

TO THE NBCC NATION:

Minority business is quickly evaporating from the minds at the White House and Congress. This is not the change we were asking for. It is time to become very active as there are steps afoot that will kill your businesses and hurt your net worth. Below is just the latest example of what is happening. Before you read it please be aware that the first phase of the \$7.4 billion broadband grant program was released last week – NO MINORITY BUSINESS OR ASSOCIATION WERE AWARDED ONE CENT. It was zero!! We are going back to the Eisenhower Years in terms of procurement diversity and it is time to fight!

MEMORANDUM – From David Honig (dhonig@crosslink.net):

Hard-fought civil rights gains in media and telecom are at risk tonight and we need your help right away.

Set out below this note are excerpts from the lead article in tomorrow's Comm Daily. It reports that the new federal budget proposes elimination of the last of the minority ownership initiatives – the Telecom Development Fund (TDF). The administration somehow believes that the USF and small business credits are sufficient backstops.

This was a surprise. The President's party vigorously supported our successful efforts to save the program when President George W. Bush twice attempted to kill the TDF. No one reached out to MMTC (or others I've called) to determine whether the TDF could be restructured or focused more closely on its objectives - which it certainly can be.

This disturbing news comes at a time when:

- Minority wireless ownership is just above zero. The designated entity (DE) program is in a shambles, producing almost no minority auction winners. Yet the new FCC continues to defend the culpable 2006 rule changes in court.

- Minority commercial TV station ownership has fallen 50% since the duopoly rule was relaxed in 1999.
- Minority commercial radio station ownership has fallen 9% just between 2007 and 2009.
- The FCC still has not appointed a compliance officer to enforce the 2007 Advertising Nondiscrimination Rule.
- EEO enforcement levels in 2009 were actually below the levels of 2001-2008 (which were just 4% of the Clinton-era levels), even though minority English language, nonminority owned radio journalism has undergone a purge (it's under 1%, where it was in 1950).
- The FCC has failed to designate a Section 403 hearing on PPM, which is devastating minority radio.
- The FCC failed to act on the SRA/UCC/MMTC multilingual EAS Emergency Petition for the fifth straight year after Katrina.
- None of the FCC Diversity Committee or MMTC et al. recommendations on minority ownership has been implemented this past year – even low hanging fruit like race-neutral Full File Review and engagement of a Public Engineer.
- The January 4, 2010 NTIA Letter to the FCC detailing the administration's position on the National Broadband Plan and Net Neutrality does not mention minorities, MBEs or the digital divide. Nor did the FCC's December 16, 2009 National Broadband Plan Framework (although we understand that the final version will correct that boneheaded mistake).
- The triennial FCC Section 257 Market Entry Barriers Report to Congress – which was supposed to report on what the FCC did from 2007-2009 to assist small, minority and women owned businesses) is a month late (and what, if anything, would it say?)

It is no wonder that many in the civil rights community are skeptical of whether the FCC will implement the National Broadband Plan and Net Neutrality in a manner that will close the digital divide.