

**STATEMENT OF
COMMISSIONER ANNA M. GOMEZ**

Re: *2022 Quadrennial Regulatory Review – Review of the Commission’s Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996*, Notice of Proposed Rulemaking, MB Docket No. 22-459 (September 30, 2025)

In the last few weeks, we saw one of the most alarming attacks on the First Amendment in recent memory. First, an ABC reporter was told that his coverage amounted to hate speech and that he should be prosecuted simply for doing his job. Then, this FCC threatened to go after this same network, seizing on a late-night comedian’s comments as a pretext to punish speech it disliked. That led to a new low of corporate capitulation that put the foundation of the First Amendment in danger. This was no simple business decision. It was an act of clear government intimidation.

And while the FCC does not have the authority, the ability, or the constitutional right to police lawful content or to punish broadcasters for speech the government dislikes, even the threat of revoking a license is no small matter. It poses an existential risk to a broadcaster, which cannot exist without its license. Ultimately, after days of bipartisan pushback against this weaponization of government power, Disney backed off. However, for several days the corporate behemoths who own large swaths of local stations across the country did not. That’s because these billion-dollar media companies have business before the FCC. They will need regulatory approval of their transactions and are pushing to reduce regulatory guardrails so they can grow even bigger. That has left local stations trapped in the middle as these massive companies impose their will and their values upon local communities.

This precise example neatly encapsulates the danger of allowing vast and unfettered media consolidation. This could drastically alter the media ecosystem and the number of voices that are a part of it. This Notice of Proposed Rulemaking is one of multiple proceedings impacting the media ecosystem on which the Commission is expected to act in the near term. I think it is the right moment to give an overview of what is expected, how these actions are related, why it matters, and what is at stake.

First, local broadcast journalism matters. It is a key element of the United States’ civic infrastructure that keeps our democracy strong. Over the past two years I have travelled around the country meeting with stakeholders in all the industries we oversee, and almost everywhere I went I have visited with a local television and/or radio broadcaster. From a Low Power FM station in the Boyle Heights neighborhood of Los Angeles to the NBC and Telemundo studios in Miami, Florida. One beauty of the local broadcasting model is that they are virtually everywhere. I am consistently blown away by local journalists’ commitment to serving their local communities and their passion for their work.

What we all need to understand is that even when you get your news on your phone as opposed to from a local broadcast, the source of that news is very often a local broadcast journalist that does the hard work, day in and day out. That means, if there are fewer local broadcast journalists, there are fewer total journalists out there covering the stories that matter to communities and the nation. This is on top of the loss of local journalists that resulted from the closures of so many local newspapers.

Second, the media ecosystem has changed. As described in this item, the regulatory structure underlying broadcasting is complex and designed to, on the one hand, ensure a diversity of viewpoints are represented by precluding one entity from dominating the voices available in a community and, on the other hand, support a balance of negotiating power between large broadcasting networks that produce news and entertainment content targeting a national audience and locally licensed broadcasting stations that produce news and entertainment content that is targeted locally. Importantly, from its inception, the broadcasting ecosystem has provided free over the air programming nationwide supported by advertising dollars.

Advertising is a multi-billion dollar business and advertising decisions are driven by competitive

market forces. The public has benefited as competition for viewers resulted in high quality programming. As technology evolved over the last three-quarters of a century, there have been changes to our regulatory structure that were designed to maintain the balance between national and local broadcasters and to protect consumers. There are rules that set guardrails on how broadcasters negotiate with what we call Multichannel Video Programming Distributors, or MVPDs, also known as cable and satellite television companies, for the distribution of their content. One of the outcomes of these rules is a framework for payments from MVPDs and their subscribers to broadcasters that are referred to as “retransmission consent” payments. These payments are an additional important source of support for free over the air programming and the proceedings I am describing will also impact the negotiating leverage among the broadcasters and MVPDs.

Broadcasters have been losing advertising dollars to digital alternatives for decades, but the rise of various streaming platforms, the decline of cable subscribers, and the shift driven by audiences getting news and entertainment through social media applications has been growing for some time and is upending the longstanding model.

When broadcasters were the indisputably best advertising medium, broadcast advertising dollars were plentiful and could support multiple local broadcasting stations in most communities. The competition from all the digital platforms, which can deliver national or local targeted ad campaigns using personal data, the migration of high value content such as live sports to alternative streaming platforms, and the decline of MVPD subscriptions are having a very real impact on broadcasters’ bottom lines.

Not surprisingly, broadcasters are working on multiple fronts to keep their businesses financially viable in the digital age. Nobody can tell me what the broadcasting industry is going to look like five or ten years down the road. And, importantly, not all broadcasters have the same incentives because they are often managing different collections of assets. So I am going to walk through key aspects of several issues that are pending in different proceedings.

This Quadrennial review is looking at the prohibition against owning more than two broadcast stations in a market. The case for lifting the two-station rule is that economic pressures, meaning reduced advertising and subscription dollars, can only be addressed by creating economies of scale through the use of shared resources such as real estate, personnel, and technology. The case against it is made clear in arguments I hear such as from a consumer, who wrote to me about the fact that four of the five stations in Eugene, Oregon, that broadcast local news are owned by a single entity. She raised concerns that

“[the commonly owned] stations all share the same crew, reporters, on-air personnel and stories for the local news programing. This means that although there are five stations with local news programs on air each day there [are] really only two choices. . . . I believe that limits the points of view available when it comes to local news stories. And since the local news programs also include some national news stories the four stations owned by [that one station group] are all the same stories as reported by [such station group].”

In a second proceeding, the Commission is looking at raising the national ownership limit. That is, entities are prohibited from owning broadcast stations that reach more than thirty-nine percent of the households in the United States. This issue created controversy in the past and in 2004 Congress stepped in to ratchet back the FCC’s prior action and to establish the national ownership cap we have today. Advocates for raising or eliminating the cap argue that it limits their ability to compete for national advertising campaigns that are necessary to support local broadcasting, which they are committed to. Opponents assert the local broadcasters owned by large station groups, which can be billion-dollar corporations, are not serving their local markets because they are broadcasting content advancing the corporate parent’s national interests as if it was locally originated.

Given the prior Congressional action, I believe that only Congress can raise the cap. From a policy perspective, as explained in the item today, our regulatory structure is in large part based on a balance of power between national networks with incentives to serve national interests and local broadcasters with incentives to serve their local communities. A significant question to be addressed is how would ownership of a group of local broadcasters that together reach the majority or all of the nation change the incentives of that station group? In the past two weeks the public has raised serious concerns that large station groups made programming decisions to serve their national corporate interests, not their communities of license. What is the impact of letting them get even bigger?

Finally, broadcasters are petitioning the Commission to impose a hard deadline requiring cutover to the next generation of broadcasting technical standards, generally referred to as NextGen TV or ATSC 3.0. While this sounds a little wonky, stick with me here for a moment to explain why this matters.

NextGen TV is a new broadcasting standard that uses an IP format. Broadcasters can use this to evolve technologically and to provide additional services to better compete with digital platforms, through both services they offer and targeted advertising they will sell. It will allow more efficient use of spectrum, which will in turn free up spectrum for non-broadcast uses they can monetize. There are many good things about this technology, but like everything else it raises questions of costs and policy outcomes. Costs will be borne by manufacturers that will need to add technology to televisions to receive this broadcast, MVPDs that will need to change their equipment to receive the NextGen TV signals, and consumers that will need to purchase antennas for their existing TVs to receive the new signal over the air or potentially pay higher prices for new televisions.

Importantly, the benefits of NextGen TV to broadcasters increase if the national ownership cap is raised or eliminated. A station group with a nationwide footprint and data about their audiences will be able to compete for national targeted advertising campaigns. They also plan to sell datacasting services using the broadcast spectrum made available by the more efficient standard to, for example, broadly and efficiently transmit technical updates to devices such as phones and cars outside traditional broadband connections. This may well be a great use of spectrum but we should certainly consider the policy implications of allowing this before it happens.

These are all complex proceedings with more issues to resolve than I am covering today. The financial pressures on local broadcasters are very real as are the significant values of the local broadcasting services they provide to their communities of license.

The Commission requires locally licensed broadcasters to serve their communities of license in the public interest. The key principles underlying this statement remain localism, viewpoint diversity and competition. Financial gains for corporate giants is not a basis to abandon our, and broadcasters', obligations to serve the public interest.

The question remains, however, what can we do, how do we move forward to maintain and grow this critical infrastructure of democracy that depends on the broadcast ecosystem? I do not fault the broadcasters and other industry stakeholders for looking out for their financial interests, that is their job. And I applaud the public interest advocates for pushing back against the notion that competitive pressures are more important than localism and viewpoint diversity. We need to ensure our rules prioritize viewpoint diversity and incentivize broadcasters to serve their communities of license. The broadcast ecosystem is a longstanding public private partnership and I call on all stakeholders to approach this pivotal moment with an open mind to identifying modifications to current rules that would both shore up the economics of broadcast television and preserve the public interest.

This Notice of Proposed Rulemaking is required by statute. I support seeking comment on

these very important issues and I look forward to productive engagement with stakeholders and remain focused on retaining rules necessary to serve the public interest.

I appreciate the Chairman including my suggested edits in the Notice of Proposed Rulemaking and thank the Media Bureau staff for their good work on this complex matter.