



Minority Media & Telecommunications Council

Recommendations for Technology and Broadband Policy

December 30, 2008

These Recommendations are developed in the MMTC Road Map for Telecommunications Policy (July 2008) (<http://www.mmtconline.org/filemanager/fileview/165/>).

I. FCC Infrastructure, Operations, and Substantive Rulemaking Priorities

Our society will achieve its fullest economic potential only when all segments participate fully as owners, workers and consumers in the important telecommunications, media and information sectors. President-elect Obama has made full participation a major goal of his administration. This goal can best be achieved when the FCC is structured and sets priorities to ensure that the entrepreneurial, managerial and creative talent of all Americans can find full expression in the marketplace. In order to promote this goal, the FCC should:

- A. Create the position of Chief Diversity Officer within the Office of General Counsel, and support this position with the hiring of senior constitutional scholars who can produce a constitutionally sustainable SDB definition.
- B. Initiate rulemaking reforms to ensure consideration of diversity issues:
 1. Include minority impact and digital divide (race, language, income and geography) reviews as part of each major rulemaking and merger decision, including those involving network neutrality, ownership and deployment; use dynamic scoring to ascertain the macroeconomic impact of new rules that would unlock minorities' and new entrants' entrepreneurial, managerial and creative potential.
 2. Perform a thorough Section 257 examination of all rules and policies, and submit to Congress a thorough 2009 Section 257 Triennial Report.
 3. Apply platform neutrality to civil rights enforcement by ensuring that the EEO, advertising and transactional nondiscrimination rules apply to all FCC-regulated industries.
- C. Act now on the over 40 substantive media and telecom diversity proposals submitted to the FCC by the MMTC and the FCC's Diversity Advisory Committee. For example:
 1. The Chief Economist should study the potential benefits of tradable diversity credits.
 2. The Designated Entity ("DE") program, which has in recent years reversed, rather than expanded, minority participation, should be significantly expanded and re-energized. Three reforms that should be made quickly include the repeal of the 10-year exit limitation (reinstating the previous 5-year period), repeal of the wholesale, lease and resale



restrictions on facilities-based DE licensees, and restoration of closed licenses for DEs.

- 3. To save terrestrial AM radio, where 2/3 of minority owners have their stations, the FCC should establish a profile advisory committee to plan the migration of AM stations to the spectrum now occupied by TV Channels 5-6, where the migrating stations would operate as FM facilities.

II. Congressional Action to Close the Digital Divide, Achieve Deployment of Universal, Affordable and Competitive Broadband Service, and Supervise the FCC’s Diversity Policymaking

Congress can ensure that we close the digital divide by deploying economic stimulus funding, instituting educational policy reforms, and providing meaningful FCC oversight. In particular, Congress should:

- A. Ensure that the Broadband Stimulus Package and related tax legislation address these issues:
 - 1. Restore the Tax Certificate Policy.
 - 2. Ensure that any broadband stimulus funds contain strong minority contracting and HBCU/HSI components.
 - 3. Reinstate the Telecommunications Opportunity Program.
 - 4. Evaluate the effectiveness of the Telecommunications Development Fund and proceed with its reauthorization based on such evaluation.
 - 5. Reinstate the gathering of annual statistics on media and telecommunications diversity and the closing of the digital divide.
 - 6. Direct the FCC or NTIA to conduct an immediate review of rural broadband policy that identifies and addresses racial disparities in rural broadband coverage and availability.
- B. Provide for universal K-12 education in media, telecom, and internet literacy, including skills, proficiency and policy.
- C. Adopt these reforms to the Universal Service Fund:
 - 1. Authorize sufficient Lifeline/Linkup and Rural Telemedicine USF support.
 - 2. Expand the E-Rate Program to underwrite computer training for teachers and computer distribution to low income families’ children.
 - 3. Evaluate existing USF funding mechanisms against universal service objectives and consider alternative distribution options.
- D. Hold hearings on market entry barriers and, if necessary, revise or clarify Sections 307(b), 309(j) and 310(b)(4) to promote minority media and telecom ownership.

* * * * *