

STATEMENT OF CONGRESSMAN RICK BOUCHER

Subcommittee on Communications, Technology and the Internet Hearing: Discussion Draft of Legislation to Reauthorize Satellite Home Viewer Act

June 16, 2009

Today the Subcommittee takes another step toward renewal of the Satellite Home Viewer Act, which enables satellite carriers to retransmit distant television signals. Certain provisions of the Communications and Copyright Acts expire at the end of this year, making reauthorization must-pass legislation.

At the Subcommittee's oversight hearing in February, I indicated that Congress should proceed with the reauthorization in the most straightforward manner possible. I believe today, as then, that we should avoid in this measure collateral matters such as retransmission consent reform that are relevant to all multichannel video platforms, not just to satellite.

The discussion draft under consideration takes this straightforward approach. It:

- Renews for 5 years the provision allowing carriers to deliver a distant network station to homes under specified circumstances, which otherwise would expire at the end of this year.
- Reauthorizes the good faith negotiation requirements in the Communications Act that otherwise would expire at the end of this year.
- Provides needed clarification regarding the provision by satellite carriers of significantly viewed signals by stating that a significantly viewed signal may only be provided in high definition format if the satellite carrier is passing through all of the high definition programming of the corresponding local station in high definition format.
- Directs the FCC to develop a predictive methodology for the reception of digital signals within 6 months in order to determine which households are eligible to receive distant network signals.
- Makes technical changes to the law to reflect the fact that after last Friday, full-power television stations are no longer broadcasting analog signals.

There are additional matters that we could potentially address. One is developing appropriate incentives to encourage satellite carriers to provide local service in all 210 designated market areas (DMAs) nationwide. Today, DirecTV offers local service in about 150 markets, while DISH will soon offer it in 182 markets; however, that will still leave about 28 markets without any local service at all.

Most of the DMAs that lack local-into-local service are in rural areas, and many of these markets do not have a full complement of network affiliates. In our parlance they are referred to as short markets.

While I understand that the number of subscribers in these areas are small, their residents are vocal in expressing their views that they should have the same opportunities to receive local programming as those who live in more densely populated regions. I am hopeful that ongoing discussions among stakeholders will lead to an arrangement through which all 210 markets will receive local satellite delivered service.

Another matter for discussion is whether residents in short markets should be able to receive the programs of networks missing in their market from an adjacent DMA. While satellite carriers can today import distant signals from any market, they are hindered in their desire to do so by the so-called "Grade B bleed" problem, which prevents them from offering distant signals to those households that can receive the signal of an out-of-market network affiliate over the air. That problem as well as the overall short market concern could be usefully addressed.

Stakeholders are currently discussing the short market and local 210 matters. It's my hope that we will reach agreements which will enable us to address both matters at the Subcommittee markup.

I welcome today's witnesses and thank them for sharing their views with us.