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For Immediate Release**FCC PROPOSES RULES TO INCREASE AVAILABILITY OF DIVERSE AND INDEPENDENT PROGRAMMING TO CONSUMERS**

WASHINGTON, September 29, 2016 – The Federal Communications Commission today issued a Notice of Proposed Rulemaking to foster consumer choice and access to diverse programming on television. The proposed rules may prohibit the use of certain clauses in pay TV programming distribution contracts that impede carriage of independent and diverse programming.

Specifically, the proposed rules would prevent pay TV providers from including so-called “unconditional” most favored nation (MFN) and “unreasonable” alternative distribution method (ADM) clauses in their contracts with independent programmers. An “unconditional” MFN clause entitles a pay TV provider to receive favorable contract terms that a programmer has given to another programming distributor, without requiring the pay TV provider to assume any corresponding obligations from the other distribution agreement. An ADM clause generally prohibits or limits a programmer from putting its programming on alternative video distribution platforms, such as online platforms. The FCC seeks comment on the specific kinds of ADM clauses that it should prohibit as unreasonable.

The proposed rules are a result of the input received from an inquiry the FCC opened earlier this year into the state of diversity in the video programming market. The Commission held two workshops on the issue to examine the state of the video marketplace, challenges faced by distributors of video programming, and marketplace obstacles that affect the provision of independent and diverse programming to consumers.

Consumers ultimately feel the adverse effects of restrictive contract provisions. Because they limit the incentives and ability of independent programmers to experiment with innovative carriage terms and to license their content on alternative, innovative platforms, restrictive contract provisions deprive consumers of the benefits that otherwise would flow from enhanced competition in the video programming and distribution marketplace.

The proposed rules would help to remove these barriers to competition, diversity, and innovation in the video marketplace, giving independent and niche programmers greater ability to reach their intended audiences. The proposed rules would also give consumers more choice in the sources and variety of their video programming, greater flexibility in how they access program content, and lower prices for their video programming services.

Action by the Commission, September 29, 2016, by Notice of Proposed Rulemaking (FCC 16-129). Chairman Wheeler, Commissioners Clyburn and Rosenworcel approving. Commissioners Pai and

O’Rielly dissenting. Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai and O’Rielly issuing separate statements.

Docket No. 16-41

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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).