

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of )  
 )  
Amendment of Section 73.3555(e) of the ) MB Docket No. 17-318  
Commission’s Rules, National Television )  
Multiple Ownership Rule )

**COMMENTS OF  
NTCA–THE RURAL BROADBAND ASSOCIATION**

NTCA–The Rural Broadband Association (“NTCA”)<sup>1</sup> hereby submits these comments in response to the Public Notice issued by the Media Bureau of the Federal Communications Commission (“Commission”) in the above-captioned proceeding.<sup>2</sup> The Public Notice seeks to refresh the record in the National Television Multiple Ownership Rule proceeding and requests comment on new information regarding the television and video programming marketplace and other relevant trends that may inform the Commission’s review of the national audience reach cap.<sup>3</sup> In the seven years since the Commission last examined this issue, the retransmission consent fees that NTCA members who serve as Multichannel Video Programming Distributors (“MVPDs”) pay to broadcasters have increased substantially – relaxation of the ownership cap is likely to exacerbate this situation as it will further hamper small rural providers’ ability to negotiate with broadcasters for reasonable retransmission consent fees. NTCA therefore opposes

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<sup>1</sup> NTCA is an industry association composed of approximately 850 community-based companies and cooperatives that provide advanced communications services in rural America and more than 400 other firms that support or themselves are engaged in the provision of such services.

<sup>2</sup> *Media Bureau Seeks to Refresh the Record in the National Television Multiple Ownership Rule Proceeding*, MB Docket No. 17-318, Public Notice, DA 25-530 (rel. June 18, 2025) ("Public Notice").

<sup>3</sup> *Id.*, p. 2.

any relaxation or elimination of the existing national television ownership cap as this would only strengthen broadcasters' negotiating power to the detriment of rural viewers.

As recent data show, rural MVPDs have experienced substantial increases in retransmission fees. In their most recent retransmission consent negotiations, rural MVPDs faced average fee increases of \$104,020 in 2024, a 33% increase over 2023 levels.<sup>4</sup> These MVPDs also reported that retransmission consent fees now represent an average of 37% of total operating expenditures in 2024, compared to 27.9% in 2023.<sup>5</sup> Operating on tight margins in small markets, rural providers often must pass these costs onto end-users – more than four out of five providers responding to the recent NTCA survey request reported passing these increases on to their subscribers.<sup>6</sup>

These retransmission consent fee increases have consequences for rural communities as rural MVPDs are driven from the market. Turning again to recent survey data, nearly one-quarter of respondents indicated that they are not very likely to continue offering MVPD service, and 7.9% report that they already have plans to exit this market altogether.<sup>7</sup> But, even with the growth of streaming services, rural communities still rely on local television broadcasts for local news and public safety information. Indeed, rural customers in particular depend on access to weather and safety alerts through their local MVPDs during severe weather events, as this is

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<sup>4</sup> NTCA–The Rural Broadband Association, 2024 NTCA Broadband/Internet Availability Survey Report, at p. 29 (Dec. 2024).

<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*, p. 27.

often their primary source of reliable emergency information.<sup>8</sup> When essential network programming is unavailable on a rural MVPD's system due to failed negotiations, subscribers often have limited alternatives, as competitive providers frequently do not serve these markets. In addition, survey data shows that substantial portions of rural service areas still cannot receive over-the-air television broadcast signals, with 17% of NTCA members reporting that more than 75% of households in their service area cannot receive over-the-air signals,<sup>9</sup> and affordable access to MVPD service is particularly critical to these rural communities.

As NTCA noted in 2018, the bargaining power imbalance between small rural MVPDs and broadcasters is a key component in the increases the former have faced in retransmission consent fees, and this only worsened since.<sup>10</sup> When asked about reasons for discontinuing or considering discontinuing video service, 94% of rural providers cite increased programming costs, while 64.2% identify the difficulty of negotiating retransmission consent agreements with consolidated broadcast groups as a significant factor.<sup>11</sup> Broadcasters continue to use their market position and control of popular programming to secure favorable terms from small MVPDs.<sup>12</sup> This pattern is supported by economic evidence showing that MVPDs pay significantly more for

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<sup>8</sup> American Meteorologist Society, How Does the U.S. Public Get Its Weather Forecasts? AMS Blog (Dec. 16, 2024) <https://blog.ametsoc.org/2024/12/16/how-does-the-u-s-public-get-its-weather-forecasts/> (includes survey data showing local television remains the primary source for weather information among U.S. consumers).

<sup>9</sup> *Id.*, p. 28.

<sup>10</sup> Comments of NTCA–The Rural Broadband Association, MB Docket No. 17-318 (filed Mar. 19, 2018), p. 2.

<sup>11</sup> 2024 NTCA Survey at p. 28.

<sup>12</sup> *See generally* Reply Comments of the American Television Alliance, GN Docket No. 25-133 et al., at 2-10 (filed Apr. 28, 2025) (“ATVA delete reply”) (documenting extensive evidence that broadcast consolidation leads to higher retransmission consent fees through increased market leverage).

programming from large broadcast groups compared to independent stations.<sup>13</sup> The Department of Justice has similarly recognized the dynamic, requiring divestitures in broadcast mergers after finding that consolidation results in higher retransmission consent fees that are passed through to subscribers.<sup>14</sup>

As NTCA recently noted in another proceeding, “broadcasters have free and exclusive use of valuable public spectrum, federal preemption of local zoning and environmental regulations to make sure that stations’ transmission towers can be erected and send signals to viewers, and free carriage of programming on local cable systems for which other programmers pay millions.”<sup>15</sup> In exchange, broadcasters are meant to act as trustees for the public interest, and the Commission can and should ensure that broadcasters continue to meet this obligation to operate in the “public interest, convenience, and necessity.”<sup>16</sup> The record now shows that broadcasters have used their increased market power to force MVPDs to choose between paying rapidly escalating programming fees or losing access to programming their customers want (and need in terms of local news and weather). Allowing broadcasters to consolidate further through relaxed ownership rules would only worsen this dynamic.

Further, recent evidence suggests that retransmission consent fees may not always serve their intended purpose of supporting local programming. Through “reverse compensation,” local stations are increasingly sharing portions of their retransmission consent fees with the parent

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<sup>13</sup> *Id.* at 3 n.10.

<sup>14</sup> *Id.* at 5 n.23.

<sup>15</sup> NTCA Reply Comments, GN Docket No. 25-133 (fil. Apr. 28, 2025) (“NTCA delete reply”), pp. 20-22. Internal citations omitted).

<sup>16</sup> 47 U.S.C. § 307(a).

network.<sup>17</sup> This creates a compounding effect where rural MVPDs face escalating costs driven not by local programming needs, but by financial arrangements between national networks and station groups.<sup>18</sup> Further ownership consolidation would only worsen this dynamic by reducing the number of independent negotiating parties and increasing broadcasters' ability to extract higher fees regardless of local community benefit.

Finally, the Commission should look with some skepticism at the investable broadcaster assertions that raising the ownership cap is necessary to preserve broadcasting<sup>19</sup> or to preserve localism. As ATVA recently pointed out, "many broadcasters continue to report considerable profits" and publicly available data indicates that "concerns about an existential crisis in broadcasting is unsupported by financial evidence."<sup>20</sup> Moreover, as NTCA noted in that same proceeding, while broadcasters often defend rules that enable them to continually increase retransmission consent fees based on the concept of promoting "localism," there is "no evidence that broadcasters have invested the gains they have realized, through ever-escalating retransmission consent fees, in enhancing or adding to local news operations."<sup>21</sup>

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<sup>17</sup> Gray Media, Inc., Gray Television Presentation, at slide 7 (Feb. 2023), [https://graymedia.com/documents/presentations/Gray\\_Television\\_Presentation\\_February\\_2023.pdf](https://graymedia.com/documents/presentations/Gray_Television_Presentation_February_2023.pdf) (demonstrating the growth in both retransmission consent revenue and reverse compensation payments to networks).

<sup>18</sup> Testimony of Denny Law, Chief Executive Officer, Golden West Telecommunications Cooperative, Inc., Before the United States Senate Committee on Commerce, Science, and Transportation, The Reauthorization of STELAR, at 11-12 (Oct. 23, 2019) (explaining that "through what is known as 'reverse comp,' local broadcasters now split the retransmission consent fees they collect from distributors and video subscribers with their network partners," with Wall Street analysts estimating local affiliates split between 50% and 75% of retransmission revenues with networks).

<sup>19</sup> Press Release, NAB, National Association of Broadcasters Launches Campaign Urging FCC to Modernize Ownership Regulations (Feb. 27, 2025), available at: <https://www.nab.org/documents/newsroom/pressRelease.asp?id=7163>

<sup>20</sup> ATVA delete reply, pp. 10-11.

<sup>21</sup> NTCA Comments, GN Docket No. 25-133 (fil. Apr. 11, 2025), p. 26.

The Commission should maintain the current national ownership cap as broadcast consolidation has produced material harm to competition, public safety, and broadband deployment in rural areas. Further relaxation of ownership rules would be contrary to the public interest and inconsistent with the Commission's commitment to serving rural America.

Respectfully submitted,



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