PROP

PART 135 REGULATED OPERATORS PARTNERSHIP

August 26, 2005

VIA Federal Express and Facsimile

Rick Blangiardi
General Manager
KHON-TV
KGMB-TV
88 Piikoi Street
Honolulu, HI 96814

Dear Mr. Blangardi,

For two weeks the Part 135 Regulated Operators Partnership has attempted to purchase television advertising from your stations to promote **airportscandal.com**; a web site dedicated to investigation and reporting related to fraud, abuse, waste and mismanagement involving federally financed airport programs.

You have verbally declined to accept our current advertising on the grounds that it is "too controversial" at a time when Emmis Communications Corp. is attempting to sell the Honolulu television stations it operates under an extended Federal Communications Commission exemption.

The exemption allowing Emmis simultaneous ownership of KHON and KGMB has been criticized by many in Hawaii who believe this arrangement diminishes competition, adversely affects the diversity of news coverage and leaves a major medium for public debate susceptible to political manipulation and interference.

You have declined to state in writing that our advertising has been rejected. You have refused to provide us with any documented broadcast standards and you have been non-responsive to our repeated requests for information about what we can do to make our advertising acceptable to you.

As licensed users of the public spectrum, KHON and KGMB are obligated to serve the public interest, convenience, and necessity under Section 201 of the Telecommunications Act of 1996 (47 U.S.C. §309(k)). This regulation is necessary because the interests of the public are often in conflict with the interests of government officials, politicians, broadcasters and the corporations sponsoring them.

We have identified an apparently coordinated (and successful) effort to divert more than $9M from state airport accounts to a Honolulu Lobbying firm and a Florida consulting company without the knowledge of federal regulators or state legislators. These actions may place the individuals involved in conflict with various laws, jeopardizing millions more in federal discretionary airport grants.

We are in possession of official documents signed by cognizant state officials which, when viewed objectively, would raise valid questions on the part of any reasonable taxpayer. Those state officials have refused to be accountable or explain these seemingly illegal acts. Our

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television commercial asks pertinent questions in a straightforward manner, and directs viewers to a web site where the public can see the evidence firsthand and decide individually whether the government is acting in their best interests.

We are not concerned with defamation, because truth is an absolute defense. Opinion is protected free speech, particularly where the government is concerned. The Hawaii Attorney General is a public figure, and to sue anyone he would need to prove "actual malice," which is *knowing* that a statement is false or reckless disregard for the truth. Also, defamation is a personal tort. The State has no claim against an individual for defamation.

The public interest benefit of broadcasting this information clearly outweighs any threat of legal retaliation by the attorneys directly involved with this matter. Moreover, you may recall that this same sequence of events has occurred before.

Last December we asked you to air a virtually identical spot featuring Hawaii Transportation Director Rodney Haraga. At that time, a member of the Governor's Communications Staff (reportedly one of your former station employees) contacted Honolulu broadcasters in an effort to keep the commercials from airing. Meanwhile, KHON ran a story about the Hawaii Attorney General's threats to take "legal action" to prevent the same commercials from being televised. You initially refused to air the ad, agreeing to do so only after KHNL and KITV accepted the spots.

Immediately after the commercials aired, the Hawaii Department of Transportation initiated a dialog with concerned parties, which continues to this day. The public interest has been served by addressing (and in some instances resolving) issues through open communication and exchange of ideas. But communication cannot occur when no one is listening. At this point the Hawaii Attorney General's Office refuses to speak with the taxpayers who finance it – much less address our concerns.

KGMB and KHNL control half the television spectrum in our geographically remote and insular community. This gives you the ability to shape civic debate by heightening consciousness concerning matters of public interest; or to shield powerful special interests from it.

We hope you will uphold your clear public interest obligations as a broadcaster and reconsider the decision not to air our commercial.

Pending your reconsideration and written disposition of this matter, I am requesting that a copy of this letter be placed in the public files at KHON and KGMB for inclusion in the Summary of Complaints to be attached as an exhibit to each station's Application for Renewal. An official Federal Communications Commission Complaint and Hearing Request for these renewal applications will be forthcoming.

I will be traveling to Honolulu next week to view your license, exemption, and to verify that this letter along with my original request for ad time is in your public file.

Thank you for your prompt attention to these matters.

Sincerely,

Rob McKinney
Part 135 Regulated Operators Partnership