



NEWS

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Federal Communications Commission
1919 - M Street, N.W.
Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

Report No. CS 98-12

CABLE SERVICES ACTION

July 9, 1998

COMMISSION ADOPTS NOTICE SEEKING COMMENT ON DIGITAL BROADCAST
SIGNAL CARRIAGE ISSUES
(CS DOCKET NO. 98-120)

The Commission has adopted a Notice of Proposed Rulemaking seeking comment on the carriage of digital broadcast television signals by cable television systems. The Notice addresses the need for compatibility between digital systems, seeks comment on possible changes to the mandatory carriage rules, and explores the impact carriage of digital television signals may have on other Commission rules.

The broadcast signal carriage rules discussed in the Notice originate from the Cable Television Consumer Protection and Competition Act of 1992. This statute amended the Communications Act of 1934 to provide television stations with certain carriage rights on local market cable television systems. Sections 614 and 615 of the Communications Act contain the cable television "must carry" requirements for commercial and noncommercial educational television stations, respectively. Section 325 contains revised "retransmission consent" requirements pursuant to which cable operators may be obligated to obtain the consent of broadcasters before retransmitting their signals. Within local market areas, commercial television stations may elect cable carriage under either the retransmission consent or mandatory carriage requirements. Noncommercial television stations may only elect must carry under the Communications Act.

The Commission has recently adopted rules establishing a transitional process for the conversion of television broadcasting from an analog to a digital form of transmission. The rules and policies adopted by the Commission make each existing analog television licensee or permittee eligible to apply to construct or operate a new digital station using 6 MHz of spectrum. The new digital station has the flexibility to broadcast in a high definition mode, in a multiple channel standard definition mode, or a mixture of both. During a transitional period, both the analog and digital television signals will be broadcast. At the end of the transition, the licensee will cease broadcasting an analog signal and will return to the government 6 MHz of spectrum.

The most difficult carriage issues arise during the transition period when the digital and analog signals are operating simultaneously. In the Notice of Proposed Rule Making the Commission tentatively finds that the Communications Act and its legislative history has given it the discretion to manage carriage issues during the transition period. Recognizing the

complexities that will arise during this time, and the possibility of cable service disruptions, the Commission believes it has the ability to develop rules to facilitate the transition process to achieve the goals underlying the mandatory carriage requirements of the statute.

The Notice:

- seeks comment on digital equipment compatibility issues necessary to ensure the successful introduction of digital broadcast television. Problems associated with the carriage of a broadcaster's high definition digital signal are highlighted and comment is sought as to how best to resolve such issues.
- seeks comment on several possible must carry alternatives for DTV signals, ranging from full must carry requirements to no must carry requirements, during the transition period.
- addresses the carriage of DTV signals by small cable operators.
- seeks comment on what cable operator actions affecting the picture quality of DTV signals would be considered material degradation, which is prohibited for analog signals under the Communications Act.
- asks how to define the term duplication in the context of the transition period.
- addresses the statutory phrase "primary video" and how it should be defined in the digital television context.
- seeks comment on the definitions of ancillary and supplementary digital broadcast services.
- seeks comment on the question of which tier of service digital television stations should be placed.
- seeks comment on channel positioning options for DTV stations.
- seeks comment on the use of antennas and A/B switches to facilitate the reception of DTV signals.

Action by the Commission July 9, 1998, by Notice of Proposed Rulemaking (FCC 98-153).
Chairman Kennard, Commissioners Ness, Furchtgott-Roth, Powell and Tristani.

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