



NEWS

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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. Circ 1974).

FOR IMMEDIATE RELEASE
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FCC BEGINS IMPLEMENTATION OF SATELLITE HOME VIEWER IMPROVEMENT ACT

FCC Seeking Comment on Retransmission Consent for Satellite

Washington, DC – The Federal Communications Commission (FCC) today launched the first of several proceedings to implement the Satellite Home Viewer Improvement Act (SHVIA) that was enacted on November 29, 1999. This law, for the first time, permits satellite carriers to transmit local television broadcast signals into local markets. The legislation generally seeks to place satellite carriers on an equal footing with local cable television operators when it comes to the availability of broadcast programming, and thus gives consumers more and better choices in selecting a multichannel video program distributor (MVPD), such as cable or satellite service.

The SHVIA outlined numerous tasks for the FCC, many with strict statutory deadlines that must be completed within one year of enactment. Among other things, the law requires the Commission to establish rules for satellite companies in regard to mandatory carriage of broadcast signals, retransmission consent and program exclusivity. The Commission must also make recommendations on the Grade B signal standard and improve the ILLR computer model that predicts signal intensity at a household for the purpose of determining eligibility for receiving distant television broadcast signals via satellite.

Under this law, before a local television broadcast signal can be delivered into a local market, the satellite carrier must obtain the retransmission consent of the local broadcaster. Today, the FCC released a *Notice of Proposed Rule Making* seeking comment on retransmission consent negotiations between broadcast television stations and multichannel video program distributors, such as cable and satellite companies. This notice addresses retransmission consent only; “must carry” rights of broadcasters via satellite will be addressed in a future proceeding. Congress set statutory deadlines of 45 days to commence the retransmission consent rule making and one year to adopt the rules.

FCC Chairman William E. Kennard said, “Today’s action, adopted three weeks earlier than mandated, reflects the FCC’s intent to implement the law aggressively and bring the competitive benefits of this legislation home to consumers.”

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The SHVIA prohibits broadcasters from entering into exclusive retransmission agreements and requires broadcasters, until 2006, to negotiate in good faith with satellite carriers and other MVPDs with respect to the broadcasters' signals. This notice seeks comment on what criteria should be employed to define "good faith." The notice also seeks comment on the statutory provision that allows broadcasters to discriminate between MVPDs based on "competitive marketplace considerations."

Comment deadlines for Section IV (Exclusivity and Good Faith Negotiations):

Comments due: 14 days after publication in Federal Register
Reply comments due: 21 days after publication in Federal Register

**Comment deadlines for Section III (Retransmission Consent) &
Section V (Administrative Matters):**

Comments due: February 1, 2000
Reply comments due: February 20, 2000

Action by the Commission, December 21, 1999, by Notice of Proposed Rule Making (FCC 99-406). Chairman Kennard, Commissioners Ness, Furchtgott-Roth, Powell and Tristani.

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CS Docket No. 99-363

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