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March 21, 2005

Chairman Kevin J. Martin Federal Communications Commission 445 12th Street SW Washington, DC 20554

Commissioner Jonathan S. Adelstein Federal Communications Commission 445 12th Street SW Washington, DC 20554 Commissioner Kathleen Q. Abernathy Federal Communications Commission 445 12th Street SW Washington, DC 20554

Commissioner Michael J. Copps Federal Communications Commission 445 12th Street SW Washington, DC 20554

Dear Mr. Chairman and Commissioners:

We are writing you today on behalf of the nearly 40,000 Americans who have signed a petition urging the Federal Communications Commission to investigate all broadcasters who distribute government-sponsored news reports without properly identifying their source.¹

On March 13, the *New York Times* published an article, "How the Government Makes News; Under Bush, A New Era of Prepackaged News," which documents the widespread and often covert distribution of government-produced "video news releases," or VNRs.² The report lists 20 federal agencies that have used taxpayer funds to hire public relations firms to produce video segments for distribution via local newscasts.

Local stations have broadcast these official news releases without properly identifying the source to the public. A VNR produced by the U.S. Department of Agriculture (USDA) aired on more than 160 broadcast stations without proper attribution. An official news report produced by Karen Ryan for the Department of Health and Human Services appeared on at least 40 stations, again, without identifying the source. Ms. Ryan also has produced similar reports for the White House Office of National Drug Control Policy.³ One was used by more than 300 stations, according to the *New York Times*.

A preponderance of evidence shows that licensed stations across the country routinely broadcast these pre-packaged official news reports without identifying their origins. This is a clear violation of FCC rules governing attribution of content involving political matters or a "discussion of a controversial issue of public importance."

We recognize that it is standard practice in filing a formal complaint to list the stations whose conduct is in question and the times when the content in question was aired. However, by their very nature, government-produced news segments stripped of attribution are difficult to identify. We believe the existing evidence is more than sufficient to prompt an investigation of broadcast licensees to serve public interest goals.

In January 2005, the Government Accountability Office (GAO) ruled that similar use of appropriated funds to produce these pre-packaged news stories constituted "covert propaganda" in violation of federal law.⁴ The GAO reached a similar conclusion in May

2004 regarding VNRs produced and distributed by the Centers for Medicare & Medicaid Services of the Department of Health and Human Services.⁵

It is a betrayal of the public trust for broadcasters to manipulate our news system to covertly propagate official information. We call on the FCC to strengthen and enforce laws against covert propaganda. We also ask you to investigate all instances where broadcasters have aired these official news segments without attribution. It is our hope that in the future all broadcasters will be required to clearly identify the origin of all governmentfunded reports throughout the entirety of their broadcasts.

While this letter focuses on government-sponsored propaganda through VNRs, we are also deeply concerned about corporate-sponsored reports that make it into the news without proper attribution and labeling. The conclusions reached by any FCC action in this matter should address all instances when political messages are aired without attribution.

We recognize that a comprehensive investigation of broadcasters may be a large undertaking and ask you to focus your initial attention on license holders who accept payment and distribution fees from public relations firms and other government contractors in return for broadcasting these VNRs as news.

We are available to work with you and provide more information as you proceed with the investigation.

Sincerely,

Josh Silver	John Stauber
Executive Director	Executive Director
Free Press	Center for Media and Democracy

¹ "Stop News Fraud," <u>Free Press petition</u>. March 14, 2005, <u>http://www.freepress.net/action/fakenews</u>.

² David Barstow and Robin Stein, "How the Government Makes News; Under Bush a New Age of Prepackaged News" <u>New York Times</u>, March 13, 2005.

³ Thomas Lang and Zachary Roth, "Video News Releases, They're Everywhere!" *Columbia Journalism Review*, October 13, 2004.

⁴ The publicity or propaganda prohibitions contained in the Consolidated Appropriations Act, 2004, Pub. L. No. 108-199, div. F, title VI, § 624, 118 Stat. 3, 356 (Jan. 23, 2004); Consolidated Appropriations Resolution, 2003, Pub. L. No. 108-7, div. J, title VI, § 626, 117 Stat. 11, 470 (Feb. 20, 2003); and Treasury and General Government Appropriations Act, 2002, Pub. L. No. 107-67, § 626, 115 Stat. 514, 552 (Nov. 12, 2001).

⁵ Government Accountability Office, "The Office of National Drug Control Policy – Video News Releases," Jan. 4, 2005, <u>http://www.gao.gov/decisions/appro/303495.pdf</u>.