



Congressman José E. Serrano

Chairman, House Appropriations Subcommittee on Financial Services and General Government

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Opening Statement of Chairman José E. Serrano Hearing on the Federal Communications Commission's Fiscal Year 2009 Budget Request April 9, 2008

Today the subcommittee will take testimony from the Chairman of the Federal Communications Commission, the Honorable Kevin Martin. Chairman Martin has been a member of the Commission since 2001 and has been Chairman since 2005. Chairman Martin, welcome to this hearing.

The purpose of this hearing is to review the FCC's budget request. The Commission requests a budget for fiscal year 2009 of \$338.9 million, which is a \$25.9 million, or 8.3 percent, increase over the current year. We look forward to discussing this budget request with you. However, as was the case with past FCC hearings, we expect this hearing to cover a range of issues, including policy matters that are now, or have recently been, before the Commission.

There is always a great deal of interest in what the Commission does because your decisions touch nearly all of us in our daily lives. You have authority over radio, television, telephone, satellite, and cable services. You regulate one of our most precious assets – the public airwaves. You are required to ensure that all Americans have available telecommunications services, at reasonable charges, without discrimination on the basis of race, color, religion, national origin, or sex. The importance and breadth of the FCC's authority places it squarely in the middle of some of the most important and controversial issues facing our Nation.

Some of these issues include media ownership rules, cable regulation, net neutrality, and an issue that is of great concern to me – the transition to digital television scheduled for February 2009. The FCC's budget request for 2009 includes \$20 million – which is the largest single increase in the request – to expand DTV transition education. There is no question in my mind that more must be done to inform and prepare consumers for this transition. A recent survey estimated that more than 13 million households are currently unprepared for the transition because their televisions receive only analog signals. The survey also

found that African-Americans and Hispanics make up a disproportionate share of these households. I am concerned about how these families will successfully manage the transition.

With regard to media ownership, in December the FCC approved, on a three to two vote, a media ownership rule change that would allow newspaper and broadcast company consolidations in the 20 largest media markets. This action by the Commission troubled many in Congress and in the public. There is concern that the new rules will impede diversity and that it is an ill-advised step toward consolidating the voices of media among the larger and wealthier outlets. While this is not a budget issue, you can be certain that this is a topic of interest among some members of this subcommittee.

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Congressman José E. Serrano has represented the Bronx in Congress since 1990. He is the Chairman of the House Appropriations Subcommittee on Financial Services and General Government.