



**COUNCIL for
CITIZENS
AGAINST
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WASTE**

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September 27, 2018

U.S. House of Representatives
Committee on Energy and Commerce
Subcommittee on Communication and Technology
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman and Ranking Member,

On September 27, 2018, the House Energy and Commerce Subcommittee on Communications and Technology is scheduled to hold a hearing on the “State of the Media Marketplace.” On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I urge you to include a discussion of outdated regulatory schemes, such as retransmission consent agreements and must-carry provisions of the Cable Act of 1992.

Congress passed the Cable Act of 1992 in response to cable television rate increases that resulted from deregulation, a lack of competition in the cable marketplace, and concerns that local stations would not be carried by cable companies. But, analog signals carrying only three major networks and one or two other channels over the airwaves have been replaced by a wide range of viewing options, ranging from cable and fiber optic networks on the ground, to satellite feeds and online distribution of programming.

The existing television regulatory regime reduces competition by undercutting smaller providers’ ability to compete on price; increases costs to consumers due to higher retransmission fees; and frustrates millions of Americans from continued blackouts of popular programming during peak viewing periods, including access to events such as portions of the Oscars and sporting events. It is little wonder that viewers are increasingly seeking alternatives to existing multi-channel video programming distributors (MVPDs).

On July 23, 2018, Rep. Steve Scalise (R-La.) introduced H.R. 6465, the Next Generation Television Marketplace Act. This comprehensive reform legislation would repeal provisions of the Cable Act of 1992 that require MVPDs to set aside portions of their channel capacity for mandatory carriage of local commercial broadcast stations, and directs the FCC to repeal network non-duplication, along with other burdensome regulations including syndicated exclusivity and sports blackout rules. The bill also repeals media ownership caps, which limit the number of broadcast stations a single company can own in a given media market, and lifts the ban on broadcasters owning a newspaper in the same market. The legislation eliminates the

compulsory copyright license, under which the government dictates the royalties MVPDs pay to broadcasters for their content, and would allow these royalties to be determined by a free market.

Government rules and regulations should drive businesses into the twenty-first century, not hold them back. In retransmission consent negotiations, consumers lose viewing time and pay increased costs. It is time to repeal the antiquated regulatory schemes that govern television and provide a new structure that reflects the current competitive marketplace.

We appreciate your consideration of our request to discuss these important issues during the hearing.

Sincerely,

Tom Schatz