



June 14, 2018

The Honorable Greg Walden
Chairman
Energy and Commerce Committee
U.S. House of Representatives
2125 RHOB
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
Energy and Commerce Committee
2322A RHOB
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Marsha Blackburn
Chairman
Subcommittee on Communications
Energy and Commerce Committee
2125 RHOB
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Michael Doyle
Ranking Member
Subcommittee on Communications
Energy and Commerce Committee
2322A RHOB
U.S. House of Representatives
Washington, D.C. 20515

RE: Support for the PIRATE ACT, H.R. 5709

Dear Chairman Walden, Congressman Pallone, Chairman Blackburn, and Congressman Doyle:

The Multicultural Media, Telecom, and Internet Council (MMTC) wishes to express its strong support for H.R. 5709, the Preventing Illegal Radio Abuse Through Enforcement Act ("PIRATE Act").

Since our founding in 1986, MMTC has championed the business case for diversity and inclusion by advocating innovative policies that benefit multicultural consumers and entrepreneurs. We believe that piracy is a threat to diversity, inclusion, and equal opportunity in the radio industry.

"Pirate" stations are stations that are operating illegally. They are not licensed by the FCC and, therefore, they are not required to fulfill the public interest obligations that are required of FCC-licensed radio stations such as providing public service programming, emergency broadcast service, and censoring content that is not suitable for children. As also noted in the National Association of Black Owned Broadcasters' (NABOB) July 11, 2018 letter to you in support of the PIRATE Act, these stations are in effect exploiting minority communities by misleading listeners as to their legality and stealing advertising revenue from licensed, sometimes minority-owned broadcasters, that invest in their communities. Some pirates target minority communities because they believe that laws are not aggressively enforced in these communities.

Additionally, pirate stations create a barrier to new entrants into the local radio market – entrants who invest time and resources to receive an FCC license and follow the rules of fair competition. This is further compounded when local advertisers buy airtime on pirate stations. Pirate stations operate in a manner that makes it difficult for the listeners to know whether a station is an FCC-licensed station that is required to operate according to the Communications Act, or an illegal, pirate-run station.

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As advocates for multicultural broadcast ownership and new market entrants (many of whom are minorities seeking ownership opportunities in broadcasting), we appreciate and support the FCC's recent efforts concerning the need to increase enforcement against pirate radio operations. The FCC has had success seizing equipment and targeting landlords, but more authority is needed. Cutbacks in the FCC's field offices have hindered the agency's piracy enforcement capacity, and the enforcement process involving the Department of Justice is lengthy, allowing the pirates to easily relocate and set up illegal operations elsewhere.

The FCC needs legislation providing it additional enforcement powers to shut down pirates and eliminate its reliance on the DOJ for enforcement authority. The PIRATE Act, H.R. 5709, will provide the FCC these powers by amending Title V of the Communications Act of 1934 and adding "Section 511. Enhanced Penalties for Pirate Radio Broadcasting; Seizure of Illegal Equipment; Enforcement Sweeps," which would:

- 1) Create enhanced fines for each day during which an offense occurs;
- 2) Require biannual sweeps targeting the top five radio markets identified as pirate station havens, but continue existing year-round enforcement;
- 3) Position the FCC as sole declarant of which stations are engaged as pirates under state and local anti-pirate radio statutes or ordinances imposing civil or criminal penalties;
- 4) Shield FCC enforcement from preclusion by state/local statute or ordinance enforcement; and
- 5) Hold any person who "knowingly and intentionally" facilitates pirate radio accountable.

The PIRATE Act is a step in the right direction toward empowering the FCC to more effectively investigate and rid our cities of pirate radio stations. In the future, we hope that Congress will continue to support efforts like this one ensure licensed operations on our airwaves and restore cuts to the FCC's budget that brought about the closure of critical field offices. Three years ago, the FCC operated 24 field offices; today, it operates only 13. In providing the enforcement powers of the Pirate Act and more feet on the ground, Congress plays an important role of making way for licensed, fair, multicultural representation and new entrants to the radio market.

Finally, we encourage you to add legislative history underscoring the desirability for the FCC to exercise its flexible and independent judgment regarding the deployment of enforcement resources and the timing and locations of sweeps and seizures so that pirates are not enabled to simply shut down and set up operations elsewhere.

MMTC respectfully encourages you to approve the PIRATE Act without delay.

Sincerely,

Maurita Coley Flippin

Maurita Coley Flippin
Acting President and CEO