August 22, 2025

Marlene H. Dortch Secretary Federal Communications Commission 45 L Street, N.E. Washington, DC 20554

Re: Amendment of Section 73.3555(e) of the Commission's Rules, National Television Multiple Ownership Rule, MB Docket No. 17-318

#### Dear Secretary Dortch:

On behalf of the undersigned organizations, we write to oppose any efforts by the Federal Communications Commission to loosen the National TV Audience Cap. Not only is the Commission prohibited from changing the National TV Audience Cap, but relaxing media ownership limits will also further exacerbate already-low competition, localism, viewpoint diversity and ownership diversity and will harm workers. Moreover, any increase in ownership limits will spur more mergers, which will expand the impact of the Chairman's insistence that companies promoting diversity, equity and inclusion do not have "a path forward where the FCC could . . . conclu[de] . . . the transaction is going to be in the public interest."

Media diversity has long been a top priority of the civil rights community because we understand that meaningful protection of civil rights relies in great measure on an accurate, independent, and diverse media that serves the constituencies we represent. Ownership caps prevent individual companies from dominating national or local markets.<sup>3</sup> A wider number of owners means it is more likely that a woman or person of color, or a member of any other underrepresented group, can purchase a station.

#### The Commission is failing its obligation to promote media diversity

The Commission's obligation to promote media diversity is set forth in Section 1 of the Communications Act. It directs the FCC "to make available ... to all people of the United States, without discrimination on the basis of race, color, religion, national origin, or sex, a rapid, efficient, Nation-wide and world-wide wire or radio communications service...." Section 257

<sup>1</sup> Media Bureau Seeks to Refresh the Record in the National Television Multiple Ownership Rule Proceeding, MB Docket No. 17-318, Public Notice, DA 25-530 (rel. June 18, 2025).

<sup>&</sup>lt;sup>2</sup> Emma Roth, "No DEI allowed for US mergers and acquisitions, says the new FCC chair," The Verge (Mar. 21, 2025), <a href="https://www.theverge.com/news/634244/fcc-brendan-carr-dei-us-mergers-acquisitions">https://www.theverge.com/news/634244/fcc-brendan-carr-dei-us-mergers-acquisitions</a>.

<sup>&</sup>lt;sup>3</sup> See *Sinclair Broad. Grp., Inc. v. FCC*, 284 F.3d 148, 160 (D.C. Cir. 2002) ("the greater the diversity of ownership . . . the less chance there is that a single person or group can have an inordinate effect, in a political, editorial, or similar programming sense, on public opinion at the regional level.")

<sup>&</sup>lt;sup>4</sup> 47 U.S.C. § 151 (emphasis added).

of the Communications Act also speaks to the importance of diversity,<sup>5</sup> and the Supreme Court has reaffirmed the Commission authority and duty to act in the public interest promoting competition, localism and diversity.<sup>6</sup>

The most recent data released by the Commission earlier this year, data which the current leadership has stopped collecting, demonstrates the continued severe underrepresentation of women and people of color in broadcasting:

- In the Full Power TV service, women comprise 7.5 percent of licensees and people of color and Hispanics comprise a total of 8.6 percent of licensees;<sup>8</sup>
- The second most diverse service is Class A TV, where only 9.3 percent of licensees are women and 15.2 percent are people of color and Hispanics.

Despite plain civil rights mandates and an abject failure to meet them, this Commission required many companies to eliminate their programs to ensure that women, people of color, people with disabilities, and the LGBTQ community are treated fairly in order for their mergers to be approved.<sup>9</sup>

## Many communities rely on broadcasting

At the same time that people of color are excluded from ownership in broadcasting, they rely on it significantly. As Asian Americans Advancing Justice | AAJC *et al.* explained, in 2022 "while nearly half (48.3%) of Asian Americans and Pacific Islanders lived in the top 20 designated market areas, 25% of stations had no AAPIs on air." <sup>10</sup> Previous studies demonstrate similar

<sup>&</sup>lt;sup>5</sup> "The Commission shall seek to promote the policies and purposes of this Act favoring diversity of media voices, vigorous economic competition, technological advancement, and promotion of the public interest, convenience and necessity." 47 U.S.C. § 257.

<sup>&</sup>lt;sup>6</sup> As recently as 2021, the Supreme Court concluded that "[u]nder the Communications Act of 1934, the Federal Communications Commission possesses broad authority to regulate broadcast media in the public interest." *FCC v. Prometheus Radio Project*, 592 U.S. 414, 416 (2021). The FCC has long justified its media ownership rules as promoting "competition, localism, and viewpoint diversity by ensuring that a small number of entities do not dominate." *Id.* at 418.

<sup>&</sup>lt;sup>7</sup> Federal Communications Commission, Public Notice, Media Burau Waives Requirement for Broadcasters to File Biennial Ownership Reports for 18 Months, DA 25-671 (Re. July 29, 2025), https://www.fcc.gov/document/media-bureau-waives-biennial-ownership-filing-req-18-months.

<sup>&</sup>lt;sup>8</sup> Seventh Report on Ownership of Broadcast Stations, FCC Form 323 and Form 323-E Ownership Data as of October 1, 2023, DA 25-28, Majority Ownership Interest by Gender, Race, and Ethnicity, Commercial Full Power Television Stations – 2023, Table A(3) at 26 (2025).

<sup>&</sup>lt;sup>9</sup> Brit Morse, "The anti-DEI movement has a new ally: The FCC," Fortune (July 17, 2025), <a href="https://fortune.com/2025/07/17/trump-administration-anti-dei-movement-new-ally-fcc-t-mobile-paramount-verizon/">https://fortune.com/2025/07/17/trump-administration-anti-dei-movement-new-ally-fcc-t-mobile-paramount-verizon/</a> (when Paramount, Verizon and T-Mobile rolled back diversity equity and inclusion, days later the FCC approved those transactions).

<sup>&</sup>lt;sup>10</sup> Asian Americans Advancing Justice | AAJC *et al.* Comments at 1-2.

reliance by African Americans and Hispanic audiences. <sup>11</sup> As National Hispanic Media Coalition explains, 62 percent of Hispanics get their news from broadcast television. <sup>12</sup>

Not just people of color need broadcasting to be of high quality. Millions of Americans lack both mobile and high-speed internet, whether they live in rural or urban areas where access to infrastructure is insufficient, or simply cannot afford it. <sup>13</sup> Rural areas also disproportionately lack access to reliable internet and rely on local broadcasting. Using updated benchmarks for high-speed internet and a national comprehensive map, the FCC estimated last year that 24 million Americans still lack access to broadband. <sup>14</sup> For these communities, broadcasting is essential because any internet content is not accessible.

### More media consolidation will harm localism, journalism, workers and democracy

Congressional and Commission policy has always favored broadcasting as a local medium and has long been concerned with ensuring that a vibrant marketplace exists for the creation of content serving local needs and the needs of diverse audiences. <sup>15</sup> Raising the National TV Audience Cap will harm journalists and workers that bring news and information to the public. As NABET-CWA explains, "Increased consolidation in the labor market is associated with worse outcomes for workers, including lower posted wages, lower earnings, lower total compensation, and fewer new hires." <sup>16</sup> NABET-CWA explains that employees of the largest TV owner, Nexstar:

earn less than the living wage for their metro area. Fifty-five percent of workers surveyed report delaying medical care because of low wages, and 53% report delaying buying groceries. Over one fifth of survey respondents rely on a second job or overtime in order to make ends meet.<sup>17</sup>

<sup>&</sup>lt;sup>11</sup> The National Association of Broadcasters issued a series of reports in January 2017: "Broadcast Television and Radio in African-American Communities;" "Broadcast Television and Radio in Hispanic Communities;" "Broadcast Television and Radio in Asian-American Communities."

<sup>&</sup>lt;sup>12</sup> NHMC Comments at 2.

<sup>&</sup>lt;sup>13</sup> Cao, Michelle & Goldberg, Rafi, *Switched Off: Why Are One in Five U.S. Households Not Online*, NTIA (Oct. 5, 2022), <a href="https://www.ntia.gov/blog/2022/switched-why-are-one-five-us-households-not-online">https://www.ntia.gov/blog/2022/switched-why-are-one-five-us-households-not-online</a>.

<sup>&</sup>lt;sup>14</sup> Teale, Chris, New FCC Broadband Standard Increases the Number of 'Underserved' Households in America, Route Fifty (Apr. 4, 2024), <a href="https://www.route-fifty.com/digital-government/2024/04/new-fcc-broadband-standard-increases-number-underserved-households-america/395486/">https://www.route-fifty.com/digital-government/2024/04/new-fcc-broadband-standard-increases-number-underserved-households-america/395486/</a>.

<sup>&</sup>lt;sup>15</sup> From the beginning of broadcasting until the present day the Commission has never wavered from its commitment to localism because it is mandated by Section 307(b) of the Communications Act. *See, e.g.*, Public Service Responsibilities of Broadcast Licensees, 11 FCC 1458 (1946); Broadcast Localism, Notice of Inquiry, 19 FCC Rcd 12425 (2004).

<sup>16</sup> NABET-CWA Comments at 2.

<sup>&</sup>lt;sup>17</sup> *Id.* at 3.

The American public has already suffered greatly from the impact of mis- and dis-information in recent years. Broadcast news should be an antidote to this damaging trend by offering fact-checked journalism on news programming offered by locally owned broadcast television stations. Local journalism is more trusted than national journalism: a Reuters 2024 study found sixty-two percent of those surveyed trusting it, "the highest score of any . . . online or TV source." Scholarly research demonstrates that increased news consumption—in particular, reporting that connected the news to a consumer's specific lived experience—corresponds to increased civic participation and voting. Large national owners like Sinclair and Nexstar are likely to force distribution of their own national content at the expense of local content. And the trend of consolidation since 1996 has led to fewer stations airing original journalism, Consolidation will reduce localism, the Commission should not increase or eliminate the National TV Audience Cap.

# The Commission cannot change the National TV Audience Cap and must eliminate the loopholes permitting companies to exceed the cap

The Commission should not change the National TV Audience Cap because Congress set the current national ownership cap in 2004 via statute, and the Commission does not have authority to change it now.<sup>22</sup> When Congress set the cap at its current 39 percent, it also ended the authority for the Commission to further change it by removing it from the Commission's quadrennial review process.<sup>23</sup> While Congress gave the Commission authority to change other

<sup>&</sup>lt;sup>18</sup> Winslow, George, *Reuters: Local TV News Remains Most Trusted News Source*, TVTech (July 3, 2024), https://www.tvtechnology.com/news/survey-local-tv-news-remains-most-trusted-news-source-but-only-28-access-it-each-week; Fioroni, Sarah, *Local News Most Trusted in Keeping Americans Informed About Their Communities*, Knight Found. (May 19, 2022), https://knightfoundation.org/articles/local-news-most-trusted-in-keeping-americans-informed-about-their-communities/.

<sup>&</sup>lt;sup>19</sup> See Media Ownership Study 8B, Diversity in Local Television News, by Lisa M. George and Felix Oberholzer-Gee, FCC Docket 14-50 (2011); Media Ownership Study 7 by Joel Waldfogel and J. Berry, Radio Station Ownership Structure and the Provision of Programming to Minority Audiences: Evidence from 2005-2009, MB Docket 14-50 (2011); S. Berry, J. Waldfogel. Do Mergers Increase Product Variety? Evidence from Radio Broadcasting. Quarterly Journal of Economics, 116, 1009-1025 (2001); Gentzkow, Matthew. "Television and Voter Turnout." Quarterly Journal of Economics 121, no. 3(2006): 931-72; George, Lisa M. and Joel Waldfogel, "National Media and Local Political Participation: The Case of the New York Times" in Roumeen Islam, ed., Information and Public Choice: From Media Markets to Policymaking. Washington, DC: World Bank Publications, pp. 33-48 (2008); Oberholzer- Gee, Felix, and Joel Waldfogel. "Media Markets and Localism: Does Local News *En Español* Boost Hispanic Voter Turnout?" American Economic Review, 99, no. 5 (2009): 2120-28.

<sup>&</sup>lt;sup>20</sup> Free Press Comments at 35-37.

<sup>&</sup>lt;sup>21</sup> *Id.* at 38-40.

<sup>&</sup>lt;sup>22</sup> Consolidated Appropriations Act, 2004, Pub. L. 108-199, §629(1) (setting the cap at 39% and removing the national cap from the quadrennial review and from the forbearance provision).

<sup>23</sup> NABET-CWA Comments at 14-15.

media ownership rules set by Congress, it withdrew that authority with respect to the national cap.

The congressionally-set National TV Audience Cap must be implemented accurately but the UHF discount ignores Congress's directive. The UHF discount operates as an exception to the national cap and permits broadcast station owners using UHF spectrum to unfairly exceed the national cap and to serve an audience share that is twice as large as other broadcasters. The rule originated at a time—in the 1980s—when UHF stations were technically inferior to other stations. However, today all parties agree that technical distinction disappeared when the United States transitioned to digital television in 2009. In fact, UHF stations perform better than VHF stations using digital transmission. The Commission must eliminate the UHF discount because it is technologically incorrect and it permits consolidation in excess of the national cap.

A commitment to promote diverse media ownership is a fundamental component of our nation's communications policy. We strongly oppose relaxation of the National TV Audience Cap, urge immediate repeal of the UHF discount, and stand fast in opposition to the Commission's efforts to promote discrimination in media mergers.

#### Sincerely,

United Church of Christ Media Justice Ministry
Asian Americans Advancing Justice | AAJC
Hispanic Federation
Japanese American Citizens League
The Leadership Conference on Civil and Human Rights
National Consumer Law Center, on behalf of its low-income clients
National Hispanic Media Coalition

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<sup>&</sup>lt;sup>24</sup> UHF Discount Reconsideration Order, 32 FCC Rcd 3390, 3395 (2017).

<sup>&</sup>lt;sup>25</sup> *Id.* ("UHF discount no longer has a sound technical basis following the digital television transition."); Pai dissent, *UHF Discount Repeal Order*, 31 FCC Rcd 10213, 10247 (2016) ("the technical basis for the UHF discount no longer exists"). The Commission began suggesting it would eliminate the discount after the DTV transition as early as 1998. *1998 Biennial Review Notice of Inquiry*, 13 FCC Rcd 11276, 11285 (1998).

<sup>&</sup>lt;sup>26</sup> UHF Discount Repeal Order, 31 FCC Rcd at 10219, 10227-28 (2016).