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Pallone Remarks at Hearing on Evolving Media Marketplace

Washington, D.C. – *Energy and Commerce Chairman Frank Pallone, Jr. (D-NJ) delivered the following opening remarks today at a Communications and Technology Subcommittee hearing on “STELAR Review: Protecting Consumers in an Evolving Media Market:”*

For nearly 70 years, television has been a unifying thread in American society. It brings people together—friends gather around to watch the big game and co-workers share their theories about the twists and turns of the moment’s must-watch series. Television is also the place where we get our local and national news, and where we turn for emergency information during a storm or natural disaster.

The hearing today may appear to be focused on a few discreet, arcane provisions of communications and copyright law, but it is fundamentally about consumers getting access to broadcast programming, whether they are in urban or rural areas. We should continue to focus on the timeless values that inform our media policy—localism, diversity and competition.

The STELA Reauthorization Act of 2014, or STELAR, and its predecessors, established the framework that allows satellite television providers to deliver broadcast stations inside, and sometimes outside, of a subscriber’s market to their customers.

Some so-called “unserved” subscribers can’t receive their local stations from an antenna because they are too far away, or they are in a media market that doesn’t have a station affiliated with one or more of the “big four” networks. These consumers must be protected. At the same time, satellite television providers are not required to carry local broadcast networks. As a result, some subscribers receive out of market network programming from their satellite provider instead of local stations.

Congress also created the good faith negotiation rules that underlie the agreements that allow consumers to watch over-the-air broadcast stations as part of their cable and satellite TV packages. As media consolidation has grown, so too have the fights over these programming agreements and unfortunately consumers have been caught in the middle.

The number of station blackouts has been increasing as have the rates consumers pay. Smaller telecommunications companies are facing a choice of whether to continue as cable operators or simply become broadband providers.

As we begin our examination of STELAR, it's important that we ask the ultimate question of how best to put consumers first.

I expect that my colleagues on both sides of the aisle will offer a number of different solutions, large and small, tackling different issues cropping up within the media landscape. In my opinion, we should focus our analysis on the consumers:

What are the implications if STELAR is not reauthorized and how will the over 800,000 consumers currently receiving distant signals be impacted?

What is the path that gives consumers the ability to access—at prices they can afford—the television content they want?

How do we ensure that consumers are not rendered pawns in high-stakes negotiations between video distribution companies and big broadcaster station groups?

How can we ensure that broadcast stations remain vibrant outlets of expression and trusted sources of information for their local communities, while also promoting competition to the benefit of consumers?

How can we encourage the carrying of local programming at reasonable rates and that local programming reflects a diversity of views?

This Committee will closely examine these issues and work together to find a consensus approach of moving forward. I thank the witnesses for being here today, and with that, I yield back.

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