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Recommendations from the Future of Media Report: End Localism Proceeding, Require More Online Public File Disclosures of Programming Information, Abolish Fairness Doctrine

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The FCC today heard from its Future of Media task force, when its head, Steven Waldman presented a summary of its contents at its monthly meeting. At the same time, the task force issued its 475 page report - which spends most of its time talking about the history of media and the current media landscape, and only a handful of pages presenting specific recommendations for FCC action. The task force initially had a very broad mandate, to examine the media and how it was serving local informational needs of citizens, and to recommend actions not only for the FCC, but also for other agencies who might have jurisdiction over various media entities that the FCC does not regulate. Those suggestions, too, were few in the report as finally issued. What were the big headlines for broadcasters? The report suggests that the last remnants of the Fairness Doctrine be repealed, and that the FCC's localism proceeding be terminated - though some form of enhanced disclosure form be adopted for broadcasters to report about their treatment of local issues of public importance, and that this information, and the rest of a broadcaster's public file, be kept online so that it would be more easily accessible to the public and to researchers. Online disclosures were also suggested for sponsorship information, particularly with respect to paid content included in news and informational programming. And proposals for expansion of LPFMs and for allowing noncommercial stations to raise funds for other nonprofit entities were also included in the report.

While we have not yet closely read the entire 475 page report, which was tiled <u>The Information</u> <u>Needs of Communities: The Changing Media Landscape in a Broadband Age</u>, we can provide some information about some of the FCC's recommendations, and some observations about the recommendations, the process, and the reactions that it received. One of the most important things to remember is that this was simply a study. As Commissioner McDowell observed at the FCC meeting, it is not an FCC action, and it is not even a formal proposal for FCC action. Instead, the report is simply a set of recommendations that this particular group of FCC employees and consultants came up with. Before any real regulatory requirements can come out of this, in most cases, the FCC must first adopt a Notice of Proposed Rulemaking, or a series of such notices, and ask for public comment on these proposals. That may take some time, if there is action on these suggestions at all. There are some proposals, however, such as the suggestion that certain LPFM rules be adopted in the FCC's review of the <u>Local Community</u> <u>Radio Act</u> so as to find availability for LPFM stations in urban areas, that could be handled as part of some proceedings that are already underway.

A second observation is that all of the conclusions reached in this study are not necessarily objective proposals, made in a vacuum. Instead, they reflect the perceptions and possible

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prejudices and political objectives of its authors and editors. There have been trade press reports that the report was subject to a lengthy editing process in the Chairman's office. Thus, there are conclusions that one might expect given positions that have been taken publicly by the various players at the FCC. For instance, there is a ringing endorsement of the importance of broadband. With the emphasis that the report puts on disclosure of community service programming and other matters by broadcasters needing to be done online, one can almost sense that the FCC feels that for something to be "real" or "meaningful", it must be done online.

The conclusions about LPFM seem similarly to be drawn from inherent perceptions, not from statistical analysis. The study, in its initial analysis of the state of LPFM, states that any detailed information on the performance of LPFM stations generally is difficult to come by. At best, they cite a few anecdotal reports of how such stations are serving their communities. Yet, the report reaches the conclusion that the Commission, in implementing the Local Community Radio Act, should interpret that act to ensure that LPFM stations have access to urban audiences, without any assessment of conflicting positions that others may have on that issue.

But, if perceptions color the results, broadcasters can actually feel somewhat comforted in that some of their message is being heard at the FCC. The report does find that the public trustee model of regulating broadcasters is "broken." That model of course mandates that the broadcaster, in exchange for its use of the public spectrum, must broadcast programming that serves the public interest. The report looks at the last 30 years of broadcast regulation, and finds that no broadcast station has lost its license for not serving the public interest. It also questions the use of **quarterly program issues lists** as providing the basis of reviewing the service provided by broadcasters, as these lists are not filed with the FCC, are not uniformly kept, and are not regularly reviewed by anyone but the broadcaster.

However, even though the report finds the public trustee model to be broken, it does not suggest a raft of new detailed regulations for broadcasters to follow (although Commissioner Copps, in his <u>statement on the report</u>, seems to suggest that the study should have suggested that kind of regulatory scheme). Instead, the report seems to suggest that, if the public has more information about the performance of broadcasters, it should be able to better judge the performance of those broadcasters. Thus, the report suggests the **on-line public file**. It acknowledges that the <u>Enhanced Disclosure forms</u> that were adopted three years ago for TV stations, but never implemented, were excessive in their requests for information. The report suggests that, instead, broadcasters provide a simpler, more streamlined on-line report as to their public interest programming (of course, no form is supplied, so how simple such a form would be is impossible to ascertain). Moreover, the report suggests that the Localism proceeding, which many broadcasters had feared because of its very specific prescriptions as to how every station should operate, be terminated by the FCC - stating that many of the proposals in that proceeding were unduly burdensome.

The report also suggests that more sponsorship information be provided by broadcasters as to the source of material contained in their news reports. The concept of the **video news release** (which we have written about <u>here</u>) seemed to weigh on the report's writers. They suggest that

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disclosure of where content in news programs originated be made not only on the air, but also online.

The **Fairness Doctrine** also was addressed by the report. The authors find that the Doctrine inhibited the production of news, and was therefore properly found unconstitutional by the FCC in the late 1980s. The report suggests that the FCC rule setting out the Doctrine be specifically repealed. At the public meeting, Mr. Waldman suggested that this would mean that all shards of the Doctrine would be removed - perhaps at long last ending the specter of the **Zapple Doctrine** that we have <u>written about</u> from <u>time to time</u> during political seasons.

In discussing noncommercial programming, the report suggests, in response to a proposal from the **National Religious Broadcasters Association**, that the prohibition in FCC policies against noncommercial stations fundraising for other local nonprofit organizations be repealed or modified. Waldman suggested that it made no sense that a noncommercial religious station could not do a fundraiser for some local soup kitchen, when the FCC has regularly waived that rule for fundraisers for distant disasters (see our posts on <u>Haiti</u> and <u>Japan</u> relief, where we raise that question).

There are many other nuggets buried in this report that we will no doubt discover as we read it in depth. While the report was simply a study, it was a study done with the cooperation of much of the FCC staff. So ideas and opinions expressed in the study may give broadcasters a good barometer of the attitudes of some at the Commission. So we will slog through the remainder of the report to see what we can find. Watch for more articles on the findings and implications of the report in coming days.

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