

**BULLET POINTS ON HR 998**  
**“Local Emergency Radio Service Preservation Act”**

- When the FCC authorized a satellite radio service, it intended a national service that would not offer local programming. Unfortunately, the satellite radio industry has repeatedly tried to circumvent the Commission’s intent.
- While publicly claiming it had no intention of offering localized content, one of the satellite companies pursued a patent for technology that would allow it to insert localized programming into its ground-based repeater network. The Commission intended these repeaters to be used only to fill in interference gaps for national satellite programming.
- For 19 months, XM Satellite Radio stonewalled, refusing to clarify its true intentions in regards to its repeaters. In December of 2003, the company finally relented and signed an agreement saying that the repeaters would not be used for local program inserts.
- Just a few weeks later, XM Satellite Radio announced that it *would* indeed offer local programming by earmarking some of its national channels for localized traffic and weather information. This announcement clearly violated the spirit of the agreement.
- In February 2004, Sirius Satellite Radio announced it, too, would designate some of its national channels for local programming, meaning both companies would be defying the FCC’s intent of establishing a national only satellite radio service.
- Most recently, the satellite companies have indicated they plan to explore local advertising as an additional revenue source. On March 2nd of 2005, Reuters wrote that Sirius Satellite Radio CEO Mel Karmazin, “told a gathering of Wall Street analysts in Florida that Sirius might run various local feeds of Stern’s show in such cities as Los Angeles and New York, whereby local weather and contests might be featured, in order to lure local advertisers.”
- Clearly, satellite radio has been less than forthcoming with regulators, legislators and its competitors.
- Two Members of the House, Rep. Chip Pickering and Rep. Gene Green, have introduced legislation to remedy the situation.
  - The bill, the “Local Emergency Radio Service Preservation Act,” (H.R. 998) would codify the original terrestrial repeaters agreement, ensuring that satellite radio does not use its terrestrial translators to insert local content.
  - It would also clarify that satellite radio companies could not use any future technology – ground or satellite based – to insert locally differentiated programming.
  - Finally, the bill would instruct the FCC to conduct a rulemaking on whether satellite radio licensees ought be permitted to provide locally based content on their national distribution channels.
- During the 108<sup>th</sup> Congress, 65 Members of the House cosponsored an identical measure. Members are again urged to cosponsor H.R. 998 and support its enactment.