WASHINGTON -- Federal regulators relaxed decades-old rules restricting media ownership Monday, permitting companies to buy more television stations and own a newspaper and a broadcast outlet in the same city.

The Republican-controlled Federal Communications Commission voted 3-2 -- along party lines -- to adopt a series of changes favored by media companies.

These companies argued that existing ownership rules were outmoded on a media landscape that has been substantially altered by cable TV, satellite broadcasts and the Internet.

Critics say the eased restrictions would likely lead to a wave of mergers landing a few giant media companies in control of even more of what the public sees, hears and reads.

The decision was a victory for FCC Chairman Michael Powell, who has faced growing criticism from diverse interests opposed to his move toward deregulation.

"Our actions will advance our goals of diversity and localism," Powell said. He said the old restrictions were too outdated to survive legal challenges and the FCC "wrote rules to match the times."

The FCC said a single company can now own TV stations that reach 45 percent of U.S. households instead of 35 percent. The major networks wanted the cap eliminated, while smaller broadcasters said a higher cap would allow the networks to gobble up stations and take away local control of programming.

The FCC largely ended a ban on joint ownership of a newspaper and a broadcast station in the same city. The provision lifts all "cross-ownership" restrictions in markets with nine or more TV stations. Smaller markets would face some limits and cross-ownership would be banned in markets with three or fewer TV stations.

The agency also eased rules governing local TV ownership so one company can own two television stations in more markets and three stations in the largest cities such as New York and Los Angeles.

"The more you dig into this order the worse things get," said Michael Copps, one of the commission's Democrats. He said the changes empowers "a new media elite" to control news and entertainment.

Fellow Democrat Jonathan Adelstein said the changes are "likely to damage the media landscape for decades to come."

The rule changes are expected to face court challenges from media companies wanting more
deregulation and consumer groups seeking stricter restrictions.

The FCC also changed how local radio markets are defined to correct a problem that has allowed companies to exceed ownership limits in some areas.

The government adopted the ownership rules between 1941 and 1975 to encourage competition and prevent monopoly control of the media.

A 1996 law requires the FCC to study ownership rules every two years and repeal or modify regulations determined to be no longer in the public interest. Many previous proposed changes were unfinished or were sent back to the FCC after court challenges.

As the vote approached, opposition intensified. Critics bought television and newspaper ads, wrote letters and e-mails, and demonstrated outside television stations owned by major media companies.

Some ads took on Rupert Murdoch, whose News Corp. owns Fox News Channel, 20th Century Fox TV and film studios, the New York Post and other media properties. Murdoch told a Senate committee last month he has no plan for a media buying spree after the changes, other than his proposed acquisition of DirecTV, the nation's largest satellite television provider.

The critics of eased rules include consumer advocates, civil rights and religious groups, small broadcasters, writers, musicians, academicians and the National Rifle Association. They say most people still get news mainly from television and newspapers, and combining the two is dangerous because those entities will not monitor each other and provide differing opinions.

Large newspaper companies such as Tribune Co. and Gannett Inc. wanted the "cross-ownership" ban lifted.

"Newspaper-owed television stations program more and better news and public affairs than any other stations," said John Sturm, president of the Newspaper Association of America.

News Corp. and Viacom Inc., which owns CBS and UPN, stand to benefit from a higher national TV ownership cap because mergers have left them above the 35 percent level. Those companies, along with NBC, persuaded an appeals court last year to reject that cap and send it back to the FCC for revision.

Lawmakers have split mainly along party lines. Democrats demand more public scrutiny of the changes while Republicans support Powell. Some lawmakers critical of the FCC have proposed legislation to counter relaxed regulations.