

For Immediate Release
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**MAP Issues Reaction to Release of
FCC Second Report and Order and Second Further Notice of Proposed Rulemaking**

Harold Feld, Senior Vice President of Media Access Project, issued the following statement on the release of the FCC Second Report and Order and Second Further Notice of Proposed Rulemaking:

“On April 25, 2006, the Federal Communications Commission (FCC) released an order designed to address flaws in its designated entity (DE) credit program. When Congress authorized the FCC to auction spectrum licenses, Congress explicitly instructed the FCC to promote ownership by small businesses, minority owned businesses, and other traditionally underserved communities.

“Despite referring the DE issue to the FCC’s Diversity Committee, the *Second Report and Order* makes no effort to consider how changes to the DE credit program will promote Congress’ goals of promoting diversity of the public airwaves and ensuring that *all* Americans enjoy access to the economic opportunities made possible by advanced wireless services. Nor does the *Second Further Notice of Proposed Rulemaking* solicit comment on these issues.

“This glaring omission ignores the specific direction of Congress and ill serves the public interest. The auction statute *requires* the FCC to consider how auctions can promote wireless technologies in traditionally underserved communities, and mentions minority communities specifically. The National Hispanic Media Coalition submitted evidence that minority communities continue to lag behind in ownership of wireless systems and in access to advanced wireless technologies. Yet the FCC not only refused to take action to address this growing digital divide, it refuses to even consider how it might take action in the future.

“When any segment of our country lags behind, all Americans suffer. When minority communities do not have access to the wireless services needed to participate fully in our 21st Century economy and our democracy, our nation as a whole pays the price.

“With regard to the changes actually made by the FCC, Media Access Project echoes Commissioner Adelstien in expressing disappointment with the scope of the rules changes. Certainly the FCC deserves praise for its steps to prevent fraud and close loopholes that have cost the American people billions of dollars. But the Commission did not go far enough. The FCC had a more than adequate record to support a blanket prohibition on allowing large wireless carriers to form material relationships with designated entities, as it initially proposed to do. It should have done so, rather than deferring the question to the second further notice. Such a change would have promoted competition in an increasingly consolidated wireless industry.”

Media Access Project, a non-profit public interest law firm, represented the National Hispanic Media Coalition, the Office of Communication of the United Church of Christ, Inc., and Reclaim the Media in the FCC’s proceeding on this matter, WT Docket No. 05-211.

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