

# Durbin, Duckworth call for call for impartial investigation

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WASHINGTON—U.S. Senators Dick Durbin (D-IL) and Tammy Duckworth (D-IL) today joined 12 of their Senate colleagues to request the inspector general of the Federal Communications Commission (FCC) open and investigation into the objectivity and impartiality of the FCC’s review of the proposed merger of Sinclair Broadcasting and



Tribune Media.

“We have strong concerns that the FCC’s ongoing review of the proposed merger of Sinclair Broadcasting and Tribune Media may be gained by a series of actions and events that raise questions about the independence and impartiality of the FCC,” wrote the senators to FCC Inspector General David Hunt.

In their letter to the inspector general, the senators point out 16 actions and events that suggest a disturbing pattern of a three way quid-pro-quo involving Sinclair, the Trump Administration and Chairman Ajit Pai. Many of the actions taken by Chairman Pai have overturned decades-long, settled legal precedent.

The disturbing timeline shows that:

- After the November 2016 presidential election, President-Elect Trump met individually with David Smith, the executive chairman and former CEO of Sinclair, and discussed changing FCC rules to benefit Sinclair. According to reports, "potential FCC rule changes were discussed" after President-Elect Trump asked Mr. Smith, "What do you need to happen in your business?"
- On November 16, 2016, then-Commissioner Pai traveled to Baltimore, Maryland to have an off-the-record meeting with Sinclair employees and lunch with key company executives. This meeting was not disclosed publicly at the time.
- In December 2016, Jared Kushner, President Trump's son-in law and current Senior White House Advisor, reported that the President's campaign had "struck a deal" with Sinclair for better media coverage during the election.
- On January 6, 2017, Commissioner Pai met privately with Sinclair representatives at the Consumer Electronics Show in Las Vegas. This meeting was also not initially publically disclosed.
- On January 16, 2017, Commissioner Pai traveled to New York City to meet privately with President-Elect Trump.
- On January 19, 2017, Commissioner Pai traveled to Arlington, Virginia, to meet again with executives from Sinclair. A summary of the meeting, [filed in the FCC's public docket](#), shows that the agency's restrictions on joint or shared-service agreements were discussed in detail.
- On January 22, 2017, President Trump elevated Commissioner Pai to be permanent Chairman of the FCC.
- On February 3, 2017, pursuant to unilateral direction from the now Chairman Pai, the FCC's Media Bureau announced that it would no longer review joint sales agreements and shared-services agreements in broadcast mergers.
- On February 23, 2017, the FCC started a proceeding to allow TV broadcasters to begin using Next Gen TV (also known as ATSC 3.0)—a technology for which Sinclair holds the key patents.
- On March 6, 2017, Chairman Pai again met with President Trump. Chairman Pai, stated that he and the President did not discuss "any pending proceedings" at the FCC.

- On April 12, 2017, Chairman Pai led the FCC in a party line vote to ease ownership caps by reinstating the technologically-outdated UHF discount. Without this reversal, Sinclair would have been legally barred from merging with Tribune.
- On April 21, 2017, Sinclair announced its intention to purchase Bonten Media Group (Bonten), owner of 14 television stations in eight markets. Bonten also provided services to four other stations through joint sales agreements.
- On May 8, 2017 Sinclair announced its intention to acquire Tribune for \$3.9 billion.
- On June 30, 2017, the FCC approved the purchase of seven Bonten stations by Sinclair (Sinclair divested the other seven stations). The transaction was later consummated by the parties on September 5, 2017, at which time Sinclair assumed the joint sales agreements held by Bonten. If the FCC had not relaxed its review of joint sales agreements consistent with Sinclair's request, it is unlikely this transaction would have been approved expeditiously without the termination of at least some of the joint sales agreements.
- On October 24, 2017, Chairman Pai led the FCC (on a party-line vote) in eliminating the broadcast main studio rule. Doing away with the rule, which was established in 1940, benefits the largest broadcasters, especially Sinclair who has made a pattern of reducing local investments in station studios and consolidating studio and newsgathering operations at its headquarters in Maryland.
- At the upcoming November 16, 2017 FCC Open Meeting, Chairman Pai is expected to lead FCC (on a partisan basis) to take two actions that will directly benefit Sinclair.

o Chairman Pai is expected to lead the FCC's party-line vote to eliminate decades-long rules that prevent TV stations in the same market from merging if the outcome leads to fewer than eight independent stations operating in that market, or if the merger is between two of the top four stations in a market. This rule change directly benefits the monopoly aspirations of Sinclair by eliminating the need for it to divest any of the stations it is purchasing from Tribune.

o At the same meeting, Chairman Pai also is expected to lead the FCC (on a party-line vote) to approve broadcaster's use of Next Gen TV. The item that Chairman Pai has put forth for vote would directly benefit Sinclair. First, the draft order would establish a licensing framework for broadcasters that would allow Sinclair to establish and maintain a monopoly over its patented technology. Secondly, the proposed licensing scheme will facilitate Sinclair's ability to extract licensing fees to transmit and receive Next Gen TV signals

Senators Maria Cantwell (D-WA), Tom Udall (D-NM), Richard Blumenthal (D-CT), Patty Murray (D-WA), Ed Markey (D-MA), Al Franken (D-MN), Elizabeth Warren (D-MA), Ron Wyden (D-OR), Bernie Sanders (I-VT), Jeff Merkley (D-OR), Catherine Cortez-Masto (D-NV), and Cory Booker (D-NJ) also signed the letter.

The full text of the Senators' letter to the FCC inspector general can be found [here](#).