FCC NEWS from the Federal Communications Commission

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For Immediate Release

FCC MODERNIZES LEASED ACCESS RULES

WASHINGTON, July 16, 2020—The Federal Communications Commission today adopted a Second Report and Order that updates its leased access rate rules by implementing a tier-based leased access rate calculation. The leased access rules require cable operators to set aside channel capacity for commercial use by unaffiliated video programmers. In 2019, the Commission adopted a *Further Notice of Proposed Rulemaking* that sought comment on how to simplify the leased access rate formula.

The Commission's rules establish the maximum monthly rate that a cable operator can charge a leased access programmer. The current rate formula considers rates across all tiers and utilizes a weighting scheme, has proven to be complex for cable operators to calculate, and is based on cable rate regulations that were repealed in 1999. The adoption of a simpler tier-based formula, which solely involves the channel tier on which a leased access programmer is offered carriage, improves upon this current complicated calculation. It also gives a more accurate approximation of the value of a particular channel and best reflects regulatory changes that have occurred since the current formula was adopted in 1997. No commenters opposed this modernized formula.

The Order also finds that, although changes in the marketplace cast substantial doubt on the constitutionality of mandatory leased access, leased access requirements are contained in a specific statutory mandate from Congress, and thus the Commission will not eliminate or cease to enforce these rules at this time.

Action by the Commission July 16, 2020, by Second Report and Order (FCC 20-95). Chairman Pai and Commissioner O'Rielly approving. Commissioner Carr approving in part and concurring in part. Commissioners Rosenworcel and Starks concuring. Chairman Pai, Commissioners O'Rielly, Carr, and Starks issuing separate statements.

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