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Federal Communications Commission
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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See *MCI v. FCC*, 515 F.2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
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FCC ADOPTS EQUITY/DEBT THRESHOLD FOR PURPOSES OF DETERMINING ELIGIBILITY FOR NEW ENTRANT BIDDING CREDIT

The FCC has adopted a Memorandum Opinion and Order concluding that it is appropriate to attribute the mass media interests of investors holding more than a 33% equity and/or debt interest in a broadcast auction bidder claiming a New Entrant Bidding Credit, even if such an interest is non-voting.

This action is a further refinement of the eligibility standards for the New Entrant Bidding Credit available to bidders in broadcast auctions created by the Commission as a means to promote and facilitate the diversification of ownership in the mass media. In a *Memorandum Opinion and Order* released earlier this year, the Commission revised the eligibility standards for the New Entrant Bidding Credit to ensure that those standards are consistent with the Commission's general attribution standards.

In its action today, the Commission determined that it was appropriate to attribute the mass media interests held by very substantial investors in any broadcast auction applicant claiming a New Entrant Bidding Credit. The Commission explained that it was taking this action to ensure that only true new entrants qualify for the bidding credit, because holders of otherwise nonattributable interests may well have a "realistic potential" to influence bidders claiming new entrant status. The Commission further determined, based upon a review of the record in the broadcast attribution proceeding and the precedent provided by its long-standing cross-interest policy, that setting the attribution threshold at 33% is appropriate in the new entrant context.

This rule change will be effective upon publication in the Federal Register and receipt of OMB approval, which the Commission expects to obtain in an expedited manner, in order that the new rule will take effect prior to the August 20, 1999 deadline for the submission of short forms (FCC Form 175) for the September 28, 1999 Closed Broadcast Auction. *See Public Notice*, "Closed Broadcast Auction, DA 99-1346, released July 9, 1999. Therefore, bidders in the September 28, 1999 Closed Broadcast Auction will be subject to the revised eligibility standards for the New Entrant Bidding Credit.

Action by the Commission August 5, 1999, by Memorandum Opinion and Order (FCC 99-201). Chairman Kennard, Commissioners Ness and Powell and Tristani, with Commissioner Furchtgott-Roth dissenting and issuing a statement.

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