



NEWS

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“A la Carte” Pricing Equals Cable Re-regulation

Norquist voices opposition to Deal Amendment to Satellite Home Viewer Improvement Act

WASHINGTON – Americans for Tax Reform President Grover Norquist today voiced his organization’s opposition to proposals to extend federal regulation of multi-channel television services, particularly singling out an expected amendment from Rep. Nathan Deal (R-GA) to the Satellite Home Viewer Improvement Act that would set the stage for requiring programmers to offer their product on an “a la carte” basis .

“Those who believe cable regulation is a good idea must have a short memory. It was a bad idea when it was adopted in 1992, it was a bad idea in 1996 when it was repealed, and it is a profoundly bad idea today,” said Norquist. The Deal amendment also extends federal regulation to satellite operators, the cable industry’s competitors.

Norquist rejected the idea that having “a la carte” pricing of cable programming was in consumers’ interests. “In fact, this proposal would adversely impact the ability of programmers to sell advertising, thereby forcing them to raise the costs paid by consumers and to eliminate investments in quality programming,” continued Norquist. “In the end, consumers would ultimately find themselves paying more for fewer channels than they do for a large package of channels. Ironically, this amendment is being offered at a time when the marketplace is currently serving customers quite well -- more than 80% of American households subscribe to either a cable or satellite service for their television programming.”

Norquist also disputed the idea that a la carte programming was necessary or appropriate to protect children from objectionable programming. “Today, any parent who considers any given channel inappropriate need only contact his cable or satellite provider and that channel will be blocked. This is no reason to resurrect the idea of price regulation – an idea which history has already discredited.”

Deal is expected to offer his amendment during markup of the Satellite Home Viewer Improvement Act next week.

Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal and state tax increases. For more information or to arrange an interview please contact Jonathan Collegio at (202) 785-0266 or by email at jcollegio@atr.org.