



FEDERAL COMMUNICATIONS COMMISSION

June 12, 2012

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Richard M. Burr  
United States Senate  
217 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Burr:

Thank you for your letter regarding the Commission's proposal to host online filing of broadcaster public inspection files. I appreciate hearing your views on this matter. I have asked the Chief of the Commission's Media Bureau to respond to your concerns and I am pleased to provide the enclosed letter.

If you have any additional questions or need any further assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to be "J. Genachowski", written over a horizontal line.

Julius Genachowski

Enclosure



Federal Communications Commission  
Washington, D.C. 20554

June 12, 2012

IN REPLY REFER TO:  
CN-1200153

The Honorable Richard M. Burr  
United States Senate  
217 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Burr:

Thank you for your letter expressing concern about potential costs associated with the Commission's proposal to host online filing of television broadcaster public inspection files. I appreciate this opportunity to address your questions and concerns. Your letter will be included in the record of the proceeding.

Projected costs of this proposal to industry were part of the inquiry made in the *Further Notice of Proposed Rulemaking (FNPRM)*. The Commission recognized that costs are likely to vary by broadcaster, and requested detailed data from commenters on the nature and magnitude of both costs and public benefits so it could achieve a proper balance between the two. As with all paper-to-paperless conversions, the broadcasters will experience some one-time upfront costs. Based on the record, the Commission estimated these costs at an average of \$80 - \$400 per station, spread over a six month period.

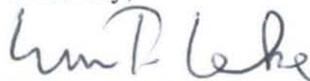
After the conversion, however, broadcasters will likely realize cost savings and efficiencies. Moving the file online will minimize disruptions in the daily operation of a station, and reduce the burdens placed on station staff that currently field phone calls and chaperone in-person requests to inspect files. Also, broadcasters will no longer need to maintain paper copies of eight routine items that they already file with the Commission. These items compose about a third of all items in the public file. Instead, the Commission will take responsibility for filing the material online. Even for those elements of the file still managed by the broadcasters, the online file should be less burdensome than a local file, because uploading a file will be easier and more efficient than photocopying it, walking it to the local paper file, finding the appropriate folder and inserting it in the proper order.

In order to assist smaller stations in preparing for any additional costs, the conversion to electronic files will be completed in phases. Stations affiliated with the major networks in the top 50 DMAs, approximately 200 stations out of approximately 2000 stations nationwide, must post new political file materials online when the rules become effective, with the rest of the industry complying by July 2014.

The complete database costs for the public file are included in the FCC's Fiscal Year 2012 Information Technology (IT) budget. On a going forward basis, the Commission is leveraging several improvements to its IT infrastructure, including adding cloud capacity. These investments have lowered the costs of web-based services currently hosted by the Commission and these cost savings will also apply to the maintenance of online files. Actual start-up costs for hosting the public file would be less than \$350,000 with an estimated out-year cost of less than \$175,000.

I appreciate your interest in this matter. Please let me know if I can be of further assistance or if you would like to discuss this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "William T. Lake". The signature is written in a cursive style with a large initial "W".

William T. Lake

Chief

Media Bureau