



January 14, 2020

The Honorable Frank Pallone, Jr.
Chairman
Committee on Energy & Commerce
United States House of Representatives
Washington D.C. 20515

The Honorable Greg Walden
Ranking Member
Committee on Energy & Commerce
United States House of Representatives
Washington D.C. 20515

The Honorable Michael Doyle
Chairman
Communications & Tech Subcommittee
United States House of Representatives
Washington D.C. 20515

The Honorable Robert Latta
Ranking Member
Communications & Tech Subcommittee
United States House of Representatives
Washington D.C. 20515

Dear Mr. Pallone, Mr. Walden, Mr. Doyle, and Mr. Latta,

Public Knowledge applauds the Committee for prioritizing media diversity and believe the legislation being discussed during the Legislative Hearing “Lifting Voices: Legislation to Promote Media Marketplace Diversity,” are a great first step in making media ownership a reality for underrepresented groups. The “Enhancing Broadcaster DIVERSITY Data Act” (H.R. 5564), the “Expanding Broadcast Ownership Opportunities Act of 2019” (H.R. 3957), and the “MEDIA Diversity Act of 2020” (H.R. 5567) are much needed pieces of legislation that will help diversify the media ownership landscape, if enacted.

Diverse media ownership plays a crucial role in ensuring that all persons have an equal opportunity to be a part of the media ecosystem. Additionally, diverse ownership ensures that consumers can access a variety of viewpoints. When people of diverse backgrounds own broadcast stations, they may be more likely to put content on that station which reflects their background and viewpoint. That increases the ability of residents to view content that reflects their values, or which teaches them something new. Because of this, the FCC has historically prioritized diversity of viewpoints and station ownership.

Diversity in traditional media ownership in the age of broadband and social media remains vitally important. The proliferation of “fake news” and toxic discourse online have made diversity of ownership in traditional media more important than ever. Studies have repeatedly shown that Americans trust local television news more than any other source of news. By contrast, although an increasing number of Americans rely on social media and other online sources, they tend to view news from these sources with skepticism and criticize them as divisive. Diversity of media ownership remains critically important to a healthy democracy.

Thus, it is important to pass the legislation at issue in this hearing. When the FCC’s minority tax certificate program was in effect, it was the most effective means of facilitating diversity in media ownership. In 1978, prior to the tax certificate program, just 40 minorities owned broadcast stations. However, during the approximately fifteen years of the program’s existence,



there were more than 300 acquisitions made by minority owners. Now, there is once again, limited minority ownership of broadcast stations. According to the most recent data collected by the Federal Communications Commission, from almost five years ago (in October 2015), women and minorities owned around ten percent of the full power commercial television stations and commercial FM radio stations. By reinstating the minority tax certificate program, the Expanding Broadcast Ownership Opportunities Act of 2019 would once again allow this number to grow, so that a diverse array of people can own broadcast stations.

The FCC's data collection on minority ownership is woefully insufficient. Because the most recent data about minority ownership of broadcast stations is nearly five years old, it's difficult to quantify how dire the problem is. Policy makers and regulators need better data to find solutions. We applaud the Enhancing Broadcaster DIVERSITY Data Act for helping to ensure the regular collection of data on minority ownership and employment in media companies.

In the years since the tax certificate program was ended by Congress, media has become even more consolidated. This has been exacerbated by the FCC's decision to relax its rules on local marketing agreements, the lack of antitrust enforcement by the FCC, FTC, and DOJ, and consolidation of platforms on the internet. While Public Knowledge applauds the Committee for holding this important hearing and Congresswoman Clarke, Congressman Veasy, Congressman Long, Congresswoman Demmings, and Congressman Butterfield for their proposed legislation, there is more to be done. We at Public Knowledge look forward to working with the Committee to further its goal of fostering a diverse media ownership environment.

Sincerely,

Bertram Lee and Jenna Leventoff
Public Knowledge