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United States Senate

WASHINGTON, DC 20510-4402

May 18, 2016

PRESIDENT PRO TEMPORE

COMMITTEES:

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JOINT COMMITTEE
ON TAXATION

The Honorable Thomas Wheeler
Chairman
Federal Communications Commission
445 - 12th Street, SW
Washington, D.C. 20554

Dear Chairman Wheeler:

I write concerning the FCC's proposed set-top box rules, which would require cable and satellite providers to make television programming streams available to third parties. As the former chairman and senior member of the Senate Judiciary Committee, I am particularly concerned that the proposed rules could upend carefully negotiated licensing agreements between multichannel video programming distributors (MVPDs) and content providers.

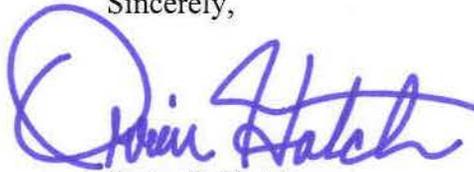
Technological advancements have provided consumers with almost limitless options to watch pay-for content on an array of smart TVs and other devices. Streaming technologies have freed consumers from costly and cumbersome set-top boxes. To date, the fast-growing streaming market has forced cable and other video providers to be more nimble and competitive—unleashing greater innovation and consumer choice.

Unfortunately, many believe that if something is on the Internet it must be free. Producing and distributing video content, however, is not only costly—it also requires a legal framework to license that content. Approaches that ignore the need for licensing or undercut existing licensing agreements will likely increase costs for consumers, reduce choices, and discourage innovation.

While you have repeatedly said that copyright law will not be impacted by the proposal, the terms of the licensing agreements between MVPDs and programmers are the key mechanism for protecting the copyrights of content owners, and these are the very terms that third-party devices and apps will be permitted to disregard under the FCC's proposal.

I appreciate your February 18, 2016, statement that the proposal “will *not* interfere with the business relationships or content agreements between MVPDs and their content providers” and “will *not* open up content to compromised security.” I support those objectives and request all relevant information that will provide a clearer understanding of exactly how the proposed rules will ensure those objectives are met.

Sincerely,

A handwritten signature in blue ink, appearing to read "Orrin Hatch", with a large circular flourish at the beginning.

Orrin G. Hatch
United States Senator

cc: Commissioner Ajit Pai
Commissioner Mignon Clyburn
Commissioner Michael O’Rielly
Commissioner Jessica Rosenworcel