

time broadcasting time, computed on a weekly basis, with a maximum of three hours in any one prime time segment, be permitted for Pay-TV use. If the Commission adopts rules authorizing more than one Pay-TV station in a market, the time and percentage should continue to be calculated on the basis of only one authorization.

In addition to the reservation of broadcast day segments for free television, the Joint Committee further believes that it is necessary that the Commission impose a limitation on the number of hours per week which can be devoted to Pay-TV. Proponents state that on the basis of the Hartford test the feasibility of broadcasting more than 30 to 40 hours is unlikely. Since there is really no basis for knowing whether this condition would continue in the event of the authorization of nationwide Pay-TV, the Commission should affirmatively adopt a rule placing a weekly time limitation on the number of hours to be utilized for Pay-TV programming in a market.

#### PROPOSED RULE

If a television broadcast station supplies the only Grade A signal to a community, not more than 15 percent of its non-prime broadcast time (including subscription and non-subscription broadcast time during that period) and not more than 25 percent of its prime broadcasting time (including subscription and non-subscription broadcast time during that period) may be devoted to Pay-TV; if a television broadcast station supplies the second or third Grade A signal to a community, not more than 25 percent of its non-prime broadcast time, and 40 percent of its prime broadcast time may be devoted to Pay-TV; if a television broadcast station supplies the fourth or more Grade A signal to a community, not more than 50 percent of its non-prime broadcast time and 60 percent of its prime broadcast time may be devoted to pay television.