



COMMITTEE ON *DEMOCRATS*
ENERGY & COMMERCE
RANKING MEMBER FRANK PALLONE, JR.

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**Statement of Ranking Member Frank Pallone, Jr., as prepared for delivery
Committee on Energy and Commerce
Subcommittee on Communications and Technology
Hearing on “Broadcast Ownership in the 21st Century”**

Thank you Chairman Walden and Ranking Member Eshoo for today’s hearing. Thanks also to our witnesses for being here today.

It is easy to say the ways we get news and information is changing. That is certainly true. But it is equally true that we continue to turn to broadcast TV and radio. For instance, when Pew researchers studied last year how Americans got their information, 91% of the people they called listened to over-the-air radio the very week they were surveyed. Similarly, local TV stations saw an increase in viewership last year.

The fact remains that Americans still rely on broadcasters to bring them the news. A diversity of voices over the air remains essential.

We will hear from some today that we should overlook the need for diverse voices because the broadcast industry must consolidate if it is going to survive. But the fact is broadcasters are thriving even without consolidation.

The data speaks for itself. The radio industry last year raised advertising revenue to the tune of nearly \$15 billion. TV broadcasters saw a 7% increase in advertising revenues—that means they earned \$20 billion from on-air ads in 2014. Billions of dollars in political ad buying helped drive this total, which means that number will likely skyrocket with the upcoming 2016 Presidential election cycle.

But while the broadcast industry is doing well without additional consolidation, a loss of voices over the air would cause irreparable harm to our democracy. That is why the Federal Communications Commission must continue to serve as a sentinel, protecting the ideals of localism, diversity of ownership, and diversity of viewpoint. And given the impact of the billions of dollars spent on political ads each cycle, the Commission also has an obligation to make sure the public knows who is spending that money to control their airwaves.

We do not need to look any further than my home state of New Jersey to see what can happen when consolidation goes too far. New Jerseyans are forced to rely on out-of-state stations for news and information. Sometimes they serve us well, like during Hurricane Sandy. But the fact remains that while nearly 9 million people live in New Jersey, we have almost no commercial TV stations. And one of the stations we do have is part of a triumvirate where one entity owns three TV stations in the New York market. And this station still does not serve up adequate news about New Jersey for our local residents.

Finally, minority and female ownership of stations remain at abysmal levels – even with recent spin-offs of stations to minority and female-owned entities. I don't believe that we should cave into a simplistic call for deregulation to solve this complex problem.

Again, I'm pleased we are having this hearing to discuss these issues. I look forward to the testimony.

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