

Press Statement

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MMTC Commends Congressional Proposals to Advance Diverse Ownership in Media and Telecom and End Predatory Inmate Calling Rates

WASHINGTON, D.C. (April 12, 2017): Members of the House of Representatives have introduced legislation aimed at expanding opportunities for diverse ownership in the telecom sector, and reining in predatory prison phone rates. The Multicultural Media, Telecom and Internet Council (MMTC), founded in 1986 to advance opportunities for multicultural participation in media and telecom, commends Reps. G.K. Butterfield and Bobby Rush, and Del. Eleanor Holmes Norton, for recognizing these key communications issues.

Reinstatement of FCC Tax Certificate to Promote Broadcast Ownership Diversity. MMTC has advocated for restoration of the Tax Certificate Policy since its repeal in 1995, most recently re-introducing it in its December memo to the Trump Telecom Transition Team, "12 Imperatives to Close the Digital Divide and Advance Multicultural Media and Telecom Ownership and Procurement in the First 100 Days of the New Administration." Between 1978 and 1995, the bipartisan policy quintupled minority broadcast ownership by providing tax incentives to those who sell broadcast stations to minorities.

The Expanding Broadcast Ownership Opportunities Act, introduced by Congressman Butterfield, seeks to provide tax incentives to those who sell assets to all disadvantaged businesses. The bill also directs the Federal Communications Commission (FCC) to take additional actions to increase diversity of ownership in the broadcasting industry by implementing an incubator program through which existing licensees assist new entrants in the operation of broadcast stations. MMTC, along with the National Association of Black Owned Broadcasters (NABOB), has advocated for a media incubator program for nearly 30 years, since NABOB founder James Winston first proposed the concept in 1990.

"Congressman Butterfield's bill presents tremendous opportunities to narrow ownership disparities in media and telecom, and to close the racial wealth gap," stated MMTC President and CEO Kim Keenan. "The \$750 billion telecom sector represents one-sixth of the global economy, and it is still growing – it is predicted to reach \$1.3 trillion by 2020. Unfortunately, due to systemic and historic barriers to entry, qualified multicultural owners continue to be missing from an ownership stake in the industry. Thanks to measures taken by Congress Members Butterfield, Rush, and Norton – measures for which MMTC has advocated for decades – we could see a huge and welcome change in the landscape of media and telecom ownership."

Reining in Exorbitant Prison Phone Rates. MMTC has also worked with the FCC for several years to end exorbitant inmate calling rates, <u>commending</u> Commissioner Mignon Clyburn, filmmaker Ava DuVernay, and the Campaign for Prison Phone Justice for their efforts to end this predatory practice that disproportionately harms low-income and multicultural communities. The proposed Family Telephone Connection Protection Act, introduced by Reps. Rush and Butterfield and Del. Norton, builds on the action taken by the FCC in 2015, spearheaded by Commissioner Clyburn.

MMTC President Keenan stated, "The Family Telephone Connection Protection Act would be a welcome relief to families who have been subjected to excessive prison phone rates – rates that are a tax on the pain of these families who need to keep in touch with their loved ones. This situation is one of the greatest social injustices of our time. We must fix this problem now."

About MMTC:

The Multicultural Media, Telecom and Internet Council (MMTC) is a non-partisan, national nonprofit organization dedicated to promoting and preserving equal opportunity and social justice in the mass media, telecom and broadband industries, and closing the digital divide. MMTC is generally recognized as the nation's leading advocate for multicultural advancement in communications.

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