

Procedures for Television Stations to Receive Repack Reimbursement Payments

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The Federal Communications Commission (FCC or Commission) released a public notice on March 29, 2017 providing detailed instructions for stations that expect to receive incentive auction and/or repack reimbursement payments. This client alert details the steps required for stations eligible to receive reimbursement payments from the TV Broadcaster Relocation Fund. Payment instructions for stations who were winning bidders in the incentive auction are contained in a separate client alert found [here](#).

In brief, in addition to submitting a FCC Form 2100, Schedule 399 (Reimbursement Form), each station that is eligible for repack reimbursement must (i) create a FCC Username Account, (ii) submit a hard-copy signed and notarized FCC Form 1876 for each eligible station, and (iii) enter all required information electronically into the CORES Incentive Auction Financial Module.

I. General Overview of the Reimbursement Process

Each station that is seeking reimbursement of its eligible repack expenses must file a Reimbursement Form in LMS within 90 days of the release of the *Closing and Reassignment Public Notice*. The initial Reimbursement Form should list all of the station's anticipated repack expenses. After reviewing each station's cost estimates, the Media Bureau will authorize an initial allocation of funds for each eligible station. The initial allocation for commercial stations will be for up to 80 percent of their estimated costs. The initial allocation for non-commercial stations will be for up to 90 percent of their estimated costs. Stations will be allowed to "draw down" against their allocated amounts as they incur expenses. Each time a station requests reimbursement of an expense, it must amend and submit a revised

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Reimbursement Form to document the actual cost of the expense.

II. Create a FCC Username Account

A representative of the station must create a FCC Username Account and associate it with the station licensee's FRN. The Commission's updated CORES system allows multiple FCC Username Accounts to be associated with the same FRN. Accordingly, the CORES system requires each FRN to have at least one FRN Administrator who has the ability to manage which Username Accounts have access to the FRN (i.e., grant or deny FRN association requests for an FCC Username Account). Detailed instructions for how to create an FCC Username Account are found here: https://apps.fcc.gov/cores/html/Register_New_Account.htm.

III. Prepare and Submit a FCC Form 1876

A broadcaster must submit a separate hard-copy signed and notarized FCC Form 1876 (Form 1876) for each station for which it is seeking reimbursement. The Form 1876 will be available for download from the CORES Incentive Auction Financial Module. The station's FRN Administrator will be able to download this form by selecting "Download Form 1876" from the *Manage Existing FRN(s): Choose Action* screen.

The FCC cautions that it may take the agency up to four weeks to process a Form 1876; therefore, the Commission encourages eligible stations to promptly submit the Form 1876 so that its reimbursement payments are not delayed. Once completed, signed and notarized, the Form 1876 must be sent to the FCC at this address:

Federal Communications Commission
Travel & Operations Group, Attn: Chief of TOG
9300 East Hampton Drive
Capitol Heights, MD 20743

Although it is not required, the Commission strongly recommends that broadcasters send in the Form 1876 using a trackable overnight delivery service.

The Form 1876 will require the following information for each station:

1) Eligible Entity (i.e., Licensee) Information:

- a. Provide licensee's name, FRN, Tax ID and contact information, and Facility ID for each station.
- b. List one or two people authorized (Authorized Agent) to enter bank account information into the electronic form in the CORES Incentive Auction Financial Module. NOTE: Because the repack (and reimbursement) process will stretch over three years, the Commission recommends that licensees identify two Authorized Agents on this form.

2) Financial Institution Information for ACH Payment:

- a. Provide name, address and telephone number of institution.
- b. Provide routing transit number, depositor account title, account number and type of account.
- c. MUST attach either: (1) a letter from the bank confirming that the account belongs to the licensee or (2) a redacted bank statement that confirms ownership of the account.

3) Certifications by Eligible Entity: Form must be signed by a person with authority to bind the entity seeking reimbursement (corporate officer or owner) and the form must be notarized.

IV. Electronically Submit Banking Information to the CORES Incentive Auction Financial Module (CORES Module)

Once the Form 1876 is reviewed by the FCC, the Commission will send an e-mail to each Authorized Agent explaining that the Authorized Agent(s) have been granted access to the CORES Module. The Authorized Agent(s) will have 10 business days from the date of that notification to add the required information to the Auction Bank Account Component of the CORES Module. Once the Authorized Agent(s) enter and submit the bank information into the Auction Bank Account Component, this page will be locked and may not be further modified. If the station needs to change its payment instructions that were submitted through the CORES Module, the broadcaster must contact the FCC at FO-REPinvoices@fcc.gov and start the payment process over (i.e., obtain and submit a paper Form 1876—then once authorized by the FCC—submit the updated bank information through the CORES Module).

1) Auction Bank Account Component

The Authorized Agent must add the following information to the Auction Bank Account Component page for each Facility ID for which it expects reimbursement payments:

- Account holder name (same as the Depositor Account title on the Form 1876);
- Bank name;
- Account type;
- Routing number; and
- Account number.

This information must match exactly the information listed on the Form 1876 for that station. The Authorized Agent may enter the payment information for multiple stations (by Facility ID) at the same time, if the payments for those stations will be made to the same bank account.

2) Viewing Bank Account Information in the CORES Module

While only the Authorized Agent(s) will be granted authority to enter bank account information into the CORES Module, the FRN Administrator may give other FCC Username Accounts associated with the station licensee's FRN the right to view certain payment information for a particular station (Facility ID).

If given permission, they will be able to see: the allocation amount by Facility ID, cumulative payment request (s) released to the U.S. Treasury, and any allocation amount remaining.

V. Updating Bank Account Information

If a licensee needs to make changes to the payment instructions—such as a change in bank account information or a change in Authorized Agents—for a particular station during the reimbursement period, then either the contact person listed in the Form 1876 or one of the Authorized Agents must request a freeze on unprocessed payments until the payment information is updated. This is done by sending an email to FO-REPinvoices@fcc.gov requesting that the agency freeze unprocessed payments and explaining the change to the payment information. NOTE: Once a payment is in process at the U.S. Treasury, payment instructions cannot be changed.

The licensee will then need to follow the same process as it used initially to provide the FCC with its payment information (i.e., submitting a paper Form 1876 and electronically entering information into the CORES Module) to provide updated information. The person who certifies the updated Form 1876 must be the same person who certified the original Form 1876. If this person has changed, the entity must contact the FCC by sending an email to FO-REPinvoices@fcc.gov.

VI. Ownership Changes

If a station is assigned or transferred, then upon receipt of a consummation notice, the FCC will deactivate the bank account information associated with the station's pre-consummation FRN. Any in-process reimbursement requests will be held until new payment information is provided. To trigger the release of any payment requests that are in process when the consummation is filed, the assignee must submit a paper Form 1876, then update the CORES Module electronically, and finally re-file the updated Reimbursement Form containing documentation of the requested funds. The FCC strongly recommends that parties contemplating a transaction address reimbursement payments and use of FRN accounts for purposes of reimbursement in their transaction agreements. Reimbursement payments can only be made to station licensees, not third parties. Therefore, once the assignment of a station is consummated, reimbursement payments may only be made to the assignee (new licensee).