

**REMARKS OF COMMISSIONER GEOFFREY STARKS
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The Enduring Legacy of Radio

Thank you for inviting me to speak with you today. It is a privilege to address this conference, and to talk about the important job we have of protecting access to the scarce resource that is our nation's airwaves, promoting the core principles of localism, diversity, and competition, and ensuring that broadcasters first and foremost serve the public interest. I look forward to engaging with you as leaders in the industry on how to address the issues Hispanic and Latinx and other underrepresented broadcasters face, and exploring what we all can do to keep radio vibrant and strong.

As the Commission addresses uncertainties brought on by the COVID-19 pandemic, we should be reflecting on what serving the public interest means for the world we live in today—one in which advertising and other sources of revenue have diminished for radio broadcasters not only due to the pandemic, but also because of disruptive technologies and applications that attract listeners who had for decades relied on broadcast radio for their news and entertainment. Satellite radio, music streaming apps and the internet writ large, for example, have individually and collectively changed the landscape for broadcast radio.

But does the availability of multiple options for consumers to access information, entertainment, education, and civic engagement mean it is less important for broadcasters to focus on core values of what it means to serve the public interest? Not at all. In fact, I believe the unique ability of radio to target specific audiences where they live and work is your competitive advantage. Indeed, the importance of your legacy lives on, especially for Hispanic and Latinx audiences who don't always have options for targeted or meaningful programming that fits their specific needs and desires.

Hispanic and Latinx radio audience listenership remains strong. According to Nielsen reporting in 2019, Hispanic listeners spend almost 13 hours each week listening to the radio, and radio has the highest weekly reach among Hispanic adults—96 percent compared to 92 percent of the total population. Ninety-eight percent of Hispanic (and Black) adults listen to radio on a monthly basis, which translates to more than 45.6 million Hispanic listeners. Broadcasters are meeting the needs of these listeners by providing Spanish-language or Latinx-focused programming on more than 1,000 commercial and non-commercial radio stations.

It is estimated that overall media consumption could grow by as much as 60 percent as we spend less time in social settings and more time at home due to the COVID-19 pandemic. That reporting by Nielsen indicates that radio listenership among those who already listen to the radio on a regular basis will either remain the same or increase during the pandemic, with one survey finding that 83 percent of consumers say they're listening to as much or more radio as they were before the pandemic.

For Hispanic and Latinx communities, radio has always served as a trusted source of culturally relevant information, especially for non-native English speakers. So it makes sense that 62 percent of Hispanics surveyed by Nielsen find radio to be a good source of information during the pandemic. More than one-third (37 percent) reported listening more to radio as a

result of the pandemic, compared with only 24 percent of White non-Hispanics. And in-home radio listening during the pandemic increased for Hispanics from 29 percent in March to 39 percent in April. That compares to a 29 percent to 42 percent rise for the total market of 18+ adults.

Why are they listening to more radio? Forty-three percent of Hispanics said their favorite radio host made them feel less concerned and panicked, and 42 percent said their favorite radio host made them feel less alone. Nearly half (48 percent) of Latinos reported that listening to their favorite radio host helped them feel more informed and less stressed. Another 45 percent reported that listening to their favorite radio host during COVID-19 made them feel more connected to their community and their culture.

Also in response to the COVID-19 pandemic, all those surveyed reported that listening to their favorite radio host makes them feel more informed about the things they need to know (53 percent), makes them feel less alone (44 percent) and less stressed (40 percent), and makes them feel less concerned or panicked (37 percent). This confirms what I already knew; that radio serves a vital public service to its listeners individually and the community collectively. Also, it seems that radio (along with Zoom, Netflix, and podcasts) has filled some of the void brought about by social distancing.

There is much work to be done. Since day one as an FCC Commissioner, I have spent a lot of time thinking about how to advance diversity in broadcast media, especially in ownership and employment. It should surprise no one that when radio broadcast licenses were first made available in the early 1920s, none of those licenses went to operators of Spanish-language stations. In fact, there were no stations broadcasting exclusively in Spanish before World War II. In 1947, radio broker Raul Cortez launched KCOR, the nation's first full-time Spanish-language station owned and operated by a Hispanic. By 1998, a report by the National Telecommunications and Information Administration (NTIA) showed Hispanic radio ownership was up to 1.2 percent (130 of the 10,315 commercial AM and FM radio stations). By October 2013, Hispanics had majority ownership interests in 374 of 9,403 commercial AM and FM stations (around 4 percent).

The FCC's latest numbers from October 2017 show that Hispanic/Latinx persons have a majority ownership interest in 209 of the approximately 3400 commercial AM radio stations, or 6.1 percent; for African Americans, the ownership number is about half that (103 stations, 3 percent). For commercial FM radio stations Hispanic/Latinx persons own 219 of the 5400 stations, or 4.1 percent; that number for African Americans is 114 stations, or 2.1 percent. What makes these numbers so alarming is that there are almost 61 million people who identify as Hispanic and Latinx in the U.S., which is about 18 percent of the population. Something is off.

Making America's broadcasters look more like the population of America is important to me for several reasons. The FCC has a statutory mandate to promote media diversity, in addition to the critical role we play in securing and protecting public access to information. We must make sure that everything—from who owns the broadcast license to who sits in front of the camera—reflects our diversity. To be even more clear, we must do better in fulfilling the Commission's obligation to promote ownership by women and people of color.

Achieving greater media diversity is also personal for me. Broadcasting is about more than simply entertainment or conveying information. What we see and hear, and who we see and

hear it from, impacts the way we view our world, our society, and ourselves. I want my young daughter and son to see and hear content that speaks to them in a personal way, delivered by people and viewpoints that reflect the diversity that is America. To achieve that, we are going to have to find effective ways to move the needle on media ownership diversity.

Why does this matter? Broadcast media has the transformative ability to empower and inform, and those exercising this power must represent all of us. Because media outlets provide viewers with educational, political, entertainment, and news programming, diversity of media voices ensures that audiences will have access to different perspectives and programming that is relevant to them.

So what can be done to increase these ownership numbers? I am on the record in strong support of bringing back the tax certificate program as a means to try to level the playing field for those who traditionally lack access to the kind of capital and opportunities necessary to purchase or run a broadcast station. Before being discontinued in 1995, the tax certificate program facilitated 287 certificates for radio stations and 40 certificates for TV stations, increasing minority broadcast ownership from 40 radio and TV stations in 1978 to 288 radio and 43 TV stations in 1995. That is real, significant progress, and if that program had continued the minority ownership numbers today might not be so underwhelming.

What I like most about tax certificates is that they address the primary barriers to increased ownership by women and people of color—access to capital and access to opportunity. The tax certificate addresses the opportunity barrier by creating incentives for station sellers to seek out qualified women and people of color to sell to. Because the airwaves that we use to provide broadcasting are a finite, public resource, there are a limited number of stations available in each market across the country. We know that new entrants have few opportunities to purchase a station, especially since so many stations are controlled by large, well-capitalized station groups, which drives up prices, leaving fewer opportunities for smaller, local ownership groups to get involved. It should come as no surprise that women and people of color who are in this space tend to be smaller or singleton owners. Bringing back the tax certificate program could place significantly more Hispanic and Latinx and other underrepresented broadcasters in a much better position to purchase and sustain broadcast stations.

For that reason I am grateful to Representative G. K. Butterfield for introducing the Expanding Broadcast Ownership Opportunities Act, H.R. 3957, which would reinstate the tax certificate program at the FCC to incentivize sales of broadcast stations to women and people of color by providing favorable tax treatment for a qualified sale that results in or preserves ownership of a broadcast station by a socially disadvantaged individual. The bill also encourages investment of capital in stations owned by women and people of color by requiring the FCC to foster investment in broadcast stations owned by socially disadvantaged individuals. The bill was recently reported out of the House Energy and Commerce committee for further consideration, so it is one step closer to once again making tax certificates available to foster more diverse broadcast ownership.

It is not just ownership numbers that need our attention. In one of my first votes as a Commissioner, I observed that the FCC was failing to make good on its statutory mandate to collect workforce diversity, or EEO, data from broadcasters. The agency has ignored Congress's will for nearly 20 years by not collecting this information, leaving us with little visibility into the

diversity of station management and news and production teams. Our continued dereliction of duty on the EEO data collection is simply unacceptable.

Until we can adequately quantify the problem, we cannot adequately address it. I am heartened by the fact that legislation introduced by Representative Yvette Clarke—the Enhancing Broadcaster Diversity and Inclusion by Verifying and Ensuring the Reporting required by Statute Is Transpiring and Yielding (DIVERSITY) Data Act, H.R. 5564—specifically recognizes “the long history of exclusion of women and people of color from media resources in the United States, and the responsibility of broadcasters to be responsive to the needs and interests of their communities of license.” Her bill calls for the Commission to complete its rulemaking on the EEO rules for the broadcast and cable industries that has been pending for over 15 years by restarting the collection and reporting on the FCC’s analysis of the data to Congress on a regular basis. This bill also was reported out of the House Energy and Commerce committee last month for further consideration.

A third bill that may help move the needle was introduced by Representative Long—the Measuring the Economics Driving Investments and Access for Diversity Act (MEDIA Diversity Act) of 2020, H.R. 5567—would require the FCC to consider market entry barriers for socially disadvantaged individuals who are being excluded from media ownership in its biennial communications marketplace report. This bill was recently referred to the Senate Committee on Commerce, Science, and Transportation for further consideration.

Without a doubt, we can use this help from Congress, but there are steps the FCC can take to increase media diversity without additional legislative authority. One proposal before the FCC holds promise to do just that. GeoBroadcast Solutions, LLC has petitioned the FCC to revise the FM booster rule to allow, on a limited basis, geo-targeted content to originate from FM booster stations. The use of this geo-targeted content holds promise as a way for stations to provide hyper-localized content including alternative language news, weather, emergency alerts, and advertising periodically during the broadcast day. It could provide a way for minority-owned stations to better serve their communities, and open up opportunities for small businesses looking to more cost-effectively advertise to a targeted audience and for FM stations owned by people of color to increase advertising revenue.

I am encouraged that this proposal has the support of 21 civil rights advocacy organizations, including MMTC, the Hispanic Federation, MANA, a National Latina Organization, and the National Hispanic Caucus of State Legislators. These advocates stress that local radio is the only local media that cannot offer geo-targeted content. Moreover the vendor, GeoBroadcast Solutions, has developed an ad revenue sharing model that would help smaller stations install boosters and new technology necessary to use the system without having to come up with up front capital and operational expenses. This innovative proposal reflects the kind of creative solutions we need to consider to address decades of inaction and harmful policies that have kept media ownership in the hands of too few for far too long.

In closing, I’ll end where I began: I believe radio will continue to be a vibrant, strong and valued resource for local audiences that rely on it for information and entertainment for the foreseeable future. I look forward to working with you. Thank you.