STATEMENT OF
CHAIRMAN AJIT PAI

Re: *Cable Service Change Notifications,* MB Docket No. 19-347; *Modernization of Media Regulation Initiative,* MB Docket No. 17-105; *Amendment of the Commission's Rules Related to Retransmission Consent*, MB Docket No. 10-71.

Our action today marks the 25th order in our Modernization of Media Regulation Initiative. Through this effort, we have updated numerous rules to match the modern media marketplace and eliminated others that had long outlived their usefulness. This particular Report and Order does both by modernizing a consumer-notice rule to account for the current realities of carriage negotiations between cable operators and programmers, and repealing an unnecessary requirement concerning notices that cable operators must give to local franchising authorities (LFAs).

First, in lieu of a rigid requirement that cable operators must notify customers thirty days in advance of a channel being dropped, the Report and Order adopts a common-sense notification standard requiring that cable operators notify their customers "as soon as possible" that a channel will be dropped when retransmission consent or program carriage negotiations fail during the last thirty days of a contract. Given that most carriage negotiations do not conclude until an expiring contract's last month, this rule will benefit consumers by ensuring that they only get notices of actual channel drops, rather than being bombarded by notices of potential channel drops that likely will never come to pass. Under the latter scenario, many customers would become confused and others would begin to ignore such notices, thus making it more likely that they will not pay attention to those rare notices that involve actual channel losses.

The Report and Order also eliminates, in areas that are no longer subject to rate regulation, a general requirement that cable operators notify LFAs of changes in service and rates. Instead, we adopt a more targeted requirement that cable operators provide advance notice of basic-tier rate increases to LFAs in jurisdictions subject to rate regulation. Such notice makes sense so that LFAs in areas not subject to effective competition can fulfill their responsibilities with respect to rate regulation. But the broader notice requirement that we are repealing today did not serve any important purpose. To the extent that consumers have questions about rate and service changes, the record indicated that they were far more likely to contact their cable operator than their LFA. And cable operators are much better positioned than LFAs to answer such inquiries and provide consumers with the information they need.

These 25 Media Modernization orders would not have been possible without the dedicated work of dozens of Commission staffers from several offices. This silver anniversary in particular came through the work of Michelle Carey, John Cobb, Maria Mullarkey, Brendan Murray, and Sarah Whitesell from the Media Bureau; Belford Lawson from the Office of Communications Business Opportunities; Eugene Kiselev and Andrew Wise from the Office of Economics and Analytics; and Susan Aaron and David Konczal from the Office of General Counsel. My thanks to you for your work on this and so many other items.