

WRITTEN STATEMENT

of

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**Commissioner,
Federal Communications Commission**

on

“Federal Communications Commission Oversight Hearing”

**Before the
Committee on Commerce, Science, and Transportation
United States Senate**

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Summary of Written Testimony of Commissioner Deborah Taylor Tate

Since arriving at the Federal Communications Commission in January 2006, I have considered hundreds of issues. Some of these affect only a single party, while others are of national and even international significance. As holders of the public trust we continue to seek an open dialogue with Congress and the American people.

From reviewing our media ownership rules, to coordinating with the industry for a successful DTV Transition, to fiscal responsibility in managing spectrum allocation for new and innovative services, to encouraging nationwide deployment of broadband, to facilitating the interoperability of our public safety services, to ensuring the long-run viability of our Universal Service program, these decisions will be among the most historically significant the Commission will make.

I look forward to hearing your thoughts and working with you on these and many other important issues facing the Commission, Congress, and our nation.

Mr. Chairman, Members of the Committee, it is an honor to appear before you today as a member of the Federal Communications Commission. As a public servant, I realize that I hold a position of public trust and recognize that protecting that trust requires engaging in open dialogues, both with Congress and the American people. Accordingly, I welcome the Committee's input and questions.

Since I arrived at the Commission in January 2006, there have been hundreds of issues before us. Some of these affect only a single party, while others are of national and even international significance. For all issues, it is our duty to carefully consider the facts and approach our analysis with the goals of fostering competition, encouraging innovation, and helping ensure this country's global competitiveness for years to come.

A few issues before the Commission have been at the top of our agenda since I arrived. From reviewing our media ownership rules, to coordinating with the industry for a successful DTV Transition, to fiscal responsibility in managing spectrum allocation for new and innovative services, to encouraging nationwide deployment of broadband, to facilitating the interoperability of our public safety services, to ensuring the long-run viability of our Universal Service program, these decisions will be among the most historically significant the Commission will make and therefore should command your attention as well as the public's.

Following a remand by the D.C. Circuit in 2004, media ownership has been a front-burner issue for the Commission. Throughout this review, the focus of our attention has been on the touchstones of competition, localism, and diversity of voices. Over the past 18 months, we have held open public hearings across the entire country – literally from sea to shining sea – in Los Angeles and El Segundo, California; Tampa,

Florida; Harrisburg, Pennsylvania; Chicago, Illinois; Seattle, Washington; and I was so glad to welcome my colleagues to Belmont University in my hometown of Nashville. These lengthy hearings have enabled thousands of American citizens to have unprecedented access to a governmental body while providing them the opportunity to voice their opinion regarding ownership of media outlets. Over my 20-plus years of public service – at all levels of government – I cannot remember a single time that an agency expended this much institutional energy and investment on an issue, or was this open and thorough regarding a matter of public interest. We invited comment not only from the general public, but also from expert panels of economists; TV, radio, and film producers; musicians; directors; professors; students; small and large broadcasters; and community organizations. During the roughly year and a half of on-going hearings, we also arranged for ten media studies, which were completed over the summer, subjected to peer review, and were made accessible online.

Never before has so much competition existed for the eyes and ears of American consumers of news and information, wherever, whenever, and however, over any device they may choose. This competition is cross-platform, and it includes newspapers and broadcasters, of course, but also cable, satellite and wireline networks and, increasingly, mobile networks. And as more platforms offer access to the Internet, the breadth of the sources only expands. I grew up in a small town in rural Tennessee where our media choices were a handful of radio stations and three major television networks. Today, in cities and towns across the country, households have more access to media voices than ever.

We must structure our media ownership rules to account for the needs not just of our generation, but of the next generation. The “I-Generation,” as they are often called, lives in an online, YouTube world, with access to local, national, and international news sources we could only have dreamed of at their ages. Like many of you, I am an avid consumer of news – from industry trade publications to national newspapers to my local paper, *The Tennessean*, as well as CNN clips, online news sites, and tools such as alerts that are set to my personal news preferences. Yet my list of news sources pales in comparison to the number of sources accessed by the younger generation.

While I share many commenters’ concerns about the negative impact media can have, from extreme violence to exceedingly coarse language, to the impact on childhood obesity, I appreciate the many media companies that try to have a positive impact.

I also continue to be troubled by the statistics regarding the low rate of female and minority ownership in the industry. During my tenure at the Commission, I have tried not merely to talk about the issues, but to work with others to find solutions, both inside and outside the Commission, which could have a positive impact. Over the past year, I participated in the NAB Education Foundation series for women and minorities; I attended the Hispanic Broadcasters Association Financing and Capitalization Seminar; and I have also worked with the National Association of Black Owned Broadcasters. At these events, when women and minority broadcasters discuss challenges they face, financing is always at the top of the list. This is true for those who are just starting out, and those who have been in the industry for years. I am very pleased that the Commission is presently considering a number of proposals to assist women and minorities. In addition, I have offered to lend my support to an annual conference that

would focus on investment opportunities. Another recommendation before the Commission is allowing minority and women broadcasters to purchase expiring construction permits, and giving them the duration of the permit, or 18 months, to complete construction. Finally, we continue to discuss changing the Equity-Debt Plus (EDP) attribution rule so that investors' concerns with ownership limits will not prevent them from making investments they would otherwise consider.

Let there be no doubt that women – many of whom are African-American – are indeed succeeding in this industry. Look for example at Cathy Hughes, founder and chairperson of Radio One/TV One, Inc., the largest African-American-owned and operated broadcast company in the United States, or Susan Davenport Austin, Vice President and Treasurer of Sheridan Broadcasting Corporation, which manages the only African-American-owned national radio network. And then there is Caroline Beasley, Executive Vice President and CFO of Beasley Broadcast Group, Inc., the 18th largest radio broadcasting company in the country, and Susan Patrick, co-owner Legend Communications, who has been in the media brokerage business for more than 20 years. I hope that we will employ every possible avenue to have a more positive impact on the diversity of both voices and ownership.

On another important issue, as Co-Chair of the Federal-State Joint Board on Universal Service, I am pleased that the Board issued a recommendation that will ensure the sustainability of universal service. We all agree that a modern and high-quality communications infrastructure is essential to ensure that all Americans, including those living in rural communities, have access to the full array of educational, economic, and other opportunities that are delivered via advanced communications services. Indeed,

Congress has directed that consumers in all regions of the nation have access to reasonably comparable telecommunications and information services, including advanced services, at reasonably comparable rates. The Commission's efforts to enact sound policy with regard to our Universal Service rules reflect a firm commitment to this Congressional directive.

Finally, apart from our many Congressionally mandated obligations, the Commission remains involved in many public interest issues that are important to the members of this Committee, such as fighting childhood obesity, protecting children online, and reducing children's exposure to media violence. We continue to partner with Congress and the private sector to improve the lives of children and families, through our joint Childhood Obesity Task Force and the Internet Safety Roundtable, which Senator Stevens and I recently participated in.

I look forward to hearing your thoughts and working with you on these and many other important issues facing the Commission, Congress, and our nation.