

MMTC Criticizes Foreign Ownership NPRM's Failure to Address Rules Applicable to Broadcast Licensees

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On December 1, 2011, the Minority Media and Telecommunications Council (MMTC) submitted comments in response to the Federal Communications Commission's (FCC's) Notice of Proposed Rulemaking (NPRM) to review foreign ownership policies for common carrier and aeronautical radio licensees under Section 310(b)(4). MMTC's comments challenged the NPRM's failure to address the application of Section 310(b)(4) to broadcast licensees because of what the NPRM reasoned were "different policy concerns for foreign ownership in the U.S. parents of broadcast licensees." Calling disparate treatment of foreign ownership of broadcast facilities neither "rational [n] or in the public interest," MMTC asked for relaxed restrictive foreign ownership rules applicable to broadcast licenses to be consistent with those applicable to common carrier and aeronautical radio licenses.

MMTC criticized Section 310(b)(4) as "outdated," with "sea changes" such as the exponential growth of U.S. media and social networking occurring since its adoption. Also citing the lack of foreign ownership restrictions on cable television, MMTC stated that "there is no principled reason to disallow foreign investment in U.S. broadcasting but permit foreign investment in wireline carriers and other non-broadcast facilities." According to MMTC, relaxing the foreign ownership rules as applicable to broadcast licensees would increase available capital, foster minority participation in broadcasting and enable reciprocity for U.S. ownership and media expansion abroad.

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