

October 15, 2019

The Honorable Roger Wicker  
Chairman  
Committee on Commerce, Science,  
& Transportation  
United States Senate  
Washington D.C. 20510

The Honorable Maria Cantwell  
Ranking Member  
Committee on Commerce, Science,  
& Transportation  
United States Senate  
Washington D.C. 20510

The Honorable Lindsey Graham  
Chairman  
Committee on the Judiciary  
United States Senate  
Washington D.C. 20510

The Honorable Dianne Feinstein  
Ranking Member  
Committee on the Judiciary  
United States Senate  
Washington D.C. 20510

The Honorable Frank Pallone, Jr.  
Chairman  
Committee on Energy & Commerce  
United States House of Representatives  
Washington D.C. 20515

The Honorable Greg Walden  
Ranking Member  
Committee on Energy & Commerce  
United States House of Representatives  
Washington D.C. 20515

The Honorable Jerrold Nadler  
Chairman  
Committee on the Judiciary  
United States House of Representatives  
Washington D.C. 20515

The Honorable Doug Collins  
Ranking Member  
Committee on the Judiciary  
United States House of Representatives  
Washington D.C. 20515

Dear Chairmen Wicker, Graham, Pallone, and Nadler, Ranking Members Cantwell, Feinstein, Walden, and Collins,

In 2014, Congress unanimously voted in favor of the Satellite Television Extension and Localism Act Reauthorization (STELAR). Among other things, this law allows satellite TV subscribers who would not otherwise be able to access network programming at all to access these broadcast stations. Without these critical legal protections in place, more than 870,000 satellite television subscribers risk losing their ability to access news, sports and programming at a fair and competitive price. Many of the residents most likely to be impacted by a failure to renew STELAR are disproportionately rural or otherwise live in areas that put them at a considerable disadvantage for access to information compared to urban and suburban communities—for example, they may live in “short” markets that lack a national network presence or in households that cannot receive stations over the air. **Therefore, consumers across the country are counting on this Congress to reauthorize and reaffirm STELAR and its important consumer protections before they expire on December 31, 2019.**

The current situation in which hundreds of thousands of satellite television subscribers are held hostage to cyclical and frequent regulatory disputes is unsustainable. We believe that consumers deserve to be treated better, and that they should be entitled to fair access to a full range of national programming. STELAR’s key provisions – including the distance signal license – ensure that satellite television companies can continue to provide broadcast stations to all their customers. Permanently reauthorizing STELAR will allow viewers living in underserved areas to continue receiving content without unnecessary disruption and lay the foundation for improved video marketplace competition.

Congress should take this opportunity to build on STELAR’s foundational provisions and modernize the nearly 30-year-old rules governing TV and video transmission. The increasing numbers of “cord cutters” and “cord nevers” show that consumer habits are changing and that today’s video audience wants to take advantage of their ever-growing viewing options.

Unfortunately, many of the rules from the 1992 Cable Act and its subsequent iterations are stifling today’s modern and innovative video market. This outdated law does little to keep bills in check. The retransmission fees consumers pay to broadcasters has ballooned from about \$200 million in 2006 to \$11.7 billion this year. Even worse, MVPDs unload their increased costs onto consumers in the form non-optional, company-imposed fees, like the “broadcast TV fee” and others. Moreover, consumers usually don’t have the option of a low-cost carrier with limited channel offerings that is less beholden to negotiating with broadcasters. The result is that since 2010, there have been more than 1,000 blackouts and this trend is only getting worse. In 2017, there were more than twice as many blackouts as in 2016. In 2019 alone, there have already been 230 blackouts.<sup>1</sup> Thousands of cable and satellite subscribers become bargaining chips whenever broadcasters and providers fail to reach an agreement.

Consumers are being taken advantage of and Congress can put a stop to it. In addition to provisions addressing satellite licenses, STELAR contains “good faith” provisions that, if properly enforced by the FCC, could reduce blackouts and lower consumer bills.

As Reps. Steve Scalise and Anna Eshoo have proposed in the Modern Television Act of 2019, Congress could fix things by shifting the video marketplace to a system based on privately negotiated copyright. Such a system would better fit consumers’ ongoing transition to online, multi-platform viewing. While bold approaches of this are probably needed to fundamentally restructure the video marketplace to better fit the needs of consumers, allowing STELAR to expire in the interim would represent a step backward. Video marketplace reform does not need to come at the cost of harming 870,000 satellite subscribers.

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<sup>1</sup> American Television Alliance, “Broadcasters Are to Blame for Skyrocketing Retrans Fees and Record Number of TV Blackouts,” <https://www.americantelevisionalliance.org/broadcasters-are-to-blame-for-skyrocketing-retrans-fees-and-record-number-of-tv-blackouts-says-atva/> (July 24, 2019)



The evidence for a permanent STELAR reauthorization is overwhelming. The video marketplace is in dire need of sweeping regulatory reform, but the artificial deadlines imposed by STELAR's expiration keep that from happening. **In the interest of consumers across the country, we call on Congress to reauthorize STELAR before it expires at the end of this year.**

Sincerely,

Common Cause  
Consumer Action  
Consumer Federation of America  
Consumer Reports  
Open Technology Institute at New America  
Public Knowledge