

**STATEMENT OF
ACTING CHAIRMAN MICHAEL J. COPPS**

Re: Policies to Promote Rural Radio Service and to Streamline Allotment and Assignment Procedures, MB Docket No. 09-52

This rulemaking is long overdue. Our allotment and assignment policies have been transformed over time into an arcane parlor game that only industry insiders know how to play. It is time to level the playing field. We need fair and transparent rules to meet our statutory obligations and, more importantly, our obligations to the American people.

Section 307(b) of the Communications Act mandates that we “provide a fair, efficient, and equitable distribution of radio service” to “the several States and communities.” That means that rural as well as urban communities are entitled to a fair distribution of service. All too often, however, we have twisted or ignored our 307(b) mandate as rural communities lose out on desperately needed new radio service or watch their current stations pick up and move to “greener” pastures.

In particular, I welcome taking a hard look at our preference for so-called “first local transmission service.” That rule gives applicants a Section 307(b) priority if they can find a small suburb of a large city that does not yet have a station formally licensed to it and they can convince the Commission that the suburb is sufficiently independent to warrant its own radio service. An applicant wins the game if it can convince the Commission to give it a preference for providing “first service” to the small suburb while blanketing the larger market with a powerful signal. I have expressed concern about the potential for abuse in these cases, especially since our *Tuck* standard—which is supposed to keep the game honest—is so feeble. While stations’ desire to migrate to more populated areas is understandable and has the potential to serve the public interest, our 307(b) analysis must be far more rigorous and examine the broader interests at stake.

Similarly, I am pleased that we will consider changes to our auctions process. I am especially concerned about potential new entrants in the AM band who have been unable to employ bidding credits for a particular allotment because no auction was ever held. Instead, the Commission typically awards a dispositive preference for the application that proposes to serve the most people—even if the difference is minimal. The end result is that more rural applicants often never even get the chance to bid at auction because the most urban applicant is awarded a dispositive preference. This process not only forecloses many applicants from participating in auctions, it is time-consuming and delays the delivery of new radio service to the public.

As I have noted before, the erosion of broadcast localism is not the result of a particular rule change or single event. Nor is it an accident. It is the result of countless decisions over the past twenty-five years that make it more and more difficult for localism to hold its ground. We have clear-cut the forest and wonder why the precious topsoil is being washed away. It is time to plant a few saplings.

