1	FEDERAL ELECTION COMMISSION		
2	FIRST GENERAL COUNSEL'S REPORT		
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5		.MUR: 7206	
6		DATE COMPLAINT FILED: 12/15/2016	
7		DATE OF NOTIFICATION: 12/16/2016	
8		DATE OF LAST RESPONSE: 02/09/2017	
9		DATE ACTIVATED: 05/05/2017	
10			
11		EXPIRATION OF SOL: 08/08/2021	
12		ELECTION CYCLE: 2016	
13 14	COMPLAINANT:	Robert Breeze	
15 16	RESPONDENTS:	Bonneville International Corporation, d/b/a	
17		KSL-TV and KSL 1160	
18	·		
19		Deseret Management Corporation	
20		Deseret News Publishing Company	
21			
22		McMullin for President Committee,	
23		Inc. and Jeffrey Carson in his official	
24		capacity as treasurer	
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26		<b>50.1</b> 1.0.0.0.00101(0)(1)	
27	RELEVANT STATUTES	52 U.S.C. § 30101(8)(A)	
28	AND REGULATIONS:	52 U.S.C. § 30101(9)(B)(i)	
29		52 U.S.C. § 30104(b)	
30		52 U.S.C. § 30104(c)	
31		52 U.S.C. § 30118(a)	
32		11 C.F.R. § 100.52(a)	
33		11 C.F.R. § 100.73 11 C.F.R. § 100.111(a)	
34		11 C.F.R. § 100.111(a)	
35 36	•	11 C.F.R. 9 100.132	
37	INTERNAL REPORTS CHECKED:	Disclosure Reports . None	
38 39	FEDERAL AGENCIES CHECKED:		
40 41	I. INTRODUCTION		
71			
42	This matter involves allegations that m	nedia entities Bonneville International Corporation,	

d/b/a KSL-TV and KSL 1160 ("Bonneville"), Deseret Management Corporation ("DMC"), and

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- Deseret News Publishing Company ("Deseret News") made contributions to or expenditures in
- 2 support of McMullin for President Committee, Inc. (the "Committee"), the authorized committee
- 3 of 2016 presidential candidate Evan McMullin, and failed to report them in violation of the
- 4 Federal Election Campaign Act of 1971, as amended (the "Act"). The Complaint alleges that
- 5 the contributions or expenditures by Bonneville, DMC, and Deseret News stem from those
- 6 entities' efforts to promote the candidacy of McMullin by publishing "fake news" and providing
- 7 disproportionate coverage of McMullin.<sup>2</sup> Respondents contend that because the Act's media
- 8 exemption applies to the news coverage of McMullin that is at issue, they did not violate the
- 9 law.3

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Deseret News are legitimate press entities acting within the scope of the media exemption and thus did not make contributions or expenditures, as alleged by the Complaint. Accordingly, we recommend that the Commission find no reason to believe that: (1) Bonneville, DMC, and Deseret News made, and the Committee accepted, prohibited contributions in violation of 52 U.S.C. § 30118(a); (2) the Committee failed to report any such contributions in violation of 52 U.S.C. § 30104(b); and (3) that Bonneville, DMC, and Deseret News failed to report

independent expenditures in violation of 52 U.S.C. § 30104(c).

As discussed below, the available information indicates that Bonneville, DMC, and

Compl. at 1 (Dec. 15, 2016).

<sup>&</sup>lt;sup>2</sup> *Id*. at 1-2.

Bonneville Resp. (Jan. 24, 2017); DMC/Deseret News Resp. at 2 (Jan. 31, 2017); McMullin Resp. at 2 (Feb 10, 2017).

#### II. FACTS

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# 2 A. Deseret Management Corporation and Deseret News Publishing Company

- 3 DMC is a for-profit corporation and the parent company of Deseret News and Bonneville,
- 4 which are also respondents in this matter. Descret News has published "The Descret News"
- 5 since 1850, and it is the oldest continuously published daily paper in Utah.<sup>5</sup>

# B. Bonneville International Corporation

7 Bonneville operates 14 radio stations in Seattle, Phoenix, Denver, and Salt Lake City, as

- well as an NBC television affiliate (KSL-TV) in Salt Lake City. 6 Bonneville states that it has
- 9 operated radio and television stations for more than 40 years, including KSL 1160 radio since
- 10 1922 and KSL-TV since 1949. Both KSL radio and television "are in the business of producing
- and broadcasting news and other media content."8

## C. McMullin for President Committee

The Committee is the authorized committee for Evan McMullin, an independent candidate for president in the 2016 general election.<sup>9</sup> Evan McMullin was born in Utah, attended college in Utah, and his campaign was headquartered in Utah.<sup>10</sup> McMullin received significantly

See DMC/Deseret News Resp. at 1; see also <a href="http://deseretmanagement.com/about-us/">http://deseretmanagement.com/about-us/</a>.

<sup>5</sup> DMC/Deseret News Resp. at 1.

See Bonneville Resp. at 1; see also http://bonneville.com/about-bonneville/.

Bonneville Resp. at 1.

<sup>8</sup> ld.

McMullin for President Committee, Inc., Statement of Organization, (August 15, 2016), http://docquery fec.gov/pdf/110/201608159022245110/201608159022245110.pdf.

<sup>10</sup> McMullin Resp. at 1.

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## D. Media Coverage of McMullin

The Complaint alleges that the management of KSL and Deseret News likely directed "non stop" coverage promoting the candidacy of McMullin. <sup>12</sup> The Complaint contends that KSL and Deseret News' coverage of McMullin was not "bona fide news coverage" but "fake news" <sup>13</sup> to promote their preferred candidate and that the amount of coverage they provided to McMullin was far out of proportion to coverage of other independent and "small party" candidates. <sup>14</sup>

Deseret News states in response that the decision to cover McMullin was an editorial decision based upon the interest of readers, given McMullin's ties to Utah. Citing an unspecified editorial published at the time, Deseret News explained that it focused on McMullin's candidacy "'[b]ecause it's more relevant in Utah than perhaps anywhere else, as this BYU graduate tries to accomplish his stated goal of winning Utah while denying enough electoral votes to Trump and Clinton to throw the final decision into the U.S. House." Further, Deseret News notes that while its election coverage included op-ed pieces by Gary Johnson and Evan McMullin, it also

<sup>11</sup> *Id.* at 1-2.

Compl. at 2.

<sup>13</sup> Id. at 1. The Complaint uses quotes around the term "fake news," but does not otherwise define or explain its use of the term. The Complaint does not identify any of Respondents' particular articles, stories, commentaries, or editorials as "fake news" or otherwise not "bona fide news coverage."

In support of this claim, Complainant states that a search of the KSL and Deseret News websites reveals a dramatically higher number of references to McMullin than to Gary Johnson or Jill Stein. *Id.* at 2. Complainant states that his search of the KSL website returned 19,900 hits for "Evan McMullin," 1,980 for "Gary Johnson," and 2,430 for "Jill Stein." Similarly, Complainant's search of the Deseret News website returned 43,200 hits for "Evan McMullin," 11,100 for "Gary Johnson," and 426 for "Jill Stein." *Id.* 

Deseret News Resp. at 2.

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- offered to publish op-ed pieces by Jill Stein, Donald Trump and Hillary Clinton. 16 Similarly,
- 2 Bonneville asserts that its election coverage is "unbiased and fair to all candidates" and that it
- 3 "us[ed] it's independent editorial judgment to determine what is newsworthy." 17

## 4 III. LEGAL ANALYSIS

- 5 The Act and Commission regulations define the terms "contribution" and "expenditure"
- 6 to include any gift of money or "anything of value" for the purpose of influencing a federal
- 7 election. 18 But the Act exempts from the definition of expenditure, "any news story,
- 8 commentary, or editorial distributed through the facilities of any broadcasting station, newspaper,
- 9 magazine, or other periodical publication, unless such facilities are owned or controlled by any
- political party, political committee, or candidate." Commission regulations contain a parallel
- exemption to the definition of contribution.<sup>20</sup> This exclusion is generally referred to as the "press
- 12 exemption" or "media exemption."<sup>21</sup>

To determine whether the media exemption applies, the Commission first assesses

- whether the entity that engaged in the challenged activity is a press entity.<sup>22</sup> The Commission
- then determines the scope of the exemption by considering whether the press entity (1) is owned
- or controlled by a political party, political committee, or candidate; and (2) is acting within its

<sup>16</sup> *Id.* at 1.

Bonneville Resp. at 1.

<sup>&</sup>lt;sup>18</sup> 52 U.S.C. § 30101(8)(A), (9)(A); 11 C.F.R. §§ 100.52(a), 100.111(a).

<sup>&</sup>lt;sup>19</sup> 52 U.S.C. § 30101(9)(B)(i); see also 11 C.F.R. § 100.132.

<sup>&</sup>lt;sup>20</sup> 11 C.F.R. § 100.73.

Advisory Op. 2010-8 (Citizens United) at 3 ("AO 2010-08").

<sup>&</sup>lt;sup>22</sup> See, e.g., AO 2010-08; Advisory Op. 2005-16 (Fired Up!) ("AO 2005-16"); Advisory Op. 1996-16 (Bloomberg).

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- 1 "legitimate press function" in conducting the activity that is the subject of the complaint.<sup>23</sup> If the
- 2 exemption applies, the entity's activities are exempt from the Act's disclosure, disclaimer, and
- 3 reporting requirements.<sup>24</sup> The Commission has long recognized that an entity otherwise eligible
- 4 for the exemption "would not lose its eligibility merely because of a lack of objectivity in a news
- 5 story, commentary, or editorial, even if the news story, commentary, or editorial expressly
- 6 advocates the election or defeat of a clearly identified candidate for Federal office."25

## A. Press Entity Status

8 "Neither the Act nor Commission regulations use or define the term 'press entity.'

9 Therefore, when determining whether the term applies to a particular entity, the Commission has

10 focused on whether the entity in question produces on a regular basis a program that disseminates

news stories, commentary, and/or editorials."<sup>26</sup> Further, television, radio, and newspapers are the

types of press entities considered by Congress when adopting the media exemption.<sup>27</sup> As

described above, the Deseret News is a newspaper that has been in the business of publishing the

news since 1850.<sup>28</sup> Similarly, Bonneville has owned and operated television and radio stations

for more than 40 years, and KSL-TV and KSL-1160 have been broadcasting multiple news and

<sup>&</sup>lt;sup>23</sup> See Reader's Digest Ass'n v. FEC, 509 F. Supp. 1210, 1215 (S.D.N.Y. 1981); Advisory Op. 2016-01 (Ethiq).

AO 2010-08 at 7.

AO 2005-16 at 6; Factual & Legal Analysis at 3, MUR 6579 (ABC News, Inc.) (July 5, 2012); see also AO 2010-08 ("While Citizens United's films may be designed to further its principal purpose as a non-profit advocacy organization, an entity otherwise eligible for the press exemption does not lose its eligibility merely because of a lack of objectivity in a news story, commentary, or editorial.").

<sup>&</sup>lt;sup>26</sup> AO 2010-08 at 5.

See H.R. Rep. No. 93-1239 at 4 (1974) ("[The exemption] assures the unfettered right of the newspapers, TV networks, and other media to cover and comment on political campaigns.").

Deseret News Resp. at 1.

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news commentary shows each day for decades.<sup>29</sup> Accordingly, the entities in this matter qualify as press entities.

## B. Ownership Criteria and Legitimate Press Function

As the Complainant acknowledges, both Bonneville and Deseret News are not owned by a political party, political committee, or candidate but rather are owned by DMC, which is, in turn, controlled by the Church of Jesus Christ of Latter-day Saints.<sup>30</sup> Accordingly, the ownership criteria of the press exemption is met.

In determining whether a press entity was acting in its legitimate press function, the Commission has examined whether the entity's materials are available to the general public, and whether the challenged materials are comparable in form to those ordinarily issued by the entity.<sup>31</sup> The Deseret News, KSL-TV, and KSL 1160 radio provide news coverage throughout Utah and are all available to the general public.

In addition, the coverage of McMullin does not appear to have deviated in form from news that respondents ordinarily provide. The respondent media entities state that they exercised their independent editorial judgment in determining what is newsworthy as they have done in past elections.<sup>32</sup> Although the Complaint argues that coverage of McMullin was disproportionate to other independent and third party candidates, the test for the media exemption

See KSL-TV Local news Programing Schedule, <a href="http://www.ksl.com/?nid=15">http://www.ksl.com/?nid=15</a>; KSL 1160 Radio Schedule, <a href="http://www.ksl.com/?sid=122030&nid=312">http://www.ksl.com/?sid=122030&nid=312</a>.

See Compl. at 1; Bonneville Resp. at 1; <a href="http://deseretmanagement.com/about-us/">http://deseretmanagement.com/about-us/</a>; see also DMC/Deseret News Resp. at 2 (further noting that neither "Deseret Management Corporation, nor the LDS Church [is] a political party, committee or candidate").

See, e.g., AO 2010-08 at 6 (citing FEC v. Massachusetts Citizens for Life, 479 U.S. 238, 250-51 (1986)); AO 2005-16.

Bonneville Resp. at 1; DCM/Deseret News Resp. at 1.

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- has not required that a press entity provide equal time to all candidates, unless the media entity is
- 2 owned or controlled by a political party, committee, or candidate.<sup>33</sup> In fact, as noted above, the
- 3 Commission has long determined that a press entity does not lose its eligibility for the media
- 4 exemption even if a news story lacks objectivity or expressly advocates the election or defeat of a
- 5 federal candidate. 34
- 6 Under these circumstances, it appears that the media exemption applies and, thus, no
- 7 contribution or expenditure was made by the press entities. Therefore, we recommend that the
- 8 Commission find that there is no reason to believe that: (1) Bonneville, DMC, and Deseret News
- 9 made, and the Committee accepted, prohibited contributions in violation of 52 U.S.C.
- 10 § 30118(a); (2) the Committee failed to report any such contributions in violation of 52 U.S.C.
- § 30104(b); and (3) that Bonneville, DMC, and Deseret News failed to report independent
- expenditures in violation of 52 U.S.C. § 30104(c).

### 13 IV. RECOMMENDATIONS

- 1. Find no reason to believe that Bonneville International Corporation, d/b/a KSL-TV and KSL 1160, violated 52 U.S.C. §§ 30104(c) or 30118(a);
- Find no reason to believe that Deseret Management Corporation or Deseret News
   Publishing Company violated 52 U.S.C. §§ 30104(c) or 30118(a);
  - 3. Find no reason to believe that Evan McMullin for President Committee, Inc. and Jeffrey Carson in his official capacity as treasurer violated 52 U.S.C. §§ 30104(b) or 30118(a);
- 20 4. Approve the attached Factual and Legal Analysis;

See 11 C.F.R. §§ 100.73 and 100.132 (requiring press entities owned or controlled by a political party, political committee, or candidate to "give reasonably equal coverage to all opposing candidates" in order to qualify for the media exemption but not including that requirement for entities not owned or controlled by such a person or entity.); see also Miami Herald Pub. Co v. Tornillo, 418 U.S. 241, 256 (1974) ("The choice of material to go into a newspaper, and the decisions made as to limitations on the size and content of the paper, and treatment of public issues and public official -- whether fair or unfair -- constitute the exercise of editorial control and judgment.").

<sup>&</sup>lt;sup>34</sup> See supra n. 25.

		206 (Bonneville International Corp., et al.) eneral Counsel's Report of 9	
1	5.	Approve appropriate letters; and	
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3 4 5 6			Lisa J. Stevenson Acting General Counsel
7 8 9 10 11	Date:	08.03.17	Kathleen M. Guith  Kathleen M. Guith  Associate General Counsel for Enforcement
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1		FEDERAL ELECTION COMMISSION	
2		FACTUAL AND LEGAL ANALYSIS	
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4	RESPONDENT:	Bonneville International Corporation, d/b/a	MUR 7206
5		KSL-TV and KSL 1160	

Deseret Management Corporation
Deseret News Publishing Company
McMullin for President Committee, Inc.
and Jeffrey Carson in his official

capacity as treasurer

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### I. INTRODUCTION

This matter involves allegations that media entities Bonneville International Corporation, d/b/a KSL-TV and KSL 1160 ("Bonneville"), Deseret Management Corporation ("DMC"), and Deseret News Publishing Company ("Deseret News") made contributions to or expenditures in support of McMullin for President Committee, Inc. (the "Committee"), the authorized committee of 2016 presidential candidate Evan McMullin, and failed to report them in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"). The Complaint alleges that the contributions or expenditures by Bonneville, DMC, and Deseret News stem from those entities' efforts to promote the candidacy of McMullin by publishing "fake news" and providing disproportionate coverage of McMullin. Respondents contend that because the Act's media exemption applies to the news coverage of McMullin that is at issue, they did not violate the law.

Compl. at 1 (Dec. 15, 2016).

<sup>&</sup>lt;sup>2</sup> *Id*. at 1-2.

Bonneville Resp. (Jan. 24, 2017); DMC/Deseret News Resp. at 2 (Jan. 31, 2017); McMullin Resp. at 2 (Feb 10, 2017).

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As discussed below, the available information indicates that Bonneville, DMC, and 1 Desert News are legitimate press entities acting within the scope of the media exemption and 2 thus did not make contributions or expenditures, as alleged by the Complaint. Accordingly, the 3 Commission finds no reason to believe that: (1) Bonneville, DMC, and Deseret News made, and 4 5 the Committee accepted, prohibited contributions in violation of 52 U.S.C. § 30118(a); (2) the Committee failed to report any such contributions in violation of 52 U.S.C. § 30104(b); and (3) 6 that Bonneville, DMC, and Descret News failed to report independent expenditures in violation 7 8 of 52 U.S.C. § 30·104(c).

#### 9 II. FACTS

A. Deserte Management Corporation and Deserte News Publishing Company

DMC is a for-profit corporation and the parent company of Deserte News and Bonneville,
which are also respondents in this matter. Deserte News has published "The Deserte News"

since 1850, and it is the oldest continuously published daily paper in Utah. 5

## B. Bonneville International Corporation

Bonneville operates 14 radio stations in Seattle, Phoenix, Denver, and Salt Lake City, as well as an NBC television affiliate (KSL-TV) in Salt Lake City.<sup>6</sup> Bonneville states that it has operated radio and television stations for more than 40 years, including KSL 1160 radio since

See DMC/Deseret News Resp. at 1; see also <a href="http://deseretmanagement.com/about-us/">http://deseretmanagement.com/about-us/</a>.

DMC/Deseret News Resp. at 1.

See Bonneville Resp. at 1; see also http://bonneville.com/about-bonneville/.

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- 1922 and KSL-TV since 1949. Both KSL radio and television "are in the business of producing 1
- and broadcasting news and other media content."8 2

#### C. **McMullin for President Committee**

- The Committee is the authorized committee for Evan McMullin, an independent 4
- candidate for president in the 2016 general election. Evan McMullin was born in Utah, attended 5
- college in Utah, and his campaign was headquartered in Utah. 10 McMullin received significantly 6
- greater support in Utah than third party candidates, receiving 21.5% of the vote compared to 7
- 3.5% for Gary Johnson and 0.83% for Jill Stein. 11 8

#### D. Media Coverage of McMullin

The Complaint alleges that the management of KSL and Deseret News likely directed 10 "non stop" coverage promoting the candidacy of McMullin. 12 The Complaint contends that KSL 11 and Deseret News' coverage of McMullin was not "bona fide news coverage" but "fake news" 13 12 to promote their preferred candidate and that the amount of coverage they provided to McMullin 13 was far out of proportion to coverage of other independent and "small party" candidates. 14 14

Bonneville Resp. at 1.

McMullin for President Committee, Inc., Statement of Organization, (August 15, 2016), http://docquery fec.gov/pdf/110/201608159022245110/201608159022245110.pdf.

<sup>10</sup> McMullin Resp. at 1.

П Id. at 1-2.

<sup>12</sup> Compl. at 2.

Id. at 1. The Complaint uses quotes around the term "fake news," but does not otherwise define or explain its use of the term. The Complaint does not identify any of Respondents' particular articles, stories, commentaries, or editorials as "fake news" or otherwise not "bona fide news coverage."

In support of this claim, Complainant states that a search of the KSL and Deseret News websites reveals a dramatically higher number of references to McMullin than to Gary Johnson or Jill Stein. Id. at 2. Complainant states that his search of the KSL website returned 19,900 hits for "Evan McMullin," 1,980 for "Gary Johnson," and

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Descret News states in response that the decision to cover McMullin was an editorial decision based upon the interest of readers, given McMullin's ties to Utah. Citing an unspecified editorial published at the time, Descret News explained that it focused on McMullin's candidacy ""[b]ecause it's more relevant in Utah than perhaps anywhere else, as this BYU graduate tries to accomplish his stated goal of winning Utah while denying enough electoral votes to Trump and Clinton to throw the final decision into the U.S. House." Further, Descret News notes that while its election coverage included op-ed pieces by Gary Johnson and Evan McMullin, it also offered to publish op-ed pieces by Jill Stein, Donald Trump and Hillary Clinton. Similarly, Bonneville asserts that its election coverage is "unbiased and fair to all candidates" and that it "us[ed] its independent editorial judgment to determine what is newsworthy."

#### III. LEGAL ANALYSIS

The Act and Commission regulations define the terms "contribution" and "expenditure" to include any gift of money or "anything of value" for the purpose of influencing a federal election.<sup>18</sup> But the Act exempts from the definition of expenditure, "any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate." Commission regulations contain a parallel

<sup>2,430</sup> for "Jill Stein." Similarly, Complainant's search of the Deseret News website returned 43,200 hits for "Evan McMullin," 11,100 for "Gary Johnson," and 426 for "Jill Stein." *Id.* 

Deseret News Resp. at 2.

*Id.* at 1,

Bonneville Resp. at 1.

<sup>&</sup>lt;sup>18</sup> 52 U.S.C. § 30101(8)(A), (9)(A); 11 C.F.R. §§ 100.52(a), 100.111(a).

<sup>&</sup>lt;sup>19</sup> 52 U.S.C. § 30101(9)(B)(i); see also 11 C.F.R. § 100.132.

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exemption to the definition of contribution.<sup>20</sup> This exclusion is generally referred to as the "press

- 2 exemption" or "media exemption."<sup>21</sup>
- To determine whether the media exemption applies, the Commission first assesses
- 4 whether the entity that engaged in the challenged activity is a press entity.<sup>22</sup> The Commission
- 5 then determines the scope of the exemption by considering whether the press entity (1) is owned
- or controlled by a political party, political committee, or candidate; and (2) is acting within its
- 7 "legitimate press function" in conducting the activity that is the subject of the complaint.<sup>23</sup> If the
- 8 exemption applies, the entity's activities are exempt from the Act's disclosure, disclaimer, and
- 9 reporting requirements.<sup>24</sup> The Commission has long recognized that an entity otherwise eligible
- for the exemption "would not lose its eligibility merely because of a lack of objectivity in a news
- story, commentary, or editorial, even if the news story, commentary, or editorial expressly
- advocates the election or defeat of a clearly identified candidate for Federal office."<sup>25</sup>

### A. Press Entity Status

- "Neither the Act nor Commission regulations use or define the term 'press entity."
- 15 Therefore, when determining whether the term applies to a particular entity, the Commission has

<sup>&</sup>lt;sup>20</sup> 11 C.F.R. § 100.73.

Advisory Op. 2010-8 (Citizens United) at 3 ("AO 2010-08").

See, e.g., AO 2010-08; Advisory Op. 2005-16 (Fired Up!) ("AO 2005-16"); Advisory Op. 1996-16 (Bloomberg).

<sup>&</sup>lt;sup>23</sup> See Reader's Digest Ass'n v. FEC, 509 F. Supp. 1210, 1215 (S.D.N.Y. 1981); Advisory Op. 2016-01 (Ethiq).

AO 2010-08 at 7.

AO 2005-16 at 6; Factual & Legal Analysis at 3, MUR 6579 (ABC News, Inc.) (July 5, 2012); see also AO 2010-08 ("While Citizens United's films may be designed to further its principal purpose as a non-profit advocacy organization, an entity otherwise eligible for the press exemption does not lose its eligibility merely because of a lack of objectivity in a news story; commentary, or editorial.").

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- focused on whether the entity in question produces on a regular basis a program that disseminates
- 2 news stories, commentary, and/or editorials."<sup>26</sup> Further, television, radio, and newspapers are the
- 3 types of press entities considered by Congress when adopting the media exemption.<sup>27</sup> As
- described above, the Descret News is a newspaper that has been in the business of publishing the
- 5 news since 1850.<sup>28</sup> Similarly, Bonneville has owned and operated television and radio stations
- 6 for more than 40 years, and KSL-TV and KSL-1160 have been broadcasting multiple news and
- 7 news commentary shows each day for decades.<sup>29</sup> Accordingly, the entities in this matter qualify
- 8 as press entities.

## B. Ownership Criteria and Legitimate Press Function

As the Complainant acknowledges, both Bonneville and Deseret News are not owned by a political party, political committee, or candidate but rather are owned by DMC, which is, in turn, controlled by the Church of Jesus Christ of Latter-day Saints.<sup>30</sup> Accordingly, the ownership criteria of the press exemption is met.

In determining whether a press entity was acting in its legitimate press function, the Commission has examined whether the entity's materials are available to the general public, and whether the challenged materials are comparable in form to those ordinarily issued by the

AO 2010-08 at 5.

See H.R. Rep. No. 93-1239 at 4 (1974) ("[The exemption] assures the unfettered right of the newspapers, TV networks, and other media to cover and comment on political campaigns.").

Deseret News Resp. at 1.

See KSL-TV Local news Programing Schedule, <a href="http://www.ksl.com/?nid=15">http://www.ksl.com/?nid=15</a>; KSL 1160 Radio Schedule, <a href="http://www.ksl.com/?nid=15">http://www.ksl.com/?nid=15</a>; As href=15</a>; As

See Compl. at 1; Bonneville Resp. at 1; <a href="http://deseretmanagement.com/about-us/">http://deseretmanagement.com/about-us/</a>; see also DMC/Deseret News Resp. at 2 (further noting that neither "Deseret Management Corporation, nor the LDS Church [is] a political party, committee or candidate").

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- entity.<sup>31</sup> The Deseret News, KSL-TV, and KSL 1160 radio provide news coverage throughout
- 2 Utah and are all available to the general public.
- In addition, the coverage of McMullin does not appear to have deviated in form from
- 4 news that respondents ordinarily provide. The respondent media entities state that they exercised
- 5 their independent editorial judgment in determining what is newsworthy as they have done in
- 6 past elections.<sup>32</sup> Although the Complaint argues that coverage of McMullin was
  - disproportionate to other independent and third party candidates, the test for the media exemption
- 8 has not required that a press entity provide equal time to all candidates, unless the media entity is
- 9 owned or controlled by a political party, committee, or candidate.<sup>33</sup> In fact, as noted above, the
- 10 Commission has long determined that a press entity does not lose its eligibility for the media
- exemption even if a news story lacks objectivity or expressly advocates the election or defeat of a
- 12 federal candidate.<sup>34</sup>
- Under these circumstances, it appears that the media exemption applies and, thus, no
- 14 contribution or expenditure was made by the press entities. Therefore, the Commission finds that
- there is no reason to believe that: (1) Bonneville, DMC, and Deseret News made, and the
- 16 Committee accepted, prohibited contributions in violation of 52 U.S.C. § 30118(a); (2) the

See, e.g., AO 2010-08 at 6 (citing FEC v. Massachusetts Citizens for Life, 479 U.S. 238, 250-51 (1986)); AO 2005-16.

Bonneville Resp. at 1; DCM/Deseret News Resp. at 1.

See 11 C.F.R. §§ 100.73 and 100.132 (requiring press entities owned or controlled by a political party, political committee, or candidate to "give reasonably equal coverage to all opposing candidates" in order to qualify for the media exemption but not including that requirement for entities not owned or controlled by such a person or entity.); see also Miami Herald Pub. Co v. Tornillo, 418 U.S. 241, 256 (1974) ("The choice of material to go into a newspaper, and the decisions made as to limitations on the size and content of the paper, and treatment of public issues and public official -- whether fair or unfair -- constitute the exercise of editorial control and judgment.").

<sup>&</sup>lt;sup>34</sup> See supra n. 25.

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- 1 Committee failed to report any such contributions in violation of 52 U.S.C. § 30104(b); and (3)
- 2 that Bonneville, DMC, and Deseret News failed to report independent expenditures in violation
- of 52 U.S.C. § 30104(c).