

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

May 1, 2014

The Honorable Peter T. King U.S. House of Representatives 339 Cannon House Office Building Washington, D.C. 20515

Dear Congressman King:

Thank you for your letter expressing concern about pirate radio operators in New York City. I appreciate your concerns regarding these illegal operations and want to provide you with additional information on the Commission's enforcement efforts.

While we are unaware of any instances of pirate interference with Emergency Alert System (EAS) broadcasts, I want to assure you that the Commission takes its enforcement responsibilities regarding unauthorized operation seriously – particularly in the New York City Field Office. Indeed, the New York Office is responsible for nearly 25 percent of the FCC Enforcement Bureau's national pirate caseload. As you note, tracking down and prosecuting pirate radio stations is a difficult task. Agents use specialized equipment, including spectrum analyzers, field strength meters, and signal direction-finding devices to pinpoint pirate operations in the "noisy" New York City radio spectrum. Last fiscal year, our New York agents shut down 64 pirate operations and issued 63 enforcement actions.

This effort was greatly enhanced by a concerted effort by the Bureau to focus its limited resources on the New York City pirate issue. For several weeks in the summer of 2013, agents were detailed from several other field offices to work on a special pirate enforcement initiative in New York City. These agents successfully shut down numerous pirates, and their work resulted in a significant uptick in pirate enforcement. In fact, in FY 2013, more than 60 percent of the Notices of Unauthorized Operation issued by all 23 Commission field offices combined were against New York City pirates.

That pirate enforcement program continues to yield dividends. While an official enforcement action can shut down an unauthorized station, some pirates refuse to comply even after repeated FCC actions. In such cases, the field office can escalate its enforcement actions by seizing equipment through an *in rem* action in cooperation with the U.S. Attorney's office and U.S. Marshals. This month, FCC field agents and U.S. Marshals executed *in rem* warrants in Bronx and Manhattan. Those warrants resulted in the shutdown and seizure of equipment of two stations that were operating on four different FM frequencies.

While these enforcement efforts have had a palpable effect on some of the worst offenders, they are unlikely on their own to solve the broader piracy problem. Commission staff is considering complementary efforts, including outreach and education, as well as encouraging

lawful alternative information sources – such as Internet-based "radio" stations – that might serve the needs of the communities that otherwise provide an audience for pirate operators.

Although the FCC's field agents use the agency's enforcement tools to combat pirate radio nationwide, during the past fiscal year, \$17 million in funds paid by broadcasters and other licensees for the operation of the FCC were siphoned from our budget for sequestration. As a result, the Commission was unable to perform routine lifecycle replacement of essential enforcement equipment used by our field agents. Nor were we able to upgrade equipment to keep pace with technological developments in the field. The Commission did reprogram funds to pay for basic upkeep at the FCC facilities in Columbia, Maryland where numerous nationwide activities are monitored. We have requested permission to use additional regulatory fees to upgrade our enforcement equipment and supporting IT systems during the next fiscal year.

Similarly, as a result of sequestration and other budgetary issues, staffing in the Commission's field offices has declined sharply over the last several years. Indeed, our diminished funding level has left the Commission as a whole with a thirty-year low in FTEs, or permanent employees. Thus, any decision about additional staff for the New York Field Office must be informed by the agency's other priorities and statutory responsibilities. In this regard, I appreciate your interest in increasing the resources the Commission could bring to bear in its broadcast piracy enforcement activities.

Again, thank you for your letter. I will keep your office updated on any additional information and look forward to working with you on these issues.

Sincerely,

Tom Wheeler