

Federal Communications Commission 445 12th Street, S.W. Washington, D. C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

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 June 21, 2006

News Media Contact: Rebecca Fisher (202) 418-2359

FCC Opens Media Ownership Proceeding for Public Comment

Washington, DC – The Federal Communications Commission (FCC) today adopted a Further Notice of Proposed Rulemaking that seeks comment on how to address the issues raised by the U.S. Court of Appeals for the Third Circuit in Prometheus v. FCC, which two years ago stayed and remanded several media ownership rules that the Commission had adopted in its 2002 Biennial Review Order. The Further Notice also opens a comprehensive quadrennial review of all of the media ownership rules, as required by statute.

Section 202(h) of the 1996 Telecommunications Act, as amended, mandates that the FCC periodically review its broadcast ownership rules to determine "whether any of such rules are necessary in the public interest as a result of competition." As directed by Congress, the FCC opened a review proceeding in 2002 to analyze its broadcast ownership rules. The Commission's decision, set forth in the *2002 Biennial Review Order*, was adopted in June 2003. The Third Circuit Court of Appeals issued its decision affirming some Commission decisions and remanding others for further justification or modification.

The *Further Notice* details the issues raised in *Prometheus* regarding the Commission's earlier decisions and rationale. It discusses, and invites comment on, the rules that the court remanded:

- Should the Commission revise the limits adopted in the *2002 Biennial Review Order* on the number of stations that can be commonly owned in one market, or is there additional evidence or analysis available now upon which the Commission can rely to further justify the limits adopted then?
- Similarly, in order to address the court's concerns, should the Commission revise these numerical limits or is additional evidence available to further justify them?
- How should the Commission address radio/television and newspaper/broadcast cross-ownership issues?

The item also seeks comment on the court's remand of certain proposals relating to minority ownership. In addition, responsive to the quadrennial review required by statute, the *Further Notice* seeks comment on whether these rules sent back to the Commission by the court, as well as the dual network rule which was not at issue in *Prometheus*, are necessary in the public interest as a result of competition.

Finally, the *Further Notice* lists pending petitions for reconsideration of the 2002 *Biennial Review Order* and states that parties may refresh the record concerning these petitions.

Action by the Commission June 21, 2006, by *Further Notice of Proposed Rulemaking* (FCC 06-93). Chairman Martin, Commissioners Tate and McDowell, with Commissioners Copps and Adelstein concurring and dissenting in part. Separate statements issued by Chairman Martin, Commissioners Copps, Adelstein, Tate, and McDowell.

-- FCC--

Fact Sheet for Media Ownership FNPRM

FNPRM Seeks Comment On the Following Rules:

- Local Television Ownership Limit
- Local Radio Ownership Limit
- Newspaper Broadcast Cross-ownership Ban
- Radio Television Cross-ownership Limit
- Dual Network Ban
- UHF discount on the National Television Ownership Limit

Studies

- Comprehensive studies that will address a variety of issues including:
 - How people get news and information
 - Competition within types of media and across media platforms
 - Marketplace changes since the Commission last reviewed its ownership rules
 - Localism
 - Minority participation in today's media environment
 - Independent and diverse programming in today's media environment
 - The impact of ownership on the production of children's and family-friendly programming.
- \$200,000 budgeted for these studies

Opportunity for public participation

- Hearings:
 - The Commission will hold six public hearings on this ownership proceeding to be held in geographically diverse locations around the country.
 - Participants in the hearings will discuss the impact of the rules on topics including but not limited to:
 - Localism
 - Competition
 - Diversity
 - Minority ownership
 - Children's and family-friendly programming

- Senior citizens
- Religious programming
- Independent programming
- Campaign and community event coverage
- Music and the creative arts
- The growth of the internet
- Jobs and the economy
- Advertisers
- Rural America
- The disabled community
- The comment cycle will be extended beyond the normal period, to 120 days.
- Facilitating Public Comment
 - The main page of the Commission's website (<u>www.fcc.gov</u>) will be updated to feature a hyperlink to a webpage dedicated to the media ownership proceeding.
 - The page will feature details on public hearings, access to the FNPRM and studies, and instructions to facilitate the filing of public comments.