

Calls for Investigation into Alleged Destruction of FCC Studies

Washington, D.C. - U.S. Rep. David Price (D-NC) is calling on the Federal Communications Commission (FCC) to investigate revelations that the agency may have suppressed studies questioning the Bush administration's position on media ownership. He has authored a letter, cosigned by 33 of his fellow members of Congress, which will be mailed to the FCC today. It is the North Carolina Democrat's latest effort to stop the FCC from loosening its rules on media ownership, which the congressman says will deal a heavy blow to local control of television, radio, and print media in our communities.

"If these allegations of suppressed studies are true, they are part of a disturbing pattern of the Bush administration twisting the facts to further its own policy objectives," Price said. "Good public policy is supposed to reflect what is best for the American people. If the FCC can't be trusted to present the results of its own studies to the public, how can it be trusted to act in the public's interest when it comes to the ownership of our airwaves?"

The allegations of the two suppressed studies came to light during FCC Chairman Kevin Martin's reconfirmation hearing before the Senate last week, and in subsequent correspondence between Martin and Senators. Whistleblowers within the FCC provided Sen. Barbara Boxer with a copy of one of the studies in question, which they say was ordered destroyed by senior managers at the agency. That study illustrated the negative impact media consolidation has on the American public's ability to receive local and diverse news coverage. The other study demonstrated the marked decrease in the diversity of radio station ownership in America between 1996 and early 2003.

These revelations cast doubt on the FCC's commitment to transparency and public involvement in its activities, just as the agency's most recent proceeding on media ownership policy is getting underway. In 2003, the FCC tried to force through changes in its rules, resulting in widespread public outcry and opposition in Congress, led by Reps. Price and Maurice Hinchey (D-NY). A U.S. Appeal Courts eventually blocked the FCC's rule change, forcing the Commission to re-evaluate its proposal for new ownership rules.

In a letter to the FCC's Inspector General, the 34 House Democrats wrote: "If one or both of these reports were suppressed because they did not support official FCC policy, such actions

could not only constitute fraud, but could also run counter to the FCC's stated goals of transparency and public involvement in its media ownership proceedings. We believe that a full accounting of the circumstances surrounding the possible suppression of these reports is essential if the FCC is to be perceived as acting in good faith on media ownership issues by Congress and the American people."

Price has been one of Congress's most outspoken opponents of FCC proposals to relax its ownership rules, which, among other things, would allow companies to own more newspaper and broadcast stations in the same community. Since June of 2003, he has worked on a series of legislative initiatives in the House that would effectively roll back some or all of the new rules. Price also helped convene a public hearing on media consolidation at Duke University in March 2003. Hundreds from across the political spectrum turned out in opposition to the proposed relaxation of ownership rules. He also addressed an October 2003 FCC hearing on localism in Charlotte, which was attended by Chairman Michael Powell.

The full text of the letter from the 34 House Democrats to the FCC Inspector General follows:

September 21, 2006

The Honorable Kent R. Nilsson, Ph.D., J.D.

Inspector General

Federal Communications Commission

445 12th Street, SW

Washington, DC 20554

Dear Inspector General Nilsson:

We are writing to express our grave concern about recent revelations that the Federal Communications Commission (FCC) may have intentionally suppressed two important studies on the impact of media consolidation during the term of former FCC Chairman Michael Powell.

The reports in question were a 2004 draft working paper that examined the relationship between media ownership and local news coverage, and a 2003 draft report titled "Review of the Radio Industry." The first report concluded that "locally owned television broadcast stations air more local news than network owned-and-operated and non-locally owned stations, even adjusting for the number of stations owned by the corporate parent." This conclusion appears to contradict arguments made by the FCC during the agency's 2002-2003 media ownership rulemaking process.

The second report found that between 1996 and early 2003, the number of commercial radio stations on the air rose 5.9 percent while the number of station owners fell 35 percent. This dramatic evidence of radio industry consolidation, had it been publicly available, would almost certainly have called into question the loosening of newspaper and television ownership rules finalized by the FCC in June 2003. If one or both of these reports were suppressed because they did not support official FCC policy, such actions not only could constitute fraud, but also would run counter to the FCC's stated goals of transparency and public involvement in its media ownership proceedings.

We believe that a full accounting of the circumstances surrounding the possible suppression of these reports is essential if the FCC is to be perceived as acting in good faith on media ownership issues by Congress and the American people. We urge you to quickly initiate a thorough investigation, as requested by FCC Chairman Kevin Martin, to ascertain whether these reports were suppressed, identify the parties involved, and recommend any appropriate disciplinary actions.

Thank you for your time and attention.

Sincerely,

DAVID E. PRICE MAURICE HINCHEY

TAMMY BALDWIN SHERROD BROWN

TOM ALLEN XAVIER BECERRA

JULIA CARSON JOHN CONYERS, JR.

PETER DeFAZIO ROSA DeLAURO

ANNA ESHOO SAM FARR

BOB FILNER RAUL GRIJALVA

LUIS GUTIERREZ DENNIS KUCINICH

JOHN LARSON BARBARA LEE

JOHN LEWIS JIM McDERMOTT

MIKE McINTYRE DAVID OBEY

DONALD PAYNE BERNARD SANDERS

JAN SCHAKOWSKY

JOSÉ SERRANO

LOUISE McINTOSH SLAUGHTER

ADAM SMITH

FORTNEY PETE STARK

TED STRICKLAND

TOM UDALL DIANE WATSON

LYNN WOOLSEY NEIL ABERCROMBIE