

Hawaii Localism Coalition
Remarks to the FCC's Localism Task Force
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Aloha! Good evening Commissioners, FCC staff and members of the public here assembled. My name is Sean McLaughlin and I am president and CEO of Akaku: Maui Community Television, sharing these remarks on behalf of myself and the Hawaii Localism Coalition, which includes professional journalists, independent producers, academic leaders, and other supporters of diverse local media in Hawaii.

The Hawaii Localism Coalition was formed earlier this year to address the loss of diverse local media caused by media consolidation, and to organize public interest representation for Hawaii in public media policy deliberations.

The simple point of these remarks is to offer our concerned perspective from Hawaii relating to media localism and to ask that you include public hearings in our island State for future proceedings relating to federal media policies that address diversity, competition and localism.

Commercial media alone do not adequately serve local community needs and interests, and consolidated ownership exacerbates the problem.

To maximize profits, commercial media minimize local programming. With distant owners controlling management decisions, local commercial media increasingly become victims to the corrosive impacts of the profit-making imperative. The needs and interests of distinct local communities, especially lower-income people and minority groups who lack buying power are ignored or misrepresented as a result.

In this context, the Notice of Inquiry for Localism identifies some of the specific symptoms of the particular history and dynamics of broadcast media. However, there is a real risk here of missing the larger context and failing to address critical issues for the future of media localism.

Local public interests are at risk as Congress and the FCC reshape the regulatory landscape for media.

The current system of regulation to ensure localism is broken. Local public TV and radio, local community access media channels, public service networks, and other local public

interest benefits are all at risk. The FCC and your Localism Task Force must address the changing relationships between local broadcast, satellite, cable and broadband media operators. The FCC and your Localism Task Force must address the changing relationships between local broadcast, satellite, cable and broadband media operators. Commercial interests will continue to shape the marketplace and game the regulatory framework to suit their private interests — not the public interests of a healthy democracy.

The best way to promote locally-oriented programming is to ensure local and diverse ownership, and to set aside bandwidth with adequate operating support for non-commercial, public service media in every local community.

The commercial media marketplace does not and will not adequately support public interests, especially non-commercial speech. Consolidated ownership of media further reduces local content through the elimination of expensive local programming in favor of lower cost regional or national syndicated programming. Development of robust local and non-commercial media is the most effective way to address shortcomings of the commercial marketplace. Mandatory set asides to provide local media resources should be required as compensation for private use of public assets like land and spectrum.

We need some electronic green space in the strip mall of commercial media!

Community access media provide a model for localism that could be used for broadcast, satellite and IP-enabled media.

Non-commercial public, education and government access channels produce over one million hours of original local TV programming each year. Cable access channels are generally provided through local government franchise authorities who collect compensation for the private commercial use of public rights-of-way by media corporations. These local media resources are therefore accountable to local government jurisdictions.

A policy approach similar to local franchising of cable TV should be considered for broadcast, satellite and IP-enabled media. Local governments could be given local oversight and compensation for use of public spectrum, rights of way and other public resources used by commercial media to serve their constituents. Through a locally accountable process, broadcast, broadband wireline, and satellite transmission capacity could be set aside to benefit local communities. Local regulation and local governance

over public service media resources are essential principles of the community access media model.

As a cautionary note, cable franchise situations such as the City of San Jose is experiencing with a change caused by consolidation of ownership undermining community obligations negotiated in cable franchise provisions, need to be proactively addressed.

State and local governments in communities across America must have meaningful and well-defined roles to adequately protect media consumers and to effectively advocate for local needs and interests to be met.

Federal regulation is a centralized, opaque process favoring very powerful corporate interests who privately gain from ineffective local regulation in the public interest. Federal consumer protections and public interest rules are so weak and fragile that commercial media regularly fail to meet the basic communication needs of local communities.

Consolidated media ownership favors private commercial interests that are detached from local communities and driven by non-local profit motives. To minimize harm from this imbalance of market power, local governments and communities must have authority to regulate and develop local media solutions that meet people's needs.

The FCC needs a media localism policy of Home Rule.

Local franchising authorities for cable and telecommunications are the appropriate jurisdictions to oversee community needs ascertainments and related public service obligations. Local and State jurisdictions need meaningful, appropriate oversight authority to protect consumers, uphold First Amendment principles and properly represent local public interests.

Local communities require their own voices: Congress and the FCC must protect local media and uphold the public interest.

Local voices need to be heard over the public's airwaves and rights-of-way. The best way to ensure media localism is to dedicate media resources for public interest purposes and to empower local communities to develop local media on behalf of their citizens.

Please keep in mind that the broadcast media are not free market industries, and regulatory barriers such as duopoly and cross-ownership rules were created to protect the

"public interest" requirements established for use of the public airwaves. Local broadcasters received their FCC license with little or no compensation to the public even though the spectrum bandwidth used by these broadcasters is a PUBLIC resource.

Essentially, we have a situation where private interests have bought and sold a public license so that the current license holder has paid a huge price for that license, providing a large profit to the seller, although the public itself does not get any benefit from the sale. The inflated license cost, and the associated debt burden, actually increases pressure to cut local operating costs, such as local news and public affairs.

In fact, local TV journalism in Hawaii had its employer base reduced by 25% as a result of recent consolidations of ownership. Allowed to continue, consolidation will inevitably silence independent news organizations in Hawaii's limited marketplace of ideas. The viewing public, and broadcast journalists in Hawaii now suffer due to the withering loss of independent voices.

National networks and the Internet aren't substitutes for local broadcast news. They offer choices in our news and public affairs diet but they don't help us decide how we will vote in Hawaii's local elections. The quality and quantity of the local coverage may be subject to debate, but diversity in the marketplace assures that there will be diversity in coverage of what's going on locally.

Local independent and non-commercial sources are sorely needed to inform citizens regarding controversial issues of public importance, and these sources must NOT be concentrated in the hands of a few.

Our free society will suffer in profound ways if the FCC and Congress do not fulfill their traditional missions of preserving diversity, competition and localism on the public's airwaves and rights-of-way.

Preserving diversity in the market is essential to preserving localism in the marketplace of ideas. When there are many different media owners, including locally governed non-commercial media, with independent producers pursuing their own brand of truth then we have at least the opportunity to arrive at the truth and dwell in the light.

When there's a lack of media localism and diversity, that light grows dim.