

# Broadcasting Oct 24

TOP OF THE WEEK

## Congress, in overtime, passes TVRO, children's ad bills

**H.R. 2848 clears up copyright questions over delivery of over-the-air signals to home dishes; broadcasters now must provide programing for 'special needs of children' with ad limits; also OK'd is lottery advertising**

The 100th Congress flexed its regulatory muscle last week and, as a result, the Fifth Estate will operate under some new ground rules. For starters, the Senate, after months of uncertainty, approved by voice vote a House measure (H.R. 3966) that would reimpose limits on the amount of advertising during children's programs and require broadcasters to serve the "special needs of children." Despite earlier threats of a presidential veto, most observers felt the measure would become law.

And a copyright bill (H.R. 2848), which should bolster the struggling home satellite industry as well as ensure backyard dish owners access to network and independent broadcast signals, was also headed for the President's desk.

This was all part of last week's activity on Capitol Hill as Congress prepared to depart last Friday night (Oct. 21). Slated to adjourn more than two weeks ago, the lawmakers stayed on primarily to pass a mammoth antidrug bill (BROADCASTING, Oct. 10, 17). By week's end, however, it appeared that the 100th Congress had completed its communications policymaking business.

The copyright measure creates a six-year compulsory license for the satellite distribution of broadcast signals to dish owners (BROADCASTING, Sept. 26, Oct. 10). The bill goes a long way toward eliminating uncertainties surrounding the legality of such distribution under copyright law.

The Satellite Broadcasting Network (trade name Primetime 24), which has been engaged in court battles over the delivery of its program package of network signals to rural dish owners, hailed the new law as a "giant step" toward advancing the goal of bringing television services to "thousands of unserved households."

H.R. 2848 establishes more than copyright policy. It should help stabilize the fledgling home satellite (TVRO) industry through provisions that establish stiffer penalties for piracy of satellite signals and make the manufacture, assembly and modification of unauthorized descramblers a felony punishable by a fine of up to \$500,000 and imprisonment of up to five years. Also, the FCC would be required to conduct an inquiry to determine if a universal encryption

standard is needed.

The measure was plagued by problems since its inception some two years ago. But after lengthy negotiations between industry groups, the lawmakers (chiefly House Copyright Subcommittee Chairman Robert Kastenineier [D-Wis.], Mike Synar [D-Okla.], Rick Boucher [D-Va.] and Billy Tauzin [D-La.]) fashioned a suitable compromise. Support slowly grew, with satellite carriers, the TVRO industry, cable, the motion picture industry and broadcasters even-

have to provide programing that serves the "special needs of children." Additionally, the FCC during license renewal time would have to determine whether a licensee had and Information Administration sailed through the House. They establish funding levels and, in the cases of the FCC and CPB, incorporate some policy changes (BROADCASTING, Oct. 17).

The National Association of Broadcasters was especially pleased with the final passage of a lottery advertising measure, enabling stations to air advertisements or even public service announcements promoting all legal lotteries. Currently, broadcasters can carry advertisements for state-run lotteries only. "Many broadcasters have had to turn down the requests of charity groups and others to publicize their community events, much to the frustration of these groups," said NAB President Eddie Fritts in a statement last week.

Of last week's congressional accomplishments, the children's television bill was certainly the most controversial. Stalled in the Senate since June (BROADCASTING, June 13), the measure's fate was hanging in the balance. House Telecommunications Subcommittee Chairman Ed Markey (D-Mass.) and Senator Tim Wirth (D-Colo.) were at loggerheads over the measure after Wirth blocked Senate action in an effort to amend the House bill, of which Markey is a key sponsor (BROADCASTING, Oct. 10, 17).

Wirth, who chaired the House Telecommunications Subcommittee when he served in the House, was criticized by the bill's proponents for "interfering," and was accused of trying to claim credit for legislation others had labored over. Wirth does not sit on the Commerce Committee, which oversees communications matters, but in the Senate it takes only one member to hold up legislation. Hill sources say he pulled back to avoid any blame for killing the measure.

Nevertheless, Wirth's undertakings won praise from some groups, including the American Academy of Pediatrics, American Psychological Association, Consumer Federation of America and the National Education Association, which issued a joint statement endorsing his actions. They also voiced disappointment with the broadcast industry for blocking Wirth's efforts.

But Peggy Charren of Action for Children's Television defended the broadcasting industry. "The industry signed onto this in good faith.... I think their behavior was fine." She was ecstatic about the prospects of the new law. "This reverses the Reagan administration's attitude of 'let them eat

100TH CONGRESS 2d Session		<b>H. R. 3966</b>
IN THE SENATE OF THE UNITED STATES		
<small>June 9 Legislative day, June 8, 1988</small>		
<small>Revised</small>		
<small>June 13, 1988</small>		
<small>Ordered held at the desk</small>		
<b>AN ACT</b>		
<small>To require the Federal Communications Commission to reinstate restrictions on advertising during children's television, to enforce the obligation of broadcasters to meet the educational and informational needs of the child audience, and for other purposes.</small>		
1	<small>Be it enacted by the Senate and House of Representatives</small>	
2	<small>of the United States of America in Congress assembled,</small>	
3	<small>SECTION 1. SHORT TITLE.</small>	
4	<small>This Act may be cited as the "Children's Television Act of 1988".</small>	
5	<small>of 1988".</small>	
6	<small>SEC. 2. FINDINGS.</small>	
7	<small>The Congress finds that—</small>	
8	<small>(1) television can assist children in learning important information, skills, values, and behavior, while en-</small>	
9	<small>tant information, skills, values, and behavior, while en-</small>	

usually backing it. (Despite that momentum, an internal dispute between Senate and House members over trademark legislation almost sank the bill [BROADCASTING, Oct. 17]).

The most formidable opposition initially came from broadcasters. But independents were finally placated with language that instructs the FCC to consider a syndex rule for the retransmission of broadcast signals to dish owners. And the networks dropped their objections after stronger safeguards concerning the delivery of affiliate signals to so-called white areas (where network signals are unavailable by other means) were added.

Three authorization bills affecting the FCC, the Corporation for Public Broadcasting and the National Telecommunications