



September 9, 2014

The Honorable John D. Rockefeller IV
Chairman
Committee on Commerce, Science &
Transportation
U.S. Senate
Washington, DC 20510-6125

The Honorable John Thune
Ranking Member
Committee on Commerce, Science &
Transportation
U.S. Senate
Washington, DC 20510-6125

The Honorable Fred Upton
Chairman
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Henry Waxman
Ranking Member
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Rockefeller and Upton and Ranking Members Thune and Waxman:

On behalf of the Rural Agriculture Council of America (RACA), whose membership is comprised of rural interests from across the country, I respectfully write you today to voice our opposition with regards to the U.S. Senate Commerce Committee's draft legislation, the Satellite Television Access and Viewer Rights Act (STAVRA), and the components of it which mirror the Committee's "Local Choice" proposal.

We understand and recognize the need to move forward with legislation to reauthorize the Satellite Television Extension and Localism Act (STELA) by year's end, but STAVRA would result in a complete redesign of the television marketplace as we know it, without fully examining its full impact on rural America.

Although this proposal is being hailed as a way to lower pay-TV subscribers monthly bills, and offer subscribers more flexibility in accessing the local TV stations they would like to watch on pay-TV systems, we have serious doubts about how such an itemized pricing and distribution system for local broadcast TV programming will actually save rural consumers money on their monthly bills.

We question how rural pay-TV providers will be able to administer this new format in a cost-efficient manner for rural cable and satellite subscribers. Proponents of this STELA add-on also claim that it will 'fix' the retransmission consent system. As we have said on various occasions, the current system has benefited rural TV viewers with timely, accurate and reliable local broadcasting information and does not warrant further legislative action.

We believe that a platform in which cable and satellite TV subscribers select and pay for each, individual local TV stations they want to watch, will ultimately end up costing them more money on their monthly bills, particularly rural television viewers.

This proposal would also dramatically change the competitive dynamics of the video marketplace, pitting local TV stations against each other in competition for pay-TV subscribers and fiercely sought-after local advertising dollars from local businesses, including our own members. Corraling local TV stations separately from cable network programming and asking pay-TV subscribers to pick and choose the broadcast TV channels they want to watch will drive down viewers and ultimately cost these stations advertising revenues. Under this highly plausible scenario, the Local Choice components of the legislation will be costly for consumers, hundreds of local TV broadcasters and our own local businesses that advertise on these channels.

Most importantly and our main concern with this proposal is the affect it will have on our agricultural community. This group comprised of farmers, ranchers, main street business owners and local elected officials have come to rely on local TV broadcasters as a trusted source for news, weather updates, emergency information and programming that helps us grow and sustain our local and regional economies. The continued and reliable connection to those news outlets that provide information specific to each of our members' respective businesses is paramount. Any one piece of information regarding local markets, weather or emergency reports can substantially affect the operating practices of a farmer or rancher which can then result in dramatically different results at the market.

Broadcasters help keep us all informed of impending weather systems, social and civic activities in the community, and educational and vocational programming that helps foster an enriched community. The Local Choice proposal would put all of this in jeopardy. We need reforms that support our local TV stations and enable them to flourish in our communities, not drive them out of business.

Pay-TV providers will be the only winners in the end under STAVRA. Ultimately, our rural members, many who already subsist within tight operating budgets and are substantial contributors to their local communities, will be the ones affected by this proposal.

We appreciate any consideration you will give to our opposition to STAVRA as currently proposed. Please don't hesitate to direct any questions or concerns you have regarding this issue to me at (202) 546-4065.

Sincerely,

Jack Alexander
President
Rural Agriculture Council of America

cc: U.S. Senate Commerce Committee members & U.S. House Commerce Committee Members