

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *Leased Commercial Access*, MB Docket No. 07-42; *Modernization of Media Regulation Initiative*, MB Docket No. 17-105

Section 612 of the Communications Act requires cable operators to set aside channel capacity for commercial use by unaffiliated video programmers—a process that’s commonly known as “leased access.” The Commission’s rules implementing this statutory provision have a muddled past, to say the least. The FCC last modified its leased access rules in 2008, but its order never went into effect due to a judicial stay and the Office of Management and Budget’s refusal to approve the new rules under the Paperwork Reduction Act. As a result, the leased access rules currently in effect are the ones the FCC adopted almost a quarter-century ago.

Given this background, I’m pleased that we’re proposing to vacate the troubled 2008 order and wipe the slate clean. In addition to beginning to turn the page on that order, we need to examine how to modernize our leased access rules to fit the media marketplace of today, not that of the early 1990s. And we’re doing just that here, seeking input on the current state of the leased access marketplace—including the impact of alternative means of video distribution that simply didn’t exist when our rules were created. I look forward to reviewing the record and eventually updating our regulations as appropriate.

As with all of our modernization initiatives, the laurels belong to our dedicated staff. Thank you to Steve Broecker, Michelle Carey, Katie Costello, Martha Heller, Tom Horan, Nancy Murphy, Holly Saurer, and Diana Sokolow from the Media Bureau, and Susan Aaron and David Konczal from the Office of General Counsel.