, Missouri, and Wisconsin (i.e., the Attorney General for the corresponding state in which the station is located) for joining a lawsuit

³ *See, e.g.*, <http://www.prnewswire.com/news-releases/hearst-television-expands-its-award-winning-political-coverage-commitment-for-2016-elections-300183188.html>.

⁴ *See* <http://www.fec.gov/fecviewer/CandidateCommitteeDetail.do?candidateCommitteeId=C00532705&tabIndex=1>; *see also In re Campaign Legal Center, Common Cause, and Sunlight Foundation Complaint Dated November 12, 2014, Against ABC Owned Television Stations, Owner and Operator of WLS-TV, Chicago, IL*, Comments Submitted by Independence USA PAC (filed Jan. 23, 2015), Letter from Lawrence H. Norton to Mr. Robert Baker, p.2 (identifying and describing the nature of IUSA PAC). Under *Citizens United v. FEC*, 558 U.S. 310 (2010), and *SpeechNow.org v. FEC*, 599 F.3d 686 (D.C. Cir. 2010), federal independent-only political action committees may accept unlimited contributions and make unlimited independent expenditures if they do not use such funds to make contributions to candidates.

to challenge the Clean Power Plan adopted by the U.S. Environmental Protection Agency.⁵ *See* Carter Decl. at ¶ 4, Wade Decl. at ¶ 4, Smith Decl. at ¶ 4.

Each advertisement included an appropriate sponsorship announcement stating that the advertisement was paid for or sponsored by “Independence USA PAC.” *See* Carter Decl. at ¶ 5, Wade Decl. at ¶ 5, Smith Decl. at ¶ 5. Each of the Hearst Respondents obtained the required list of executive officers of IUSA PAC and included that information in its respective online public file as required by 47 C.F.R. § 73.1212(e). *See* Carter Decl. at ¶ 5, Wade Decl. at ¶ 5, Smith Decl. at ¶ 5.

On or about November 19, 2015, counsel for Complainants e-mailed a letter to each of the Hearst Respondents calling upon them to “identify Michael Bloomberg as the sponsor on all future broadcasts of Independence USA ads.” *See* Complaints, Ex. B. The Complaints allege that Mr. Bloomberg is the “alter ego” of IUSA PAC and the “true sponsor” of the advertisements because he “provided all of the funding for Independence [USA PAC].” *Id.* By letter dated November 24, 2015, counsel for the Hearst Respondents responded to Complainants’ counsel confirming that the sponsorship announcement by IUSA PAC was appropriate. *See id.* at Ex. C.

On December 10, 2015, Complainants filed their Complaints asking the Commission to “declare that [station] is not in compliance with the Communications Act and the FCC’s rules and require [station] to comply in the future,” and suggesting additional enforcement action, including the assessment of forfeitures. Complaints at 14.

⁵ *See Press Release* “Independence USA PAC Defends Clean Power Plan with Ads Aimed at State Attorneys’ General” (Nov. 6, 2015), *available at* <http://independenceusapac.org/cleanpower/independence-usa-pac-defends-clean-power-plan-with-ads-aimed-at-state-attorneys-general.cfm> (last visited January 26, 2016).

For the reasons stated below, the Commission should dismiss the Complaints and take no action relating to the Hearst Respondents.

II. Neither the Communications Act, the Commission’s Regulations, Nor Existing Precedents Require the Hearst Respondents to Make Additional Disclosures.

According to the D.C. Circuit, Section 317(a)(1) of the Communications Act “imposes only a very limited obligation upon broadcasters: to announce that a program had been paid for or furnished to a station by a third-party and to identify that party.”⁶ If a station receives payment or other consideration to broadcast matter, the Commission’s regulations require stations to announce (i) that the matter was “paid for” and (ii) “by whom or on whose behalf such consideration was supplied.”⁷

Stations must exercise “reasonable diligence” to obtain information to enable them to make this required announcement, and stations must fully and fairly disclose the “true identity” of the person(s), corporations, committee, association, or other entity on whose behalf the advertisements are purchased, including the identity of persons or entities who purchase advertising through an agent.⁸

The D.C. Circuit has made clear that the reasonable diligence requirement does not compel stations “to conduct any investigation or look behind plausible representations of a sponsor that it is the true party in interest.”⁹ In fact, “unless otherwise furnished with credible, unrefuted evidence that a sponsor is acting at the direction of a third party, the broadcaster may

⁶ *Loveday v. FCC*, 707 F.2d 1443, 1451 (D.C. Cir. 1983). *Loveday* traces the basic requirement in Section 317(a) to the Radio Act of 1927.

⁷ 47 C.F.R. § 73.1212(a).

⁸ 47 C.F.R. § 73.1212(b), (e).

⁹ *Loveday v. FCC*, 707 F.2d at 1456-57.

rely on the plausible assurances of the person(s) paying for the time that they are the true sponsor.”¹⁰

That is exactly what the Hearst Respondents did with respect to booking the IUSA PAC advertisements. The Hearst Respondents each obtained issue advertising forms (NAB Form PB-18) from the advertiser’s agency in which the agency represented that the advertisement was furnished by IUSA PAC—a federally-registered political committee—and that the stations were authorized to announce that the advertisement was paid for by IUSA PAC. *See* Carter Decl. at ¶ 5, Wade Decl. at ¶ 5, Smith Decl. at ¶ 5. Then, prior to airing the spots, the Hearst Respondents checked to ensure that the advertisements contained an appropriate announcement stating that they were “Paid for By Independence USA PAC.” *See* Carter Decl. at ¶ 5, Wade Decl. at ¶ 5, Smith Decl. at ¶ 5. The Hearst Respondents also obtained from the ad agency and disclosed in their online political files the name and contact information of the chief executive officers or board members of IUSA PAC, including Mr. Bloomberg. *See id.* There is no question, therefore, that the Hearst Respondents exercised reasonable diligence to make the appropriate sponsorship announcement. Nor is there any question that the “true identity” of the sponsor of the advertisements was IUSA PAC.¹¹

¹⁰ Letter from Robert L. Baker, Assistant Chief, Policy Division, Media Bureau, to Andrew Jay Schwartzman, Institute for Public Representation, 29 FCC Rcd 10427 (2014). Indeed, as the *Loveday* court observed, “Section 317 can hardly have been designed to turn broadcasters into private detectives.” *Loveday*, 707 F.2d at 1457.

¹¹ *See In re Campaign Legal Center, Common Cause, and Sunlight Foundation Complaint Dated November 12, 2014, Against ABC Owned Television Stations, Owner and Operator of WLS-TV, Chicago, IL*, Comments Submitted by Independence USA PAC (filed Jan. 23, 2015), Letter from Lawrence H. Norton to Mr. Robert Baker, *passim* (Official Notice Requested). The Complaints giving rise to the instant Response are not the first time the Complainants have taken issue with the sponsorship identification of an IUSA PAC advertising buy on the grounds that Michael Bloomberg is the sole funder of the IUSA PAC. The (continued . . .)

Complainants argue that because they provided the Hearst Respondents with information suggesting that Mr. Bloomberg was the only contributor to IUSA PAC, the stations were required to change the sponsorship identification to list Mr. Bloomberg as the “true sponsor.” But Complainants cite no Commission rule or precedent that would require such a result.¹²

*Trumper Communications of Portland, Ltd.*¹³ appears to be the only reported instance in which the Media Bureau determined that the “true sponsor” of an advertisement by a political committee was a contributor to the political committee rather than the committee itself. In that case, however, the Media Bureau rested its determination on its finding that the contributor (the Tobacco Institute) not only provided “essentially all of the funding,” but also that “editorial control rest[ed] exclusively with lobbyists for R.J. Reynolds, the single largest contributor to the Tobacco Institute.”¹⁴ *Trumper* is not applicable here because the Hearst Respondents have never received any information from any party alleging or establishing that Mr. Bloomberg exercised exclusive editorial control over the advertisements in question. *See* Carter Decl. at ¶ 7, Wade Decl. at ¶ 7, Smith Decl. at ¶ 7. Complainants do not contend otherwise, and in fact,

Complainants’ complaint against WLS-TV, which was filed in November 2014, has not been acted upon and apparently remains pending at the Commission.

¹² None of the decisions cited by Complainants involved political committees or their donors. *See Identification of Sponsors*, 9 Fed. Reg. 12817 (1944) (expressing concern that political advertisements on behalf of various candidates contained no sponsorship identification at all); *KTSP, Inc.*, 40 F.C.C. 12, 14 (1958) (station failed to disclose that films of Senate Committee hearing received by station were furnished or sponsored by any organization or person); *Albuquerque Broadcasting Co.*, 40 F.C.C. 1 (1946) (discussing the general obligation to identify the sponsor and stating, by example, that “if a speaker desires to purchase time at a cost apparently disproportionate to his personal ability to pay, a licensee should make an investigation of the source of funds to be used for payment”).

¹³ 11 FCC Rcd 20415 (1996).

¹⁴ *Id.*

Complainants appear to ignore *Trumper* altogether in favor of a far more aggressive approach that would disregard longstanding Commission precedent¹⁵ and require stations to disclose certain donors to political committees as the “true sponsor” of the committee’s political advertisements without any inquiry into editorial control, let alone an administrative or judicial determination of such facts. Complainants appear to believe a talismanic and conclusory incantation of the phrase “alter ego” is enough to constitute dispositive proof for such a legal conclusion.

Complainants also wholly ignore the long-recognized legal distinctions between entities and individuals. That Mr. Bloomberg or any other person or entity is a substantial or sole contributor of IUSA PAC does not in any way change the fact that the PAC is a recognized legal entity with rights and obligations separate and distinct from Mr. Bloomberg himself. In this sense, the PAC is like any business that is owned by a single person but operates as a corporate entity under a trade name—such as a local car dealership, law firm, or retail business—and that regularly advertises on television. State law recognizes corporations as separate legal entities distinct from the person or persons who own and/or control the businesses, and there has never been any suggestion that stations be required to disregard these legally-authorized corporate forms and treat the primary or sole shareholder of a business as the “true identity” of the corporations when they purchase advertising. *Cf.* Carter Decl. at ¶ 7, Wade Decl. at ¶ 7, Smith Decl. at ¶ 7.

¹⁵ See *Complaint of Paul Loveday, et al.*, Order, FCC 85-184 (1985), 1985 FCC LEXIS 3426 at *5 n.2 (“Longstanding Commission policy has been that an entity paying for advertising time and exercising editorial control over the message must be identified as the sponsor of the advertisement.” (citation omitted)).

Complainants’ attempt to liken PACs to “straw purchasers and middlemen” that are used to “hide the sources of funds used to purchase commercials”¹⁶ could not be further from the truth in this case. As a legal entity subject to extensive federal regulation, IUSA PAC is required to keep records of its contributions and expenditures and file regular reports with the FEC documenting those contributions and expenditures.¹⁷ The FEC, in turn, makes those reports publicly available and searchable online.¹⁸ Here, the FEC’s disclosure reports show the date and amount of each contribution that Mr. Bloomberg made to the PAC. Further, records in each station’s online political file for this advertisement separately disclose Mr. Bloomberg the “Chairman” of the PAC. *See* Carter Decl. at ¶ 5, Wade Decl. at ¶ 5, Smith Decl. at ¶ 5. In this case, Complainants themselves acknowledge the ease with which the public can obtain information about the relationship between Mr. Bloomberg and IUSA by running a simple search using Google (Compl. at 9-10)—a fact that undermines their suggestion that identifying IUSA PAC as the sponsor of the advertisement will somehow thwart’s the public’s ability to obtain information regarding the PAC and its donors.

II. The Donor Disclosure Rule Proposed by Complainants Would Lead to Unworkable Results, Create a New Regulatory Mandate on Stations, and Leave Stations in a Persistent State of Regulatory Risk and Uncertainty.

Complainants propose a “donor disclosure” rule that—counter to *Loveday v. FCC*—would require stations to affirmatively and proactively pierce the veil of federally-registered political action committees, investigate the funding sources of PACs (and other advertisers), and disclose the names of persons who make certain contributions to those and other organizations.

¹⁶ Complaints at 13.

¹⁷ *See* 2 U.S.C. § 30104; 11 C.F.R. §§ 104.1-104.22.

¹⁸ *See* Federal Election Commission, Candidate and Committee Viewer, *available at* http://www.fec.gov/finance/disclosure/candcmte_info.shtml.

Not only is such a rule unsupported by any Commission rule or precedent, the contours of such a rule would be impractical to define, the investigative mandate would impose an additional burden on stations, and there would be no mechanism to assure that stations have fully discharged their duty or accurately disclosed the sponsor. Furthermore, these are precisely the concerns identified by the D.C. Circuit Court of Appeals in *Loveday*:

There are, moreover, good reasons why this court should not read into the statute or regulations the licensee duty petitioners seek to establish. The result, if we agreed with petitioners' argument, would be to create an administrative quagmire, to establish standards so variable as to invite abuse, and to raise possible constitutional questions. These are not merely reason for a court to stay its hand, they are also reasons to doubt that Congress could have intended what petitioners argue.¹⁹

For starters, defining the degree of funding that would tip the scales to require disclosure would be a never-ending task for both broadcasters and the Commission. A "sole source of funds" rule would engulf a \$10,000 PAC funded by a single person but omit a \$10 million contributor to a PAC that had a handful of smaller donors at \$500 each. A strict monetary threshold would cause similar problems. A \$1 million threshold would require disclosure of 10 large corporate contributions who gave \$1 million years prior to the date of the advertisement, but it would not include the sole contributor of a \$500,000 PAC. And with respect to the possibility of multiple contributors, how would those persons or entities fit into a sponsorship identification on the screen or how would a determination be made as to which equal contributors would be listed?

A test that combined donor disclosure with editorial control would yield similar uncertainties. The concept of "editorial control" is itself a vague and undefined term as applied

¹⁹ *Loveday*, 707 F.2d at 1457.

to political advertising. Does it mean control over the actual ad copy or some combination of input and review of third-party work? What about control of overall strategic messaging and issues but not specific ad copy? What sort of proof would be required to establish or document a requisite level of editorial control—and, most critically, how would stations adjudicate when such a level of control is met?²⁰

The investigatory mandate of a donor disclosure rule would be burdensome.²¹ For each PAC advertisement, Complainants contend that stations should ask “time buyers, ad agencies, and other representatives of [a PAC] for information” about the PAC, consult with their newsrooms for any information about the PAC that had been reported by the station, and perform Internet research, including but not limited to the PAC’s website and the FEC’s database.²²

This amount of required research—for *each political advertisement*—would transform a station sales team into untrained campaign finance investigators, drive up the costs of political advertising, and create recurring conflict between stations and political advertisers over the appropriate sponsorship identification. Further, a station’s own investigation would not yield clear or consistent answers. Even with a bright line donor disclosure rule, the lack of any consistently-available, real-time authoritative records that stations could rely upon would leave

²⁰ The existence of these questions and issues (and myriad others) means—at a minimum—that the Commission would need to undertake a rulemaking proceeding to solicit comments to address these thorny issues and that adjudicative proceedings, such as the current ones predicated on the Complaints, are an inappropriate posture in which to announce a new, far-reaching rule with significant regulatory and operational implications for thousands of broadcast stations and advertisers.

²¹ *Accord Loveday*, 707 F.2d at 1457 (“Having provided no clear indication that it contemplated such results, Congress cannot be presumed to have intended to place that burden, expense, and delay upon political speech.”).

²² Complaints at 9-10.

them in a state of persistent regulatory uncertainty and risk. FEC campaign finance reports detailing a federal PAC's funding sources are generally not available until after the advertisement is purchased.²³ This time differential and the resulting gap in donor information would make it next to impossible for a station to know, for certain, whether a particular donor or entity is required to be disclosed with respect to a particular advertisement. With respect to third party sources, such as news reports and Internet research, conflicting information is inevitable, which would quickly lead to disputes between the station, the PAC, potential complaining parties, and all of their lawyers.

III. The Merits of the Creation of a Proposed Donor Disclosure Rule Should Be Left to Congress and Campaign Finance Agencies and Imposed Upon Political Committees Rather than upon Broadcast Stations.

If a “donor disclosure” rule is warranted as a matter of public policy, that policy should be determined by Congress, the FEC, or relevant state campaign finance agencies rather than by the Commission. This is not because the Commission is not equipped to make such a policy judgment; it is because the relationship between political committees and donors is fundamentally a question of campaign finance law, and the burden of such a donor disclosure rule should be imposed and enforced upon the regulated political committees who are responsible for maintaining the appropriate data and information relating to their funding, their donors, and their activities. Imposing that burden solely on broadcast stations that have no first-hand knowledge of any of these campaign finance matters—in the absence of any reciprocal burden imposed on the political committee itself—will only produce additional and unnecessary burdens on stations, disrupt the business of political advertising, and chill political speech.

²³ See 52 U.S.C. § 30104(a) (setting forth various reporting schedules).

In fact, an FCC rule that defines the “true sponsor” of an advertisement to be a donor of a political committee rather than the political committee itself could create unnecessary tension and confusion between the FCC’s rules and federal or state campaign finance regulations. If XYZ PAC pays for a political advertisement, it must report the payment as an “expenditure” of the PAC and include a disclaimer that the PAC paid for the ad. But if the station replaces the sponsorship tag “Paid for By XYZ Political Committee” with “Paid for by John Doe” the PAC could be subject to a complaints by political opponents that it failed to disclose itself as the sponsor of the ad. And John Doe could be the subject of complaints from political opponents alleging that, based on the sponsorship identification, he failed to separately report an independent expenditure as an individual.²⁴

Regardless whether these complaints would be made or ultimately enforced, the risk of confusion and inconsistencies in campaign finance reporting would undoubtedly lead to gridlock between political advertisers and broadcast stations (and their respective lawyers) as they each seek to assure that they avoid enforcement actions from their respective regulators. This result would breathe life into the very concerns espoused in the *Loveday* decision, where the D.C. Circuit cautioned:

If we make the rather implausible assumption that executives of the apparent sponsor, the advertising agency, and the alleged real sponsor would all cooperate, the result would be to judicialize the process of being allowed to utter a political statement. . . . In the absence of such cooperation by the parties with whom stations deal, the alternative would be a field investigation by agents of the stations, involving requests for documents and interviews and, perhaps, observation of suspected persons. . . . [O]pponents of groups sponsoring political messages would have a ready means of harassing and perhaps silencing their adversaries by making

²⁴ See 11 C.F.R. § 109.10 (requiring any person who makes an independent expenditure to report such expenditures to the FEC).

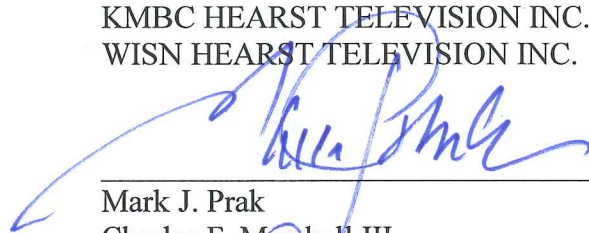
charges, however baseless, that the true sponsor of a political advertisement was someone other than the named sponsor. The rule petitioners seek might, therefore, have the effect of choking off many political messages.²⁵

* * *

For all of these reasons, the Hearst Respondents respectfully request that the Commission take dismiss the Complaints and take no further action with respect to this matter.

Respectfully submitted,

HEARST PROPERTIES INC.
KMBC HEARST TELEVISION INC.
WISN HEARST TELEVISION INC.



Mark J. Prak
Charles F. Marshall III
Stephen Hartzell

BROOKS, PIERCE, McLENDON,
HUMPHREY & LEONARD, L.L.P.
Wells Fargo Capitol Center, Suite 1600
150 Fayetteville Street (27601)
Post Office Box 1800
Raleigh, North Carolina 27602
Telephone: (919) 839-0300
Facsimile: (919) 839-0304

Their Attorneys

January 29, 2016

²⁵ *Loveday*, 707 F.2d at 1457, 1458.

Declaration of James J. Carter

I, James J. Carter, hereby declare, under penalty of perjury, as follows:

1. I am greater than eighteen years of age and am competent to make this Declaration. I am the President of the WESH Division of Hearst Properties Inc. and General Manager for Station WESH(TV), Daytona Beach, Florida (the "Station"). I have held these positions at all times relevant to the Complaint.

2. I have reviewed and am familiar with the letter dated December 17, 2015, from Robert Baker to the Station (the "Letter") and the complaint dated December 10, 2015 (the "Complaint"), from the Institute for Public Representation on behalf of Campaign Legal Center, Common Cause, and the Sunlight Foundation (the "Complainants"). I submit this Declaration in support of the Station's Response to the Letter and Complaint.

3. The Station has historically participated, and is again during the current election cycle participating, in the Hearst Television "Commitment" project, through which we provide at least 12 minutes of election-related airtime in each of the 30 days leading up to the 2016 general election and in some primaries. As part of its Commitment efforts, the Station also produces local, regional and national debates, "Candidate Accountability" features, and an "8 issues/8 weeks" segment to focus on candidate positions on major issues. The Commitment series also includes "truth check" segments relating to candidate statements and political advertisements.

4. In or around November 2015, WESH received one or more requests for time from Canal Partners Media ("CPM") to purchase time on behalf of one of CPM's clients, which CPM identified as Independence USA PAC ("IUSA PAC"). The IUSA PAC advertising took issue with the Florida Attorney General for joining a lawsuit to challenge the Clean Power Plan adopted by the U.S. Environmental Protection Agency. IUSA PAC advertising aired on WESH for a limited period of time in November, and the flight concluded on November 22, 2015. Records concerning the IUSA PAC advertising are available in WESH's online public file at <https://stations.fcc.gov/station-profile/wesh>. WESH has not received any request from any buyer during any time relevant to the Complaint to purchase time on behalf of an individual or entity named Michael Bloomberg.

5. When WESH received CPM's IUSA PAC requests and when WESH began airing the advertising provided by IUSA PAC, WESH was unaware of any facts relating to the funding of IUSA PAC. WESH became aware of information regarding IUSA PAC's funding only after WESH received a letter dated November 19, 2015, from Complainants, in which Complainants alleged that IUSA PAC's funding derived/derives wholly and exclusively from Michael Bloomberg. Prior to airing the IUSA PAC advertisements at issue, the Station, following its typical protocol, reviewed the NAB PB-18 political advertising form (which was provided to the Station by CPM) and compared the advertiser identified in the NAB PB-18 to the name of the sponsor that was identified in the advertising. The sponsorship identification in the advertising stated that the spots were sponsored by "Independence USA PAC," which matched the advertiser name identified in the NAB PB-18. The NAB PB-18, which included a list of chief executive officers, members of the board of directors, or members of the executive committee of IUSA PAC

(including the name of Michael Bloomberg), was uploaded to the WESH online public file, and the spot was cleared to air on WESH.

6. Upon receiving, via email, Complainants' letter dated November 19, 2015, I consulted with legal counsel regarding the assertions made by Complainants regarding the sponsorship identification for the IUSA PAC advertising. In light of available information and based on existing case precedent, a determination was made to continue running the advertising with the original sponsorship identification intact.

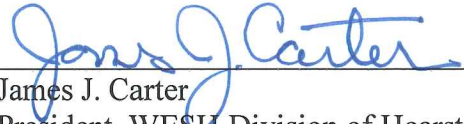
7. At no time has WESH received information alleging or establishing that Michael Bloomberg exercised exclusive editorial control over the IUSA PAC advertising spots. And, it is not WESH's practice to engage in such a line of inquiry with respect to other advertising clients. Upon information and belief, some of WESH's advertising clients—for example, local service providers such as lawyers, dentists, and plumbers, and local retailers such as car dealers, restaurants, and furniture stores—may be wholly owned and capitalized by one individual who runs the business and exercises exclusive editorial control over the advertising for the business. Any rule or policy that would require WESH sales staff to undertake an investigation of the sources of funding or capitalization for a business and the editorial control over the business's advertising would be burdensome.

8. I have reviewed the Station's Response to the Letter and Complaint and, to the extent discussed in this Declaration, hereby verify the truth and accuracy of the factual information contained therein.

[signature appears on the following page]

The undersigned, under penalty of perjury, declares the foregoing to be true, complete, and correct to the best of his personal knowledge.

This, the 29th day of January, 2016



James J. Carter
President, WESH Division of Hearst
Properties Inc.
General Manager, WESH

Declaration of Sarah Smith

I, Sarah Smith, hereby declare, under penalty of perjury, as follows:

1. I am greater than eighteen years of age and am competent to make this Declaration. I am the President of KMBC Hearst Television Inc. and General Manager for Station KMBC-TV, Kansas City, Missouri (the "Station"). I have held these positions at all times relevant to the Complaint.

2. I have reviewed and am familiar with the letter dated December 17, 2015, from Robert Baker to the Station (the "Letter") and the complaint dated December 10, 2015 (the "Complaint"), from the Institute for Public Representation on behalf of Campaign Legal Center, Common Cause, and the Sunlight Foundation (the "Complainants"). I submit this Declaration in support of the Station's Response to the Letter and Complaint.

3. The Station has historically participated, and is again during the current election cycle participating, in the Hearst Television "Commitment" project, through which we provide at least 12 minutes of election-related airtime in each of the 30 days leading up to the 2016 general election and in some primaries. As part of its Commitment efforts, the Station also produces local, regional and national debates, "Candidate Accountability" features, and an "8 issues/8 weeks" segment to focus on candidate positions on major issues. The Commitment series also includes "truth check" segments relating to candidate statements and political advertisements.

4. In or around November 2015, KMBC-TV received one or more requests for time from Canal Partners Media ("CPM") to purchase time on behalf of one of CPM's clients, which CPM identified as Independence USA PAC ("IUSA PAC"). The IUSA PAC advertising took issue with the Missouri Attorney General for joining a lawsuit to challenge the Clean Power Plan adopted by the U.S. Environmental Protection Agency. IUSA PAC advertising aired on KMBC-TV for a limited period of time in November, and the flight concluded on November 20, 2015. Records concerning the IUSA PAC advertising are available in KMBC-TV's online public file at <https://stations.fcc.gov/station-profile/kmbc-tv>. KMBC-TV has not received any request from any buyer during any time relevant to the Complaint to purchase time on behalf of an individual or entity named Michael Bloomberg.

5. When KMBC-TV received CPM's IUSA PAC requests and when KMBC-TV began airing the advertising provided by IUSA PAC, KMBC-TV was unaware of any facts relating to the funding of IUSA PAC. KMBC-TV became aware of information regarding IUSA PAC's funding only after KMBC-TV received a letter dated November 19, 2015, from Complainants, in which Complainants alleged that IUSA PAC's funding derived/derives wholly and exclusively from Michael Bloomberg. Prior to airing the IUSA PAC advertisements at issue, the Station, following its typical protocol, reviewed the NAB PB-18 political advertising form (which was provided to the Station by CPM) and compared the advertiser identified in the NAB PB-18 to the name of the sponsor that was identified in the advertising. The sponsorship identification in the advertising stated that the spots were sponsored by "Independence USA PAC," which matched the advertiser name identified in the NAB PB-18. The NAB PB-18, which included a list of chief executive officers, members of the board of directors, or members of the executive committee of

IUSA PAC (including the name of Michael Bloomberg), was uploaded to the Station's online public file, and the spot was cleared to air on KMBC-TV.

6. Upon receiving, via email, Complainants' letter dated November 19, 2015, I consulted with legal counsel regarding the assertions made by Complainants regarding the sponsorship identification for the IUSA PAC advertising. In light of available information and based on existing case precedent, a determination was made to continue running the advertising with the original sponsorship identification intact.

7. At no time has KMBC-TV received information alleging or establishing that Michael Bloomberg exercised exclusive editorial control over the IUSA PAC advertising spots. And, it is not KMBC-TV's practice to engage in such a line of inquiry with respect to other advertising clients. Upon information and belief, some of the Station's advertising clients—for example, local service providers such as lawyers, dentists, and plumbers, and local retailers such as car dealers, restaurants, and furniture stores—may be wholly owned and capitalized by one individual who runs the business and exercises editorial control over the advertising for the business. Any rule or policy that would require KMBC-TV's sales staff to undertake an investigation of the sources of funding or capitalization for a business and the editorial control over the business's advertising would be burdensome.

8. I have reviewed the Station's Response to the Letter and Complaint and, to the extent discussed in this Declaration, hereby verify the truth and accuracy of the factual information contained therein.

[signature appears on the following page]

The undersigned, under penalty of perjury, declares the foregoing to be true, complete, and correct to the best of her personal knowledge.

This, the 29th day of January, 2016



Sarah Smith
President, KMBC Hearst Television Inc.
General Manager, KMBC-TV

Declaration of Jan Wade

I, Jan Wade, hereby declare, under penalty of perjury, as follows:

1. I am greater than eighteen years of age and am competent to make this Declaration. I am the President of WISN Hearst Television Inc. and General Manager for Station WISN-TV, Milwaukee, Wisconsin (the "Station"). I have held these positions at all times relevant to the Complaint.

2. I have reviewed and am familiar with the letter dated December 17, 2015, from Robert Baker to the Station (the "Letter") and the complaint dated December 10, 2015 (the "Complaint"), from the Institute for Public Representation on behalf of Campaign Legal Center, Common Cause, and the Sunlight Foundation (the "Complainants"). I submit this Declaration in support of the Station's Response to the Letter and Complaint.

3. The Station has historically participated, and is again during the current election cycle participating, in the Hearst Television "Commitment" project, through which we provide at least 12 minutes of election-related airtime in each of the 30 days leading up to the 2016 general election and in some primaries. As part of its Commitment efforts, the Station also produces local, regional and national debates, "Candidate Accountability" features, and an "8 issues/8 weeks" segment to focus on candidate positions on major issues. The Commitment series also includes "truth check" segments relating to candidate statements and political advertisements.

4. In or around November 2015, WISN-TV received one or more requests for time from Canal Partners Media ("CPM") to purchase time on behalf of one of CPM's clients, which CPM identified as Independence USA PAC ("IUSA PAC"). The IUSA PAC advertising took issue with the Wisconsin Attorney General for joining a lawsuit to challenge the Clean Power Plan adopted by the U.S. Environmental Protection Agency. IUSA PAC advertising aired on WISN-TV for a limited period of time in November, and the flight concluded on November 22, 2015. Records concerning the IUSA PAC advertising are available in WISN-TV's online public file at <https://stations.fcc.gov/station-profile/wisn-tv>. WISN-TV has not received any request from any buyer during any time relevant to the Complaint to purchase time on behalf of an individual or entity named Michael Bloomberg.

5. When WISN-TV received CPM's IUSA PAC requests and when the Station began airing the advertising provided by IUSA PAC, WISN-TV was unaware of any facts relating to the funding of IUSA PAC. WISN-TV became aware of information regarding IUSA PAC's funding only after the Station received a letter dated November 19, 2015, from Complainants, in which Complainants alleged that IUSA PAC's funding derived/derives wholly and exclusively from Michael Bloomberg. Prior to airing the IUSA PAC advertisements at issue, the Station, following its typical protocol, reviewed the NAB PB-18 political advertising form (which was provided to the Station by CPM) and compared the advertiser identified in the NAB PB-18 to the name of the sponsor that was identified in the advertising. The sponsorship identification in the advertising stated that the spots were sponsored by "Independence USA PAC," which matched the advertiser name identified in the NAB PB-18. The NAB PB-18, which included a list of chief executive officers, members of the board of directors, or members of the executive committee of IUSA PAC

(including the name of Michael Bloomberg), was uploaded to the Station's online public file, and the spot was cleared to air on WISN-TV.

6. Upon receiving, via email, Complainants' letter dated November 19, 2015, I consulted with legal counsel regarding the assertions made by Complainants regarding the sponsorship identification for the IUSA PAC advertising. In light of available information and based on existing case precedent, a determination was made to continue running the advertising with the original sponsorship identification intact.

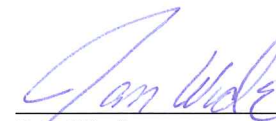
7. At no time has WISN-TV received information alleging or establishing that Michael Bloomberg exercised exclusive editorial control over the IUSA PAC advertising spots. And, it is not WISN-TV's practice to engage in such a line of inquiry with respect to other advertising clients. Upon information and belief, some of the Station's advertising clients—for example, local service providers such as lawyers, dentists, and plumbers, and local retailers such as car dealers, restaurants, and furniture stores—may be wholly owned and capitalized by one individual who runs the business and exercises editorial control over the advertising for the business. Any rule or policy that would require WISN-TV's sales staff to undertake an investigation of the sources of funding or capitalization for a business and the editorial control over the business's advertising would be burdensome.

8. I have reviewed the Station's Response to the Letter and Complaint and, to the extent discussed in this Declaration, hereby verify the truth and accuracy of the factual information contained therein.

[signature appears on the following page]

The undersigned, under penalty of perjury, declares the foregoing to be true, complete, and correct to the best of her personal knowledge.

This, the 29th day of January, 2016



Jan Wade
President, WISN Hearst Television Inc.
General Manager, WISN-TV