

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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July 11, 2018

The Honorable Gene L. Dodaro
Comptroller General
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Dodaro,

We request the Government Accountability Office (GAO) conduct a review of the effect of agreements between local broadcasters on the Federal Communication Commission's (FCC) public interest goals of supporting competition, localism, and diversity.

Given the prevalence of sharing agreements, including joint sales agreements, and shared services agreements—we believe such a review is necessary. These agreements allow one station—typically one with larger market share—to provide services such as news reporting and advertising sales for another typically smaller station. There are concerns that this practice allows a single entity to become dominant in a market by exercising *de facto* control over stations for which they do not and would not be permitted to hold the licenses. Moreover, research has suggested that such agreements result in a reduction in the diversity of separate news voices in localities. The practice thus runs contrary to FCC's policy goals for local television.

In reviews conducted in 2014 and 2016, GAO found that data on such agreements were limited, but that joint sales agreements in particular were generally found in smaller markets. Since that time, FCC has revised its rules for local media ownership and required further disclosure of these agreements in stations' public files. Because of these changes, the context in which these agreements operate could be different, and more information may be available for understanding the breadth and impact of these agreements.

In light of these concerns, we request that GAO address the following:

1. What is known about the extent of agreements between local broadcasters and how they affect local markets, particularly smaller markets?

The Honorable Gene L. Dodaro

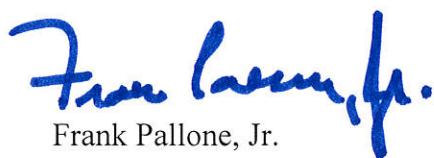
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2. To what extent have agreements between local broadcasters affected the diversity of news in a market and to what extent are viewers aware of shared news stories, scripts, and other effects of such agreements?
3. To what extent has the FCC defined targets for meeting its policy goals of competition, localism, and diversity and assessed how broadcaster agreements affect such goals?
4. To what extent has the FCC assessed the effect of broadcaster agreements on its policy goals of competition, localism, and diversity and how, if at all, could its analysis of these goals be strengthened?

Thank you for your attention to this important matter. If you have any questions regarding this matter, please contact Gerald Leverich of the Democratic Committee staff at (202) 225-3641.

Sincerely,



Frank Pallone, Jr.
Ranking Member



Mike Doyle
Ranking Member
Subcommittee on Communications
and Technology