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March 21, 2016

The Honorable Thomas Wheeler
Chairman
U.S. Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Wheeler,

On behalf of the National Hispanic Foundation of the Arts (NHFA), I write today to urge you and the Commission to consider the negative impact your set-top box proposal will have on diverse independent programmers and content creators.

The NHFA was co-founded by actors Jimmy Smits, Sonia Braga, Esai Morales and myself, a D.C. lawyer nearly two decades ago to advance the presence of Latinos in the media and entertainment industries. Our mission is to promote Latinos both in front of and behind the camera. While we have certainly achieved progress, Latinos remain woefully underrepresented in both categories.

We believe the FCC's proposal regarding set-top boxes will hinder and undermine the important work our organization is doing for the Hispanic community by prioritizing the goals of certain large technology companies over the needs and obligations to minority and independent networks.

MVPDs work diligently to build relationships with programmers, establish contracts and negotiate licensing agreements regarding channel placement, advertising restrictions, and many other terms. Latino programmers rely on these agreements to collect advertising revenue that can then be invested in quality content for their audiences.

Based on our reading of the FCC's proposal, a third party company has the ability to take content from distributors and repackage that content as their own without paying the creators. Furthermore, third parties will be under no obligation to follow any prior licensing terms mad between MVPDs and

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programmers. This is unacceptable and counter-productive.

In addition to harming minority and independent programmers, the negative consequences of this proposal will also degrade the consumer experience. If technology companies are able to disregard licensing terms, there is no guarantee that minority and independent programming will reach their designated audiences. Third party boxes would have the ability to repackage programming on their own terms, potentially making diverse channels harder to find by moving them to the back pages of channel guides or search results. If these companies bring their Internet search model to television, programmers could be forced to pay additional rates or fees to ensure their channel can easily be found in the results.

NHFA also has serious concerns regarding the privacy implications of the proposal. While MVPDs are required to disclose their privacy practices to their subscribers and to protect their individual viewing history and other personal information, the technology companies' third party boxes could have access to consumer viewing habits without being held to the same privacy standards. While the proposal acknowledges these privacy concerns, the proposed solution would fail to restore to consumers the protections and remedies currently in place for their private television viewing data. These lax regulations over third party boxes would have serious implications for consumer privacy and data security.

We unequivocally encourage the Commission to reconsider the set-top box proposal and instead embrace a balanced policy that will help more Latino content creators succeed in the entertainment industry and ensure that independent, minority programmers can continue providing quality content to their diverse audiences.

Sincerely,



Felix Sanchez

Chairman and Co-founder
National Hispanic Foundation of the Arts