The Information Needs of Communities Federal Communications Commission Phoenix, Arizona October 3, 2011

Remarks of Craig Parshall Senior Vice-President and General Counsel National Religious Broadcasters

It is a privilege to be here today. The subject of this hearing – the information needs of America's communities – is a profoundly important one, and one that is critical to my organization, National Religious Broadcasters (NRB). Today I will be focusing on the non-profit media sector, and specifically, non-commercial broadcasters like our Christian media members, who could do an even better job providing both information and assistance to American communities with a simple FCC rule change.

Who we are

NRB is a non-profit association that exists to keep the doors of electronic, broadcasting, and digital media open and accessible for the communication of the Christian Gospel. Our membership primarily consists of Christian radio and television broadcasters that produce and/or telecast religious programming, but also includes a wide range of other ministry organizations that engage in communications activities. The vast majority of our broadcast members are non-commercial. Further, the vast majority of our non-broadcaster members are non-profit entities.

News and Information Programming

The overall thrust of this proceeding, as I understand it, relates to the need to address the quality, quantity and availability of news and information to the American public. Non-commercial broadcasters and media outlets, a vast number of them Christian

ones, comprise a wealth of resources available to help achieve this goal. Our data indicates that about 40 % of all Christian TV and radio programs fall into the category of "news and information," if we include news analysis and talk formats in this grouping along with variety programs, longer-form magazine programs, as well as straight news shows.

Yet non-com Christian broadcasters accomplish a great deal with very little. The majority of radio stations have five or fewer full time employees and five or fewer part-time employees. Being entirely donor driven as well, and restricted by FCC rules regarding sponsorships, all of this limits the ability of our non-com media groups to do as much original news and information as they would like.

Furthermore, and even more to the point as I address below, current FCC rules now handicap non-commercial broadcasters in their ability to maximize the resources of the universe of non-profit charitable and social welfare organizations. This situation prevents an effective synergy whereby non-com stations could actively raise funds through on-air appeals for worthy third party \$501(c)(3) groups, were it not for stringent regulations that currently prohibit it, absent specific waivers from the Commission.

Meeting the Public Need

One thing that distinguishes Christian media groups from the mainstream press is the obvious mission-oriented approach to news and information. We believe this is a positive attribute.

Christian media not only recognizes and identifies local and regional needs, poverty, homelessness, illiteracy, unemployment, crime, etc., but it also seeks to solve those problems. In addition to the obvious application of the Christian message itself, we

raise funds, energize volunteers, send people to soup kitchens, rescue missions, schools, jails, and to the epicenter of disasters. After the earthquake in Haiti, NRB worked with several of our member organizations to channel financial support to those relief groups with experience in Haiti and with boots on the ground. Public contributions were received through a text-message cell phone system. One of our smaller broadcasting networks raised a quarter of a million dollars for Haiti relief in over-the-air appeals.

Barriers to an Effective Use of Non-Profit Resources

But there is a clear, formidable barrier preventing all non-commercial broadcasters, not just Christian ones, from fully and effectively serving their local communities. Current FCC rules, as a general rule, prohibit a non-commercial station from fundraising for a third-party, non-profit group, absent a specific FCC waiver. Thus the only on-air fund-raising permissible on an on-going basis for non-com stations is that which directly relates to the operational needs of the station itself. The Commission has construed the rule narrowly, regarding what constitutes *permissible* fund-raising for non-commercial stations.

Further, waivers are almost *never* granted by the Commission except in dire emergencies involving massive natural disasters – e.g. Hurricane Katrina, Haiti, and the Indonesian tsunami. This pattern may have even created, we believe, a chilling effect on stations that generally regard the obtaining of waivers as an impossible and fruitless task, and may dissuade them from applying for waivers even when the FCC has allowed them in these large-scale disaster scenarios.

As worthy as these occasional grants of waivers are from the Commission and the Bureau, it ignores the worthy (though much less dramatic and less obvious) daily work of

non-profit groups that provide huge amounts of time, services and money to meet the dire needs of local citizens. Non-commercial stations should be able to partner fully and effectively with non-profit organizations to meet the needs of communities, including onair time devoted to raising both awareness and funds for those groups, whether the work of those groups addresses a massive hurricane, or the problems of drug-addicted youth.

Solving the Problem

The current FCC rules regarding the inability of non-commercial stations to raise funds for other charity groups, absent a specific waiver, need to be changed. In 2010, during the panel hosted by the FCC's Working Group on Information Needs of Communities, I was given an opportunity to describe the rule-change that NRB supports. Under our proposal, every non-commercial station could spend up to 1% of its annual onair time raising funds for third-party non-profit groups recognized under IRS code \$501(c)(3). This would increase the synergy between non-commercial broadcasters and other non-profit groups and would meet public needs at the same time. At NRB we were very pleased that in its final report, the FCC's Working Group basically endorsed this idea, stating:

We recommend that the FCC consider allowing stations or programmers that are not grantees of the CPB, such as most religious broadcasters, to spend up to one percent of their airtime doing fundraising activities for charities and other third-party nonprofits. The broadcasters should disclose how this time is used – including how much is helping charities in the local community – so the FCC can make an assessment about the efficacy of this experiment. ¹

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¹ Steven Waldman and the Working Group on Information Needs of Communities, *The Information Needs of Communities – The changing media landscape in a broadband age*, June 2011, page 356.

From an analytical standpoint, such a rule change is simple enough in its form to satisfy even the most ardent advocates of "Ockham's razor." From an administrative standpoint, it should not impose any significant burden on the Bureau. And from the standpoint of meeting public needs, and advancing the public interest, such a rule change will bring non-commercial stations and other charities together in an effective way. The logical outcome of this change seems clear, and the result would be compelling: the non-profit resources in America will be more directly and comprehensively applied to the myriad problems facing today's communities, while non-commercial broadcasters will be encouraged to perform the highest form of public service.

Thank you.