

# Congress of the United States

Washington, DC 20515

March 28, 2014

The Honorable Tom Wheeler, Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20054

Dear Chairman Wheeler,

The FCC plans to vote during its March 2014 meeting, on proposed rule changes concerning how joint sales agreements (JSAs) are used to calculate television station ownership. While we express no final conclusion with respect to the merits of the proposed changes, a sensible course would be for the FCC to refrain from enacting rule changes at its upcoming March meeting -- pending consideration of the issue in the context of either a larger FCC ownership proceeding, or legislative action.

First, the relative merits and public interest effects of JSAs have been the subject of intense debate in recent weeks - before the FCC as well as Congress. While there are viewpoints on both sides of the issue, JSAs may enable some stations to stay in business, provide programming, promote diversity and sustain jobs.

We also have concerns that imminent FCC action on JSAs could hurt diversity of broadcast ownership and programming. For example the National Association of Black Owned Broadcasters (NABOB), which once opposed joint sales and services deals, changed its position due to "the precipitous fall-off of African-American television ownership in the past few years." NABOB now proposes to let these deals remain in place.

Second, several Committees in both the House and Senate may be considering broad legislation that could affect or even include JSAs, including a rewrite or update of the Communications Act, as well as the Satellite Television Extension and Localism Act (STELA) reauthorization.

Finally, we wish to address the FCC Media Bureau Public Notice released on March 12, 2014 regarding the processing of broadcast television applications proposing sharing arrangements and contingent interests. We're particularly concerned about the selective retroactive application given that some recent transactions were approved, while others appear to have been delayed to a time when the new rules could be applied. We're not writing to address the substance of these transactions; rather, with the need for our governmental agencies to treat all constituents fairly and equally.

As such, existing transactions already approved by the FCC should be grandfathered by any prospective rules. Retroactive application of rules to transactions entered into in full compliance with laws, and already approved by the government, is inconsistent with sound public policy and legal process. Any transactions already entered into and awaiting approval of the FCC, and made in reliance on existing laws and regulations, should be approved on the basis of existing rules – not future

ones. Companies are entitled to rely on rules, and the application of future regulations is inconsistent with our notions of stable markets and rule of law.

Given these dynamics, we ask the FCC to postpone its March vote on a JSA item to ensure the integrity of the deliberation process, and to best protect consumers, competition and diversity of broadcast ownership and programming.

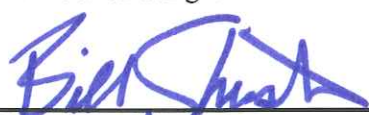
We appreciate your time and attention to this matter and await your reply. If you require additional information or have any questions, please let us know.


Sincerely,

  
SCOTT PERRY  
Member of Congress

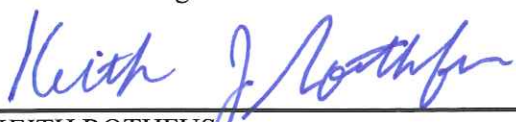
  
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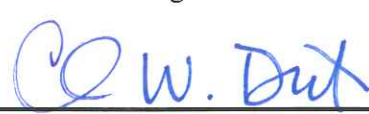
  
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