

Minority Media & Telecommunications Council

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MMTC URGES EXPEDITIOUS TREATMENT OF MINORITY OWNERSHIP RECOMMENDATIONS IN LIGHT OF GAO REPORT

Yesterday, after exhaustive study, the Government Accounting Office (GAO) issued a comprehensive report on the paucity of minority and women broadcast ownership. The GAO concluded that “ownership of broadcast outlets by minorities and women is limited” due to three factors: “(1) the large scale of ownership in the media industry” (including, specifically, “consolidation of broadcast ownership”), “(2) a lack of access to sufficient capital for financing the purchases of stations and (3) the repeal of the tax certificate program, which provided financial incentives for incumbents to sell stations to minorities.”

The GAO also concluded that the FCC’s minority ownership database has limited usefulness to policymakers owing to “data weaknesses stemming from how the data are collected, verified and stored.”

Today the Minority Media and Telecommunications Council (MMTC) issued this statement:

“Minorities own just 3.0% of the nation’s commercial television stations and 7.8% of the commercial radio stations. These are scandalously low numbers. Thus, the GAO minority ownership report should be taken as a clarion call to Congress and the FCC. It’s vital that Congress act now to restore the widely supported tax certificate policy, and hold hearings to provide comprehensive oversight of minority and women ownership.

“Commendably, on March 5 the FCC adopted thirteen new minority ownership initiatives and sought comment on twelve more proposals, including initiatives to repair minority ownership data collection, enhance minority access to broadcast spectrum, and create an incubator incentive program. The Commission should act expeditiously and strive to adopt these new proposals this summer.”

The GAO report is “Economic Factors Influence the Number of Media Outlets in Local Markets, While Ownership by Minorities and Women Appears Limited and is Difficult to Assess,” GAO-08-383 (released April 11, 2008), available on www.gao.gov.