Congress of the United States Washington, DC 20515

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FCC Mail Room

June 24, 2016

The Honorable Thomas E. Wheeler Chairman Federal Communications Commission 445 12th Street SW Washington, DC 20554

Dear Mr. Chairman:

We are writing to express our serious objections to the Commission's proposed regulations for "navigation devices" under Section 629.

Today's video market is one of the most competitive and innovative sectors of the creative economy. In addition to pay television services, consumers can subscribe to web-based streaming services or to individual programmers' streaming services and build their own package. Consumers can receive pay TV and online services through apps on the tablets, smart phones, smart TVs, gaming consoles, PCs, streaming boxes and other connected devices they already own. All of these video services license and pay for this content, which funds creators, entrepreneurs and artists, provides jobs on and off the screen, and benefits consumers with an unprecedented explosion in creativity and video choices.

Now the FCC is proposing new rules that would remove copyright owners' rights to decide how and where to distribute their work. The proposal would require that pay TV providers extract this programming from their services so that third party device manufacturers and third-party apps developers – including foreign manufacturers and app developers – may incorporate it into their own commercial services without any agreement from or compensation to the content owners or their distributors. Programmers have warned that this approach will violate their rights as creators and content owners, "dry up the revenue needed to underwrite great shows," and jeopardize the rich variety of programming that consumers have available today. The Commission's proposal reflects a shocking indifference to the rights of copyright owners and to the limits that Congress placed on FCC authority. Section 629 is aimed at enabling retail devices to access the services offered by MVPDs as they can today with apps – not to dismantle those services or to change copyright law.

The proposed rules would also undercut important consumer protections that Congress created to protect the privacy of cable and satellite TV customers. The rules would open up private information to unregulated third-party manufacturers and app developers and create an enormous privacy gap. It asks MVPDs to police for violations but removes MVPDs' technical, legal, and contractual tools for protecting privacy and provides no consumer remedies for privacy violations by these third parties.

The proposal also eliminates the technology, testing, and agreements that MVPDs use to secure all of America's highest value programming, and reduces it essentially to *trust* that third parties – including foreign entities – will protect content, respect network security, and safeguard consumers from malware. That trust is unfounded. A proposal that eliminates key security protections is an affront to Congress' requirement in Section 629 that FCC rules may not "jeopardize security" or impede the legal rights of MVPDs "to prevent theft of service."

The Commission wasted over a billion dollars of consumers' money from prior technology mandates, until Congress had to step in and repeal that mandate. There is no need for more ill-founded technology mandates in a marketplace where consumers can access multichannel and online video content on a wide and growing array of retail devices.

Sincerely,

Tim Scott

United States Senator

Mark Sanford

Member of Congress

Ine Wilson

Member of Congress

Jeff Duncan

Member of Congress

Trey Goway

Member of Congress

Mick Mulvaney

Member of Congress

Tom Rice

Member of Congress