

June 17, 1993

Press Statement of FCC Chairman James H. Quello

The FCC has adopted a regulatory scheme that will save cable consumers roughly \$1 billion in the first year and billions of dollars over the next several years. It is unfortunate that we are unable, because of the lack of necessary funding from Congress, to allow this new regulatory regime to take effect on June 21, as we had previously planned. If we had stuck with a June 21 implementation date without adequate funding or staff, our entire regulatory scheme would have been jeopardized for both practical and legal reasons.

Going forward at this time would have resulted in mountains of complaints and certification requests piling up at the Commission, leading to chaos and confusion among subscribers, cable operators and franchising authorities, and resulting in numerous legal challenges.

Also, the public must realize that we at the FCC are all consumers. I was a consumer long before I was a Commissioner. Any anti-consumer implication is unfair to those who were early proponents of cable legislation and who intend to fully implement the law when we have the resources and legal processes in place. The initial June 21st effective date for rate regulation was predicated upon April supplemental funding to implement the Act.

Under these circumstances, the delay will better serve the consumer in the long run by carefully considered decisions minimizing many potential legal loopholes. I do not believe the overall public interest is served by a chaotic rush to regulatory judgment by an understaffed, underfinanced Commission. The Cable Act is the single most resource-intensive legislation adopted by Congress during my 19 years on the FCC.

To those who tend to discount our administrative overload, I repeat an old saying "Nothing is impossible to those who don't have to do it!"

A recent Office of Technology Assessment report stressed that in its overall responsibilities, the FCC has been put in a position of "trying to do too much with too few resources."

All these events illustrate a point I have been making for several months: A relatively small investment in additional FCC resources for cable regulation will pay off with substantial consumer savings.

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