

Conversely, the Pay-TV licensee should be prohibited from entering into any arrangement, the purpose of which is to utilize CATV systems as direct outlets for Pay-TV programming.

PROPOSED RULE

No license shall be granted to a television broadcast station having any contract, arrangement, or understanding, expressed or implied, which provides for the distribution or furnishing of Pay-TV programming to or through CATV systems.

J. Pay-TV Licensees Should Be Required to Comply with All Commission Rules Imposed Upon Broadcast Licensees

Proponents have indicated, based on the Hartford test, that Pay-TV licensees can comply with the Commission's Rules otherwise applicable to a television licensee.⁴⁰ In the clear absence of any objection of hardship, such rules should be made applicable to Pay-TV licensees.

In addition, we believe that the Commission should adopt rules in connection with the application to be submitted by Pay-TV applicants which solicit information comparable to that set forth in the Commission's *Third Report and Order*, Paragraph 32.

CONCLUSION

The Commission today has as little meaningful data from which to determine the impact of Pay-TV on the economy and on free television as it did when the subject first arose more than ten years ago. Hartford was virtually useless. The Hartford experience demonstrated nothing more than an inability to secure subscribers. Hartford provided

⁴⁰ As was done in Hartford, the minimum hours of operation required of television licensees should not include the hours devoted to Pay-TV.