

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

April 15, 2014

The Honorable Deb Fischer United States Senate 825 Hart Senate Office Building Washington, D.C. 20510

Dear Senator Fischer:

Thank you for your letters expressing concerns regarding the FCC's Critical Information Needs (CIN) study. I understand your interest, and I want to be clear that I had my own concerns regarding the proposed Research Design when I first heard of the issue in December 2013 – within the first few weeks of my Chairmanship.

The development of the Research Design was intended to aid the Commission in meeting its obligations under Section 257 of the Communications Act. Section 257 directs the Commission to identify and eliminate "market entry barriers for entrepreneurs and other small businesses in the provision and ownership of telecommunications services and information services." The statutory provision expressly links our obligation to identify market barriers with the responsibility to "promote the policies and purposes of this chapter favoring diversity of media voices." Finally, Section 257 requires the Commission to review and report to Congress on "any regulations prescribed to eliminate barriers within its jurisdiction … that can be prescribed consistent with the public interest, convenience, and necessity."

I agree with you, and others that had similar concerns, that the approach outlined in the "Qualitative Analysis" portion of the Research Design was not appropriate. As an initial first step, I asked Commission staff to eliminate – in its entirety – that portion of the study. Upon further reflection, I decided that the study should not go forward at all. This does not mean that the Commission is abandoning its obligations under Section 257, or our review of diversity issues as part of the remand from the Court of Appeals for the Third Circuit. I take these responsibilities seriously, and want to ensure we approach them in the proper manner by seeking public input on the best way forward, and addressing any concerns head-on.

I do want to take the opportunity to clear up some continued misconceptions surrounding this topic: (1) I made clear early on, and I reassert now, that I do not intend to re-establish the Fairness Doctrine, or to impose any government mandates in violation of the First Amendment; (2) Final expenditures are still being calculated, but there was never more than \$500,000 allocated for the first phase of the CIN study, which included the Research Design, the Pilot, and other activities related to the test market study which has since been terminated; and (3) The Commission has many priorities, including the duty to promote diversity in the communications market, and having reliable data on how the markets function and serve the public is essential to

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our underlying responsibilities in the Communications Act – including our quadrennial review of media ownership rules.

I hope you find this information helpful. Please let me know if you have any questions.

Sincerely

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The Honorable Tim Scott United States Senate 113 Hart Senate Office Building Washington, D.C. 20510

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