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November 1, 2017

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street SW
Washington, DC 20554

RE: MB Docket No. 14-50, *2014 Quadrennial Review*
MB Docket No. 09-182, *2010 Quadrennial Review*
MB Docket No. 04-256, *Rules and Policies Concerning Attributions of JSAs*
MB Docket No. 17-179, *Sinclair/Tribune*
WC Docket No. 17-287, [Eliminating and Eviscerating the Lifeline Program]
WC Docket No. 11-42, *Lifeline and Link Up Reform and Modernization*
WC Docket No. 09-197, *Telecom Carriers Eligible for Universal Service Support*

Dear Ms. Dortch:

On Monday, October 30th, I met with Kate Black, Commissioner Rosenworcel's Policy Adviser, Media, briefly discussing matters in the above-captioned dockets. We touched on a wide range of topics, spurred by the Commission's placement on the November agenda of both an order gutting local broadcast ownership rules and a set of proposals designed to devastate the Lifeline program.

On the topic of the broadcast ownership rules, I described the history of prior Commissions' attempts to remove any semblance of national and local ownership limits that promote the agency's stated goals of localism, competition, and diversity. I referenced (without detailing or citing extensively) Free Press's comprehensive comments, research, and analyses in the past several quadrennial review dockets and related proceedings. Those filings were among the first to illustrate the shockingly low levels of broadcast station ownership by people of color and women. They have likewise documented the folly and utter inadequacy of supposed solutions for this problem that only serve to eliminate ownership opportunities through consolidation, even to the point of allowing larger station group owners to control via shell corporations some of the very few licenses putatively held by diverse owners.[1]

Summing up that body of work in cursory fashion, I highlighted the fact that local TV and newspapers remain primary producers of local news. The question then before the agency is not whether the media landscape has changed since the adoption of some cross-ownership rules and limits, as broadcast special interests facetiously suggest. Clearly, it has – and that change has been accelerated by the internet to be sure. The real question is whether more consolidation of local broadcasters and newspapers, on a market-by-market basis and a national basis too, will lead to the production of more and more responsive local journalism and content.

[1] *See, e.g.*, S. Derek Turner, Free Press, "Cease to Resist: How the FCC's Failure to Enforce Its Rules Created a New Wave of Media Consolidation" (Mar. 2014), https://www.freepress.net/sites/default/files/resources/Cease_to_Resist_March_2014_Update.pdf.

In answer to that second question, I suggested that the present majority under Chairman Pai seemingly has embraced several illogical and positively Orwellian notions. With tutoring by the broadcast lobby, they believe that the path to more diversity is fewer viewpoints and owners; the path to more competition is fewer voices; and the path to more localism is greater distance from the community of license. These claims don't pass the laugh test.

The reconsideration order on this month's agenda, coupled with the steps already undertaken this year to reinstate the obsolete UHF discount, but eliminate the main studio rule, and fast-track a specific advanced TV standard, all pave the way for increased media consolidation. They also betray a shocking willingness by the industry's putative regulator to bend over backwards in aid of Sinclair's attempt to acquire Tribune – complete with changes in longstanding FCC merger review standards quietly announced the day of this presentation.

Turning to Lifeline, I recapped Free Press's initial analysis of the ineffective and immoral proposals in the item now on circulation. These unwelcome proposals materialized despite the fact that this vital program is set to shrink this year to its smallest size since 2009, while tens of millions of eligible participants already do not take part in the program. In light of these facts, the suggestion of a program-wide cap that could slash benefits to all beneficiaries is absurd, while the suggestion of an individual lifetime benefit limit is obscene. The latter is founded on the implausible assumption that poverty is some kind of choice, backed by the cruel belief that persons who may be able to take service without the support somehow do not truly "need" this income subsidy to make essential communications services more affordable.

Lastly, we discussed the fact that eliminating resale carriers from Lifeline would eliminate participation by providers currently serving no less than two-thirds or even three-quarters of the current Lifeline subscriber base. Chairman Pai's war on carriers that actually make robust use of the fund is of course a direct attack on the intended beneficiaries of the program: low-income individuals and families, all too often from traditionally under-served groups such as people of color, immigrants, veterans, and the elderly. And his war on the poor finds no basis in supposed efforts to root out the overstated levels of waste in the Lifeline program, since by his own admission the as-yet unimplemented reforms adopted in prior proceedings in some of these dockets already address the main sources of such fraud by carriers.[2]

Respectfully submitted,

Matthew F. Wood
Policy Director
Free Press

cc: Kate Black

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[2] *See, e.g.*, Written Testimony of Jessica J. González, Deputy Director & Senior Counsel, Free Press and Free Press Action Fund, Before the United States Senate Committee on Commerce, Science, and Transportation, "Addressing the Risk of Waste, Fraud and Abuse in the FCC's Lifeline Program" (Sept. 6, 2017), https://www.freepress.net/sites/default/files/resources/free_press_lifeline_testimony_september_2017.pdf; *see also* Letter from Chairman Ajit Pai to Sens. Debbie Stabenow and Gary Peters (Aug. 21, 2017), http://transition.fcc.gov/Daily_Releases/Daily_Business/2017/db0830/DOC-346443A1.pdf.