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SUMMARY

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Dana A. Scherer
Specialist in Telecommunications Policy

As Congress continues to exercise oversight over the Federal Communications Commission (FCC), an area for consideration is the FCC's ability to influence the operations of broadcast television (TV) networks. The Radio Act of 1927 gave the Federal Radio Commission (FRC) authority to regulate broadcast radio stations and networks. When Congress replaced the FRC with the FCC, it shifted this provision to the Communications Act of 1934. Five of the FCC's six rules currently governing contracts between broadcast radio networks and affiliated radio stations originated in an order the agency adopted in 1941. The FCC extended these rules to TV networks without comment or analysis in 1946. The sixth rule, which prohibits broadcast TV networks from representing affiliated TV stations (affiliates) in the TV advertising marketplace, originated in an order the FCC enacted in 1959. While the FCC repealed most of the rules with respect to radio in 1977, these six rules governing TV network-affiliate relations remain in place as of 2026.

In November 2025, the FCC's Media Bureau staff issued a public notice seeking comments on its oversight of the relationship between broadcast TV networks and their affiliates. The FCC's broadcast TV network-affiliate review is part of "Empowering Local Broadcasters," a broader initiative to "[gather] the information needed to consider whether the national programming [TV] networks are exerting undue influence or control over their affiliate stations." When enacting these rules, the FCC's primary focus was promoting competition within the broadcasting and advertising industries. The FCC's 2025 public notice states that the agency seeks to "identify any barriers that may be preventing local broadcast television stations from meeting their public interest obligations and responding to the needs of their communities."

In comments filed with the FCC, all four of the major broadcast TV networks—ABC, CBS, FOX, and NBC—state that additional FCC rules regarding network-affiliate contracts could undermine the viability of the broadcast network distribution system. Affiliates of these four TV networks contend that an "economic imbalance" between TV networks and affiliates has impeded the affiliated stations' ability to generate revenues needed to cover the costs of producing local news and other programming that serve their communities. They also state that contractual terms of their TV network affiliation agreements limit their ability to substitute network programming with other programming, such as local sports, that might be of greater interest to viewers who live within the communities that the FCC has licensed the affiliates to serve.

Affiliates also claim that the value of their TV network affiliations has diminished in part because "[t]he programming exclusivity that was once the hallmark and primary value of Network affiliation has been dramatically undermined by the Networks' owned [subscription video-on-demand streaming services (SVODS)], which offer (behind a paywall) increasing amounts of must-see programming, including sports programming, that was once exclusive to [local] broadcast stations." The affiliates emphasize that they offer consumers "free, over-the-air access" to national and local programming via broadcast transmission. TV network affiliates note that the fees they receive from subscription services for the right to retransmit their signals constitute a major source of revenue and ask the FCC to adopt rules that would enable them to negotiate directly with streaming services for the right to retransmit their signals, including network programming. TV networks counter that only Congress has the authority to take this action, particularly in light of statutory copyright protections for content within network programming.

Advertising represents another major source of revenue for broadcast stations. The FCC adopted its rule prohibiting TV networks from representing affiliates in the advertising marketplace to promote competition between TV stations and TV networks in the national advertising marketplace. The proliferation of TV sets, set-top boxes, and streaming devices that connect to the internet—collectively known as "connected TV"—has enabled TV networks to compete with stations in the local advertising marketplace.

Congress may consider several options to address the evolving network-affiliate relationship. It could continue to monitor developments within the broadcast TV and advertising industries and at the FCC. It could amend or repeal communications laws related to retransmission consent and/or the FCC's authority to regulate network affiliation contracts. Congress could also review the changing dynamics of the advertising and TV industries via hearings or other inquiries.

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Introduction

Broadcast television (TV) networks license programs from studios and sports leagues, produce news and entertainment programs, and transmit those programs via broadcast TV stations. This system of producing and distributing programs that began in 1948 continues to be the source of the most popular programs in the United States.[1] Of the 30 most-watched TV programs during the 2025-2026 TV season, 25 originated on broadcast TV networks.[2] Broadcast networks rely in part on distribution from broadcast TV stations, which require licenses from the Federal Communications Commission (FCC) to operate. The FCC does not regulate broadcast TV networks directly. Congress has given the FCC statutory authority to regulate programming contracts between broadcast TV networks and stations, known as *network affiliation agreements*. In addition, broadcast networks own and operate broadcast TV stations and thus hold licenses issued by the FCC. As Congress exercises oversight of the FCC, an area for consideration is the extent to which the agency should continue to regulate the terms and conditions of broadcast TV networks' relations with their affiliated stations (affiliates), given technological advances and marketplace developments.

Broadcast networks used to rely on stations for the distribution of their programs to viewers via over-the-air broadcasting. The emergence of streaming services has permitted networks to distribute their programs directly to viewers, bypassing stations. This has reduced the relative bargaining power of stations. Stations derive revenues from fees they charge to (1) advertisers and (2) cable and satellite operators for the right to retransmit their programs. Stations base the prices they charge on the number of viewers who watch their programs. Losing access to network programs, and thus their viewers, could impede the stations' ability to generate revenues.

Beginning in 2025, the FCC launched initiatives to investigate the relationship between broadcast TV networks and stations.[3] Reports indicate that as of July 2026, the FCC is conducting an informal investigation into announcements involving network affiliation changes in several local TV markets.[4] The extent to which the FCC should continue to oversee this relationship in light of marketplace and technological developments continues to be a source of debate.[5]

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[1] U.S. Congress, House Energy and Commerce Committee, *Network Broadcasting*, 85th Cong., 2nd sess., January 27, 1958, H. Rept. 85-1297, p. 29; ("[commercial networking on a wide-scale basis began, and this revolutionized the television industry").

[2] Rick Porter, "The Most Watched Shows of 2025-2026, This Time Including Sports," *The Hollywood Reporter*, June 26, 2026, https://www.hollywoodreporter.com/tv/tv-news/7-day-multi-platform-ratings-2025-26-1236620438/. The television (TV) season began on September 14, 2025, and ended on May 20, 2026. The rankings are based on data from the Nielsen Company (Nielsen), a market research firm. Nielsen, "About Nielsen," https://www.nielsen.com/about-us/about/.

[3] These initiatives include (1) an investigation launched in July 2025 into the relationship between the NBC broadcast TV network and its affiliated broadcast TV stations and (2) the issuance of a November 2025 public notice by FCC staff requesting public comments on affiliation agreements. Letter from Brendan Carr, chairman, Federal Communications Commission (FCC), to Brian Roberts, CEO, Comcast Corporation, July 29, 2025, https://www.fcc.gov/sites/default/files/carr-letter-comcast-july2025.pdf; and FCC, "Empowering Local Broadcast TV Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates," 90 *Federal Register* 54686, November 28, 2025, https://www.federalregister.gov/documents/2025/11/28/2025-21318/empowering-local-broadcast-tv-stations-to-meet-their-public-interest-obligations-exploring-market (hereinafter FCC November 2025 Public Notice).

[4] Matthew Keys, "FCC Reviewing Recent Affiliation Swap Announcement, Chairman Carr Says," *TheDesk.net*, July 31, 2026, https://thedesk.net/2026/07/fcc-reviewing-broadcast-affiliation-swaps/.

[5] See, for example, International Center for Law & Economics, "Comments of the International Center for Law and Economics the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market (continued...)

Because broadcast TV stations use spectrum allocated by the FCC, the FCC regulates broadcast stations differently from distributors of video programming that use different distribution technologies, such as online streaming. This report addresses (1) how broadcast TV networks and their affiliates use spectrum to transmit programs to viewers, (2) the FCC's authority to regulate contracts between broadcast TV stations and TV networks, (3) broadcast TV market conditions, (4) industry revenue and consumer trends, and (5) potential considerations for Congress. This report focuses on the broadcast TV networks ABC, CBS, FOX, and NBC,[6] which communications laws and FCC rules distinguish from other TV networks because of their reach to U.S. consumers and scale of operations.[7]

FCC Authority History

The FCC's authority to regulate broadcast TV affiliation contracts evolved from a 1927 statutory provision that predates both the agency and broadcast TV. Initially, the provision about "stations engaged in chain broadcasting" in the Radio Act of 1927 applied to broadcast radio stations and broadcast radio networks, under the authority of the Federal Radio Commission (FRC).[8] When Congress replaced the FRC with the FCC, it shifted this provision to the Communications Act of 1934 (Communications Act).[9] The Communications Act, as amended, defines "chain broadcasting" as "simultaneous broadcasting of an identical program by two or more connected stations."[10] Since 1934, the FCC has adopted and amended several regulations governing contracts and relations between broadcast radio networks and their affiliates and broadcast TV networks and their affiliates.

Five of the FCC's six rules currently governing network affiliation agreements[11] originated in an order the agency adopted in 1941 governing radio stations and radio networks.[12] The FCC extended these rules to TV networks without comment or analysis in 1946.[13] The sixth rule,

Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 10, 2025, p. 2, https://www.fcc.gov/ecfs/document/12100760603704/1. ("While the commission does have the authority to regulate chain broadcasting, this authority is limited, and major changes could give courts the opportunity to revisit the FCC's broad public interest authority over broadcasting.")

[6] Luke Bouma, "ABC, CBS, FOX, and NBC Broadcast Networks Still Reign Supreme Along with Sports & News Dominate 2024 Cable Ratings," *Cord Cutters News*, December 24, 2024, https://cordcuttersnews.com/abc-cbs-fox-and-nbc-broadcast-networks-still-reign-supreme-along-with-sports-news-dominate-2024-cable-ratings/.

[7] The Telecommunications Act of 1996 (P.L. 104-104, §202(e)) distinguished these four TV networks as "existing networks" when directing the FCC to modify its rule prohibiting common ownership of two or more broadcast TV networks. U.S. Congress, Conference Committee, *Telecommunications Act of 1996*, conference report to accompany S. 652, 104th Cong., 2nd sess., S.Rept. 105-230, February 1, 1996, p. 163. The FCC refers to these TV networks as the "Big Four." FCC November 2025 Public Notice, p. 3.

[8] The Radio Act of 1927 (P.L. 69-632, §4(h)) states, "Except as otherwise provided in this Act, the [Federal Radio Commission], from time to time, as public convenience, interest, or necessity requires, shall— ... (h) Have authority to make special regulations to radio stations engaged in chain broadcasting."

[9] Communications Act of 1934 (P.L. 73-416); 47 U.S.C. §303(i).

[10] The Communications Act of 1934, as amended, §3(10) states, "For the purposes of this Act, unless the context otherwise requires—... The term 'chain broadcasting' means simultaneous broadcasting of an identical program by two or more connected stations" (47 U.S.C. §153(10)).

[11] 47 C.F.R. §§73.658(a), (b), (d), (e), and (g).

[12] FCC, *Report on Chain Broadcasting*, Commission Order no. 37, Docket no. 5060 (GPO, 1941), pp. 91-101, https://babel.hathitrust.org/cgi/pt?id=mdp.39015026285083&seq=15 (hereinafter FCC 1941 Chain Broadcasting Report).

[13] FCC, "Part 3 - Rules Governing Standard and High-Frequency Broadcast Stations, Subpart D - Rules Governing Television Broadcast Stations," 11 *Federal Register* 33, 37, January 1, 1946.

which prohibits broadcast TV networks from representing affiliates in the TV advertising marketplace, originated in an order the FCC enacted in 1959.[14] While the FCC repealed most rules governing radio network-affiliate relations in 1977,[15] all six rules governing TV network-affiliate relations remain in place as of 2026.[16]

In 2025, the FCC launched an initiative called "Empowering Local Broadcasters," which, among other actions, reexamines "the relationship between the large, national programmers on the one hand and the many local broadcast television stations on the other."[17] As part of that initiative, the FCC's Media Bureau staff issued a public notice in November 2025 seeking comments on its oversight of the relationship between broadcast TV stations and TV networks to "identify any barriers that may be preventing local broadcast TV stations from meeting their public interest obligations and responding to the needs of their communities."[18]

Broadcast TV Stations and TV Networks: Program Transmission

The FCC's jurisdiction over network affiliation contracts is based on the technology that stations use to transmit programming to viewers. Remarks by the sponsor of the 1927 Radio Act[19] and the language within FCC's 1941 Chain Broadcasting Report[20] indicate that the original policy goal of both Congress and the FCC was to ensure competition among and between broadcast radio stations and broadcast radio networks. To provide context for the current rules governing broadcast TV network contracts, which are rooted in the rules the FCC adopted in 1941 for broadcast radio network contracts, the following describes the process of broadcast TV networks' transmission of programming to their affiliates that transmit the programming to viewers.

Broadcast TV networks lease communications satellites from providers, which receive licenses from the FCC to use spectrum to transmit satellite TV signals to TV stations.[21] The broadcast TV

[14] FCC, "Network Representation of Stations in National Spot Sales, Report and Order," 27 *FCC Reports* 697, 726, October 30, 1959 (hereinafter FCC 1959 Order).

[15] FCC, "Review of Commission's Rules and Regulatory Policies Concerning Network Broadcasting by Standard (AM) and FM Broadcast Stations; Report, Statement of Policy, and Order; FCC 77-206," 63 *FCC Reports, 2nd Series,* 674-675, March 23, 1977. The FCC retained the network territorial exclusivity rule for radio (47 C.F.R. §73.132).

[16] The commission retained the network territorial exclusivity rule for radio (47 C.F.R. §73.132).

[17] FCC, "Empowering Local Broadcasters," accessed February 12, 2026, https://www.fcc.gov/empowering-local-broadcasters.

[18] FCC November 2025 Public Notice.

[19] Senator Clarence Dill, "Regulation of Radio Communications," debate in the Senate, *Congressional Record*, vol. 68, part 3 (February 3, 1927), pp. S2869, S2881. ("[T]he various radio organizations, including the Radio Corporation of American and the American Telephone & Telegraph Co. are going ahead and building up the chain stations as they desire without let or hindrance and without any restrictions, because the Secretary of Commerce has no power to interfere with them. Unless this proposed legislation shall be enacted they will continue to do so, and they will be able by chain-broadcasting methods practically to obliterate the independent small stations.")

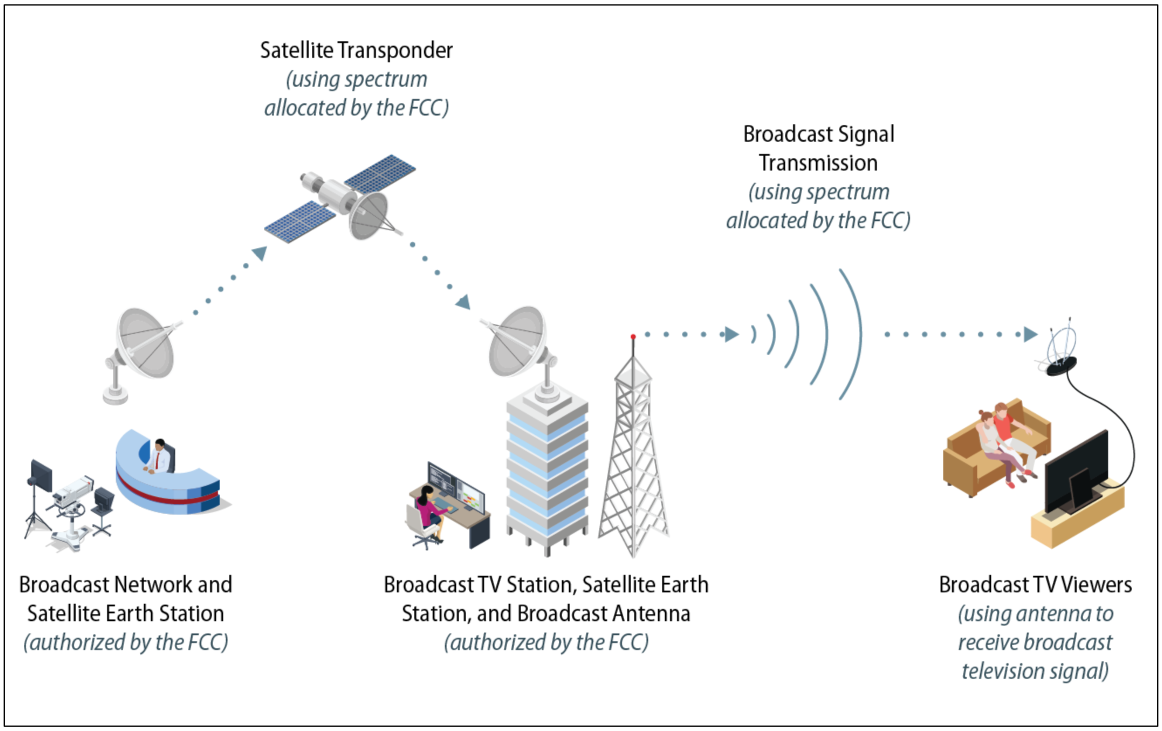
[20] 1941 Chain Broadcasting Report, p. 88. ("The regulations we are promulgating are designed to preserve without loss the contributions of network broadcasting to the public and to the affiliated stations, while ensuring that licensees will exercise their responsibilities under the law. We believe that these regulations will foster and strengthen network broadcasting by opening up the field to competition.")

[21] FCC, "Satellite," accessed February 19, 2026, https://www.fcc.gov/general/satellite. See also National Association of Broadcasters, "Response to Comments Filed in the Matter of Applications Filed for Transfer of Control of Intelsat to SES, SB Docket no., 24-267," October 15, 2024, p. 2, https://www.fcc.gov/ecfs/document/1015161506619/1. ("[Spectrum allocated by the FCC for satellite transmission] is used to deliver network programming to over 1000 broadcast [TV] stations affiliated with national [TV] networks.")

stations receive licenses from the FCC to transmit broadcast TV signals to viewers' homes.[22] **Figure 1** illustrates the relationship between the technology that broadcast TV networks use to transmit programs to viewers and the FCC's authority to regulate them.

Figure 1. Broadcast TV Network Transmissions

using over-the-air broadcast transmissions from stations to viewers



Source: CRS analysis of data from Ken Basin, *The Business of Television* (Routledge, 2019), pp. 4, 8-14; and CTI, "Broadcast Transmitter Systems: Ensuring High-Quality Signal Delivery for Broadcast Networks," accessed August 19, 2026, https://www.cti.com/broadcast-transmitter-systems/.

Notes: The commercial satellite service providers that lease the use of their facilities, including satellite earth stations and transponders, require licenses from the Federal Communications Commission (FCC). The broadcast TV networks themselves do not require FCC licenses.

The FCC reports that, as of June 30, 2026, 1,390 full power commercial broadcast TV stations operate throughout the United States.[23] In 1952, the FCC formally allocated TV broadcast frequencies among local communities.[24] The purpose of the allocation plan was to provide as many communities as possible with sufficient spectrum to permit one or more local TV stations "to serve as media for local self-expression."[25] As of 2026, the FCC has assigned TV frequencies to 865 separate communities throughout the United States and its territories.[26]

[22] 47 U.S.C. §307.

[23] FCC, "Broadcast Station Totals as of June 30, 2026," press release, July 14, 2026, https://docs.fcc.gov/public/attachments/DA-26-652A1.pdf.

[24] FCC, "Rules Governing Television Broadcast Stations, Sixth Report and Order," 17 *Federal Register* 3905, 3912-3914, May 2, 1952.

[25] U.S. Congress, House Committee on Interstate and Foreign Commerce, *Regulation of Community Antenna Systems*, committee print, 89th Cong., 2nd sess., June 17, 1966, H. Rept 1635, p. 7.

[26] 47 C.F.R. §73.6222.

The Nielsen Company (Nielsen) divides the United States and its territories into 210 local markets, known as designated market areas (DMAs).[27] Generally, Nielsen assigns each U.S. county to one of the 210 DMAs. Most DMAs comprise several counties, and several include counties from multiple states. DMAs demarcate local markets that underpin the economic and business relationships between TV networks and their affiliated TV stations. FCC-defined *communities of license*, which are cities or towns, demarcate the "public" to whom broadcast station licensees have a legal obligation to serve.

FCC Oversight of Network Affiliation Agreements

The FCC does not directly regulate broadcast TV networks. Instead, the FCC, through its legislative authority to issue licenses to operators of broadcast TV stations in exchange for the use of broadcast spectrum, prohibits TV stations from affiliating with TV networks that engage in certain actions. The FCC licenses broadcast TV station owners for eight-year terms to use spectrum in exchange for the owners' operation of stations in "the public interest, convenience, and necessity," pursuant to Section 310(d) of the Communications Act.[28] The FCC states that operating a station in the "public interest, convenience, and necessity" means that the station's licensee "must air programming that is responsive to the needs and problems of its local community of license."[29]

The FCC has six rules governing "affiliation agreements and network program practices."[30] The broadcast TV network actions addressed by the rules fall into four broad categories: (1) ensuring stations retain control of the programming they air,[31] (2) ensuring major broadcast TV networks (in this case, ABC, CBS, FOX, and NBC) compete with each other,[32] (3) ensuring broadcast TV

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[27] "Need to Know: What Is a DMA®, and Why Does It Matter?," *Insights* (blog), Nielsen, March 2025, https://www.nielsen.com/insights/2025/what-is-a-dma-and-why-does-it-matter/.

[28] 47 U.S.C. §310(d).

[29] See "Introduction," at FCC, "The Public and Broadcasting," https://www.fcc.gov/media/radio/public-and-broadcasting.

[30] 47 C.F.R. §§73.658(a), (b), (d), (e), (g), (h), (i). The FCC repealed 47 C.F.R. §§73.658(c) and (f).

[31] The "exclusive affiliation" rule (47 C.F.R. §73.658(a)) prohibits contractual terms that prevent a broadcast affiliate from broadcasting the programming of another network. The "time option" rule (47 C.F.R. §73.658(d)) prohibits arrangements between a station and a network whereby the network retains an "option" on certain hours of the station's time, which it may or may not decide to exercise. The "right to reject" rule (47 C.F.R. §73.658(e)) prohibits contractual terms that do not permit the station to (1) reject network programs that the station "reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest" or (2) substitute a program that the station believes to be of greater local or national importance.

[32] The "dual network" rule (47 C.F.R. §73.658(g)) prohibits a broadcast TV station from affiliating with a "person or entity" that maintains "dual or multiple networks … composed of two or more persons or entities that, on February 6, 1996, were 'networks' as defined in §73.3613(a)(1) of the Commission's regulations (that is, ABC, CBS, FOX, and NBC)." In addition, 47 C.F.R. §73.3613(a)(1), which requires broadcast licensees to provide the FCC with copies of network affiliation agreements within 7 days of a request by the FCC, defines a *network* as "any person, entity, or corporation which offers an interconnected program service on a regular basis for 15 or more hours per week to at least 25 affiliated television licensees in 10 or more states; and/or any person, entity, or corporation controlling, controlled by, or under common control with such person, entity, or corporation."

affiliates do not limit the ability of viewers to watch their networks' programming,[33] and (4) ensuring stations can compete with networks for advertisement sales.[34]

In 1943, in *National Broadcasting Co. v. United States*, the Supreme Court upheld the authority of the FCC to regulate broadcast licensees (and, by extension, networks) in the public interest.[35] In this case, the Supreme Court recognized "that broadcast is unique among media because electromagnetic spectrum is a scarce and finite resource, and this scarcity justifies government involvement to allocate the use of those frequencies and mitigate interference between broadcast signals."[36] Thus, the scarcity of electromagnetic spectrum used by broadcasters to transmit broadcast signals to viewers, as illustrated in **Figure 1**, is the legal foundation of the FCC's authority to oversee the relationship between broadcast networks and affiliates.

Marketplace of Broadcast TV Networks and Affiliates

The FCC adopted most of its network affiliation rules in 1941, in its *Report on Chain Broadcasting* (1941 Chain Broadcasting Report). The report identified two distinct competitive markets within the broadcast TV industry: (1) competition for broadcast network programming distribution and (2) competition for TV advertisement sales.[37] The following sections of this report describe each market.

Network Programming Rights and Distribution

Figure 2 illustrates the economic relationship between the owners of copyrighted programming, TV networks, broadcast TV stations, and the entities that distribute broadcast TV stations' signals and broadcast TV networks' programming to devices, and ultimately viewers. (For a discussion of devices, see "Devices and Connected TV Advertising.") Some distributors retransmit broadcast TV stations' signals, which contain network programs, while others distribute networks' programs online on an on-demand basis, thereby bypassing broadcast TV affiliates.

[33] The "network territorial exclusivity" rule (47 C.F.R. §73.658(b)) prohibits a TV network affiliate from preventing (1) another TV station located within its community of license from airing TV network programming that it rejects or (2) another TV station located outside its community of license from airing any of its network's programming.

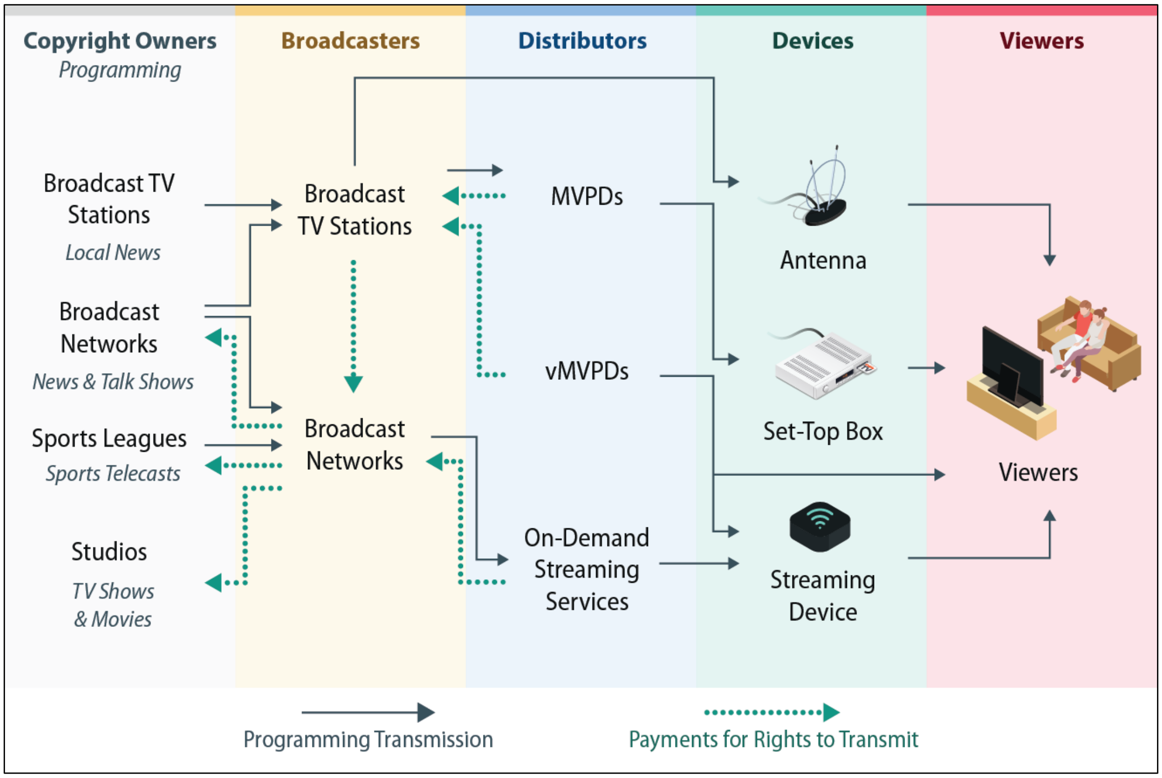
[34] The "station rates" rule (47 C.F.R. §73.658(h)) prohibits contractual terms that prevent a station from setting its own prices, or rates, for the sale of advertisements during nonnetwork programming. In addition, 47 C.F.R. §73.658(i) prohibits TV networks from selling advertising on behalf of affiliates that the TV networks do not own.

[35] National Broadcasting Co. v. United States et al. 319 U.S. 190 (1943).

[36] Congressional Research Service, "Amndt1.7.10.3 Broadcast Radio and Television," *Constitution Annotated*, https://constitution.congress.gov/browse/essay/amdt1-7-10-3/ALDE_00013887/.

[37] FCC 1941 Chain Broadcasting Report, p. 57.

Figure 2. Broadcast TV Network Distribution Marketplace



Source: CRS.

Notes: The term *MVPD* refers to a multichannel video programming distributor. MVPDs include cable and satellite services, which retransmit over-the-air broadcast signals via wired cable or spectrum. The term *vMVPD* refers to a virtual multichannel video programming distributor. vMVPDs are streaming services that deliver subscription packages of streaming linear channels, which may include broadcast TV stations, via the internet.

Owners of Copyrighted Programming

TV studios, movie studios, and sports leagues own the copyrights of TV programs, movies, and sporting events, respectively. Broadcast networks obtain entertainment and sports programming through license agreements with these entities.[38] In addition, broadcast TV networks produce their own TV programs, including newscasts and talk shows.[39] Likewise, broadcast TV stations produce and own copyrights to their TV programs, including local newscasts.[40]

[38] See, for example, Fox Corporation Form 10-K for the Fiscal Year Ended June 30,2026, August 4, 2026, p. 8. ("The FOX Network obtains national sports programming through license agreements with professional or collegiate sports leagues or organizations.... Entertainment programming is obtained from major television studios, including 20th Television, Sony Pictures Television and Warner Bros. Television, and independent television production companies pursuant to license and co-production agreements. The terms of these agreements generally provide the FOX Network with the right to acquire broadcast rights to a television series for a minimum of four seasons.")

[39] See, for example, The Walt Disney Company Form 10-K for the Fiscal Year Ended September 27, 2027, November 5, 2025, p. 2. ("ABC Network produces a variety of unscripted programs, primetime specials, news and daytime programming.")

[40] See, for example, Sinclair, Form 10-K for the Fiscal Year Ended December 31, 2025, February 27, 2026, p. 7 (hereinafter Sinclair 2025 Form 10-K).

Broadcasters

Broadcast TV networks contract with broadcast TV stations for the right to transmit their networks' programming within DMAs. The extent to which affiliated radio and TV stations maintain the exclusive right to distribute network programming—and for how long—has been a topic of debate for more than 80 years.

The 1941 Chain Broadcasting Report described two contractual forms of exclusivity that can harm competition in the broadcasting marketplace: (1) a radio network affiliate that could broadcast programming of only one radio network and (2) radio networks that could broadcast programming to only one station within a local market.[41] As an example of the former, the 1941 Chain Broadcasting Report described the inability of "thousands of potential listeners" to hear the World Series of 1939 because the CBS and NBC broadcast radio networks prohibited "certain licensees from accepting a program [from a competing network] for which they believed there was public demand and which they thought would be in the public interest."[42] As an example of the latter, the report described the inability of potential listeners within the Buffalo, NY, local market to hear a program called *The American Forum of the Air* after an affiliate of the now defunct Mutual Broadcasting System radio network rejected it,[43] despite the fact that another station in the Buffalo market wanted to air it.

According to the FCC,

> It is not in the public interest for the listening audience in an area to be deprived of network programs carried by one station where other stations in that area are ready and willing to broadcast the programs. It is as much against the public interest for a network affiliate to enter into a contractual arrangement which prevents another station from carrying a network program as it would be for it to drown out that program by electrical interference.[44]

The marketplace for distributing broadcast TV networks has changed since the FCC first adopted its territorial exclusivity rule in 1941. The following sections and subsections discuss some of the changes that may affect competition in this marketplace.

"Multicast" Streams

Digital technology enables a single station to transmit multiple streams of programming, known as "multicast" streams.[45] If a broadcast station and network cannot agree on terms and conditions of an affiliation agreement, the availability of multicast streams may enable the network to select a different station from its affiliate within a local market. Such a switch took place in Miami in 2025 when TV station WPLG, which had been affiliated with the ABC TV network for nearly 69 years, chose not to renew its contract.[46] A competing station, WSVN, reached an agreement with ABC to air the network's programming on one of its multicast streams.[47] Similarly, in July 2026,

[41] FCC 1941 Chain Broadcasting Report, pp. 51-59.

[42] FCC 1941 Chain Broadcasting Report, p. 52.

[43] Jim Feliciano, "When Mutual Went Coast to Coast: The Night a Network Found Its Voice," *Radio Stations* (blog), USA Radio Museum, April 16, 2026, https://usaradiomuseum.com/radio-stations/when-mutual-went-coast-to-coast-the-night-a-network-found-its-voice/.

[44] FCC 1941 Chain Broadcasting Report, p. 59.

[45] FCC, Authorizing Permissive Use of the 'Next Generation' Broadcast Television Standards, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, FCC 23-53," 38 *FCC* Record 6410, n. 5, June 23, 2023.

[46] "WPLG-TV Parts Ways with ABC Television Network," *Station* (blog), WPLG Inc., May 8, 2025, https://www.local10.com/station/2025/03/20/wplg-tv-parts-ways-with-abc-television-network/ (hereinafter WPLG May 2025 blog).

[47] Sunbeam Television Corporation, "ABC Miami," https://wsvn.com/abc-miami-18/.

a station in St. Louis reached an agreement with ABC to air the network on one of its multicast streams beginning September 1, 2026.[48]

Distributors

MVPD Distribution and Retransmission Consent

In addition to receiving broadcast TV programming by using an individual antenna that receives broadcast signals directly over the air from TV stations, a household may receive broadcast TV programming by subscribing to a multichannel video programming distributor (MVPD).[49] MVPDs include cable and satellite services, which retransmit over-the-air broadcast signals via wired cable or spectrum. With the enactment of P.L. 102-385, the Cable Television Consumer Protection and Competition Act of 1992 (1992 Cable Act), Congress prohibited cable operators from retransmitting broadcast TV stations' signals without their express permission. Congress also gave broadcast stations the option to negotiate with cable operators for financial compensation in exchange for their "retransmission consent."[50] The Copyright Act of 1976, as amended (Copyright Act), contains provisions governing the rates MVPDs pay to the owners of copyrighted programming transmitted within the broadcast signals.[51]

When the retransmission consent provision took effect in 1993,[52] cable operators did not pay broadcast stations directly for retransmission rights.[53] Broadcast affiliates assigned their retransmission consent rights to TV networks, which negotiated on the affiliates' behalf and split the proceeds.[54] Once satellite operators began to compete with cable operators, broadcast stations' relative bargaining power increased, and they negotiated with MVPDs directly while keeping revenues. For example, in February 2006, Nexstar Media Group Inc. (Nexstar) announced that it had reached multiyear retransmission consent agreements with cable operators, satellite operators, and other MVPDs, through which Nexstar expected to generate about $48 million in revenue.[55]

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[48] Ryan Krull, "Big Deals Shake Up St. Louis Media Landscape, Ushering New Era of Consolidation," *St. Louis Magazine*, August 4, 2026, https://www.stlmag.com/news/st-louis-media-consolidation/.

[49] See 47 U.S.C. §522(13), defining the term *multichannel video programming distributor* as "a person such as, but not limited to, a cable operator … [or] a direct broadcast satellite service … who makes available for purchase, by subscribers or customers, multiple channels of video programming."

[50] 47 U.S.C. §325. In 1999, Congress, with the enactment of the Satellite Home Viewer Improvement Act of 1999 (P.L. 106-113), required satellite operators to seek permission from broadcast TV stations to retransmit their signals.

[51] For more information on the relationship between communications and copyright laws, see CRS Report R46023, *Copyright Act and Communications Act Changes in 2019 Related to Television*, by Dana A. Scherer.

[52] The 1992 Cable Act (47 U.S.C. §543 note), §614(f), stated that the effective date of the provisions governing retransmission consent would be effective 180 days after the date of enactment, and the provisions governing the FCC's authority to prescribe regulations related to retransmission consent would be effective on the date of enactment.

[53] Kate Maddox, "More Deals on Carriage Announced," *Television Week*, August 16, 1993; and "Cable Believes CBS Surrender Ends Retransmission Consent War," *Communications Daily*, August 27, 1993.

[54] Joe Flint, "Affils Put Their 5 Cents-7 Cents in on Cut of Fox, TCI Deal," *Broadcasting & Cable*, May 17, 1993; Flint, "NBC Planning Not One, but Three, Cable TV Networks," *Broadcasting & Cable*, July 12, 1993; and Flint, "Capacities, Hearst Opt for Channel," *Broadcasting & Cable*, July 19, 1993. See also Rachel W. Thompson, "Consent Wars Over, but Who Won What?," *Multichannel News*, October 11, 1993 (noting that ABC secured carriage for its ESPN2 cable network, NBC secured carriage for a news network, and FOX secured carriage for its FX entertainment network. CBS unsuccessfully attempted to receive cash in exchange for retransmission consent).

[55] Nexstar Media Group Inc. (Nexstar), "Nexstar Broadcasting Completes Retransmission Consent Agreements Which Will Generate Approximately $48 Million in Revenue; Nexstar Now Has Retransmission Agreements Finalized with Cable Providers Reaching Approximately 4 Million Subscribers," press release, February 1, 2006.

In the 2010s, TV networks claimed that their programming—especially sports programming—was a major factor in the stations' abilities to get retransmission consent revenues, and the TV networks began to reclaim a share of retransmission consent fees from their affiliates.[56] For example, a trade publication reported that beginning in 2014, CBS received fixed payments from stations to ensure the network could pay for the rising costs of sports programming rights.[57] Affiliates' and TV networks' relative shares of retransmission consent revenues continue to shift. A market research firm reported that as of 2025, broadcast TV affiliates pay TV networks either a percentage of the retransmission consent fees they receive from MVPDs or a flat rate depending on, among other factors, their relative bargaining power vis-à-vis the broadcast TV networks.[58]

Virtual MVPD Distribution

Virtual MVPDs, also known as vMVPDs, are streaming services that deliver subscription packages of streaming linear channels,[59] which may include broadcast TV stations,[60] via the internet.[61] Examples of vMVPDs include DIRECTV Stream, Fubo TV, Hulu+Live TV, Sling TV, and YouTube TV.[62] In 2015, vMVPDs launched in select metropolitan markets; today they operate nationwide.[63] Whereas a combination of communications and copyright laws govern the retransmission of broadcast station signals by MVPDs, only copyright laws govern the retransmission of broadcast signals by vMVPDs.[64] TV networks negotiate directly with vMVPDs for the right to retransmit broadcast station signals containing network programming; in turn, TV networks give affiliates a portion of the revenues they receive.[65]

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[56] Testimony of Time Warner Cable Executive Vice President and Chief Video and Content Officer Melinda Whitmer in U.S. Congress, Senate Committee on Commerce, Science and Transportation, *The Cable Act at 20*, hearing, 112th Cong., 2nd sess., July 24, 2012, S.Hrg. 114-342, p. 17, https://www.govinfo.gov/content/pkg/CHRG-112shrg86916/pdf/CHRG-112shrg86916.pdf. ("[T]he national broadcast [TV] networks have begun demanding 'reverse compensation' from their affiliates, completely supplanting the structure that existed in 1992, when networks paid compensation to local stations for carriage.")

[57] Jon Lafayette, "Affiliates Seek to Change How They Pay Networks for Programming," *Broadcasting & Cable*, March 1, 2024, https://www.nexttv.com/news/affiliates-seek-to-change-how-they-pay-networks-for-programming.

[58] ECN Market Research, "Network Affiliate Agreements – Are They Iron Clad," *ECN Pinpoint* (blog), Entertainment Communications Network Inc., October 8, 2025, https://ecnmedia.com/network-affiliate-agreements-are-they-iron-clad/.

[59] A *linear channel* is a traditional TV channel that delivers programming on a predetermined schedule. FCC, "2024 Communications Marketplace Report, FCC 24-136" 39 *FCC Record* 14116, 14254, n. 646, https://docs.fcc.gov/public/attachments/FCC-24-136A1.pdf (hereinafter *2024 Communications Marketplace Report*). In contrast, a *video on demand service* is a service that permits users to access and watch videos whenever they choose. FCC, *2024 Communications Marketplace Report*, p. 14254, n. 647.

[60] Aaron Pruner et al., "YouTube TV vs. Hulu Plus Live TV: Which Offers the Best Experience for Your Buck?" *CNET*, April 2, 2026, https://www.cnet.com/tech/services-and-software/youtube-tv-vs-hulu-plus-live-tv-streaming-service-comparison/.

[61] FCC, *2024 Communications Marketplace Report*, p. 14269.

[62] FCC, *2024 Communications Marketplace Report*, pp. 14269-14270.

[63] FCC, *2024 Communications Marketplace Report*, p. 14269.

[64] For a broad overview of copyright laws, see CRS In Focus IF12339, *Copyright Law: An Introduction and Issues for Congress*, by Kevin J. Hickey.

[65] Four Affiliates Associations, "Joint Comments of the Four Affiliates Associations in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 10, 2025, pp. 16-22, https://www.fcc.gov/ecfs/document/1210937520274/1 (hereinafter Four Affiliates Associations Joint Comments). The Walt Disney Company, "Comments of The Walt Disney Company in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket (continued...)

In comments filed with the FCC in December 2025, affiliates asked the agency to "examine adopting rules that restore to affiliates the right to negotiate their own distribution in streaming ecosystem for all platforms."[66] The affiliates claim "[t]his reform is consistent with Congress's intention in designing and implementing retransmission consent for local television stations, and it is well within the Commission's authority under Section 303(i) of the Act."[67] In their comments filed with the FCC in December 2025, broadcast TV networks countered that the FCC lacks statutory authority to extend MVPD-type regulations to vMVPDs,[68] and doing so would lead to "widespread violations" of the Copyright Act.[69] In addition, CBS argued that vMVPDs might refuse to negotiate with station group owners or owners of stations in small markets absent broadcast networks' roles as intermediaries, thereby potentially preventing viewers in these markets from watching the stations' programming via vMVPDs.[70]

Subscription Video On-Demand Streaming Services

Some broadcast network affiliates claim that the value of their network affiliations has diminished in part because "[t]he programming exclusivity that was once the hallmark and primary value of Network affiliation has been dramatically undermined by the Networks' owned [subscription video-on-demand streaming services (SVODS)], which offer (behind a paywall) increasing amounts of must-see programming, including sports programming, that was once exclusive to [local] broadcast stations."[71] These affiliates have urged the FCC to take action by adopting additional rules governing network affiliation agreements.[72]

CBS countered, "As foundational as the public interest is to local broadcasting, it is critical to recognize that the public interest standard does not entitle affiliates to network-owned and financed programming, or allow them to access and further distribute this programming on their preferred terms."[73] CBS and other TV networks advised the FCC to refrain from adopting any new rules to govern network affiliation agreements.[74]

No, 25-322," December 10, 2025, pp. 10-11, https://www.fcc.gov/ecfs/document/1210085142012/1 (hereinafter ABC Comments). Paramount Global, "Comments of Paramount Global in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 10, 2025, pp. 9-10, https://www.fcc.gov/ecfs/document/122915287279/1 (hereinafter CBS Comments).

66 Four Affiliates Associations Joint Comments, p. 22.

67 Four Affiliates Associations Joint Comments, p. 22.

68 ABC Comments, p. 14; Fox Corporation, "Comments of Fox Corporation in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 10, 2025, pp. 7-8, https://www.fcc.gov/ecfs/document/1210130007972/1 (hereinafter FOX Comments); NBCUniversal Media, LLC, "Reply Comments of NBCUniversal Media, LLC in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 29, 2025, p. 6, https://www.fcc.gov/ecfs/document/1229205737469/1 (hereinafter NBC Reply Comments).

69 FOX Comments, p. 8.

70 CBS Comments, p. 9.

71 Four Affiliates Associations, Joint Comments, p. 2.

72 Four Affiliates Associations, Joint Comments, pp. ii, 30.

73 Paramount Global, "Reply Comments of Paramount Global in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 29, 2025, pp. 2-3, https://www.fcc.gov/ecfs/document/122915287279/1 (hereinafter CBS Reply Comments).

74 Fox Corporation, "Reply Comments of Fox Corporation in the Matter of Empowering Broadcast Stations to Meet (continued...)

Since the parties filed these comments, the FCC has not initiated any proceedings related to streaming services that distribute broadcast TV network programming. In a July 2026 opinion column, FCC Chairman Brandon Carr raised the issue, stating that

> [broadcast television networks] no longer rely in the same way on local broadcast TV stations to distribute their programming. Today, [broadcast television networks] can distribute their programming to 100 percent of the country—either through their own streaming services or through deals they cut with nationwide "virtual cable companies," like YouTubeTV.[75]

FCC Right to Reject Rule and Network Programming Distribution

The FCC's "right to reject" rule permits a broadcast affiliate to (1) reject or refuse network programs that the station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest or (2) substitute a program that, in the station's opinion, is of greater local or national importance than the network's program.[76] In the event an affiliate exercises its right to reject network programming, and other stations within the local market do not air the rejected programming, online distribution can enable viewers to see it.

As an example, on September 23, 2025, both Nexstar and Sinclair Inc. substituted their own programming for ABC's *Jimmy Kimmel Live!*[77] in the 48 markets where they collectively own and in the 12 markets where they collectively operate (but did not own) stations affiliated with the ABC network.[78] These substitutions caused about 24% of the 126 million U.S. TV households[79] to be unable to view this program live via their local ABC affiliates.[80] ABC made the program available to viewers the following day via its subscription video on demand (SVOD) streaming service, Hulu.[81] On July 16, 2026, Sinclair Inc. substituted programming from its news service

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Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 29, 2025, pp. 4-5, https://www.fcc.gov/ecfs/document/1229618104842/1; NBC Reply Comments, pp. 1, 6; CBS Reply Comments, pp. 1, 7; and ABC Reply Comments, pp. 2, 4-5.

[75] Brandon Carr, "Restoring Balance to the Public Airwaves," *Breitbart*, July 15, 2026, https://www.breitbart.com/politics/2026/07/15/exclusive-fcc-chairman-brendan-carr-restoring-balance-to-the-broadcast-airwaves/.

[76] 47 C.F.R. §73.658(e).

[77] Nexstar, "Nexstar ABC Affiliates to Continue Preempting 'Jimmy Kimmel Live!,'" press release, September 23, 2025, https://www.nexstar.tv/nexstar-abc-affiliates-to-continue-preempting-jimmy-kimmel-live/; and Sinclair Inc. (Sinclair), "Sinclair Statement on the Return of Jimmy Kimmel Live!," press release, September 26, 2025, https://sbgi.net/sinclair-statement-on-the-return-of-jimmy-kimmel-live/. Nexstar and Sinclair resumed airing *Jimmy Kimmel Live!* on September 26, 2026. Mason Leib, "Nexstar, Sinclair Announce End of 'Jimmy Kimmel Live!' Preemption," *Good Morning America*, September 26, 2026, https://abcnews.com/GMA/Culture/sinclair-announces-end-jimmy-kimmel-live-preemption/story?id=125975076.d.

[78] As of September 2025, Nexstar owned 23 ABC affiliates and operated 9 ABC affiliates licensed to third parties. CRS analysis of data from Nexstar, Form 10-K for the Fiscal Year Ended December 31, 2025, filed with SEC, February 27, 2026, pp. 7-11, https://www.sec.gov/ix?doc=/Archives/edgar/data/0001142417/000119312526078361/nxst-20251231.htm#item_1 (hereinafter Nexstar 2025 Form 10-K.) As of September 2025, Sinclair owned 25 ABC affiliates and operated 3 ABC affiliates licensed to third parties. CRS analysis of data from Sinclair 2025 Form 10-K, pp. 7-11.

[79] Nielsen defines a *TV household* as "a home with at least one operable TV set that is able to receive audio and video through a cable, satellite or over-the-air source, or through streaming from an internet source." Nielsen, "Nielsen Estimates 121 Million TV Homes in the U.S. for the 2020-2021 TV Season," *Insights* (blog), Nielsen, August 2020, https://www.nielsen.com/insights/2020/nielsen-estimates-121-million-tv-homes-in-the-u-s-for-the-2020-2021-tv-season/.

[80] CRS analysis of data from Sinclair 2025 Form 10-K, Nexstar 2025 Form 10-K, and TV market household data from the Nielsen Company for the 2024-2025 TV season. The Nielsen Company, "2024-2025 Universe Estimates, DMA TV Households by Market Section," available via subscription.

[81] Michael Schneider, "As Nexstar and Sinclair Take on Disney Over Jimmy Kimmel, the FCC Is Happy – but Will it (continued...)

division, the National Desk,[82] to air a speech from President Donald J. Trump for ABC and NBC programming.[83] The networks transmitted President Trump's speech on their streaming services.[84]

In his July 2026 opinion column, FCC Chairman Carr claimed that "local TV stations today lack the power to preempt or refuse to air national programming that does not fit their communities' values."[85]

Advertising Markets

The FCC designed one of its rules, enacted in 1959, to prevent TV networks from limiting competition from their affiliates in the national advertising market. Since then, technological developments have enabled TV networks and their parent companies to compete with affiliates in the local advertising market by selling inventory on their streaming services.

FCC Advertising Rule and Linear TV Advertising

Advertisers seeking to reach viewers throughout the United States simultaneously can purchase time from broadcast TV networks. An advertiser seeking to reach viewers within a particular DMA can purchase time from one or more broadcast stations that Nielsen has assigned to the DMA.[86] A broadcast station typically sells "national spot" advertisements through its national advertising representative to air locally either during non-network programming at any time or during network programming in periods of time reserved for affiliate advertising sales.[87]

In 1959, the FCC adopted a rule to prohibit broadcast TV networks from representing affiliates in the national spot advertising market.[88] The FCC stated, "there are a great many instances where the networks, because of their control over affiliations, can influence affiliates in their choice of spot representation and thus restrain competition and interfere with the independent responsibilities of the station licensees involved."[89] In addition, the FCC stated that "network and national spot TV are the sole competitors for national TV advertising."[90] The rule has been in effect since December 1959.[91]

The national spot advertising market is part of the advertising market for *linear TV* (i.e., traditional TV distribution in which programs air at fixed times on specific channels). In the

Backfire?" *Variety*, September 20, 2205, https://variety.com/2025/tv/news/nexstar-sinclair-jimmy-kimmel-live-disney-backfire-fcc-1236525294/.

[82] Sinclair, Inc., "The National Desk," accessed August 11, 2026, https://sbgi.net/news/the-national-desk/.

[83] Alyssa Ray, "Sinclair-Owned ABC, NBC Stations Preempt Network Programming for Trump Primetime Speech," *The Wrap*, July 16, 2026, https://www.thewrap.com/media-platforms/journalism/sinclair-preempt-network-programming-trump-primetime-speech/.

[84] Aaron Pellish, "Trump Calls for Revocation of ABC, NBC Licenses Over Speech Snub," *Politico*, July 16, 2026, https://www.politico.com/news/2026/07/16/trump-calls-for-revocation-of-abc-nbc-licenses-over-speech-snub-01002580.

[85] Carr, "Restoring Balance to the Public Airwaves."

[86] Brad Geving, "What are National-Local Spots and Why Should You Test Them?" *Insights* (blog), Tatari Inc., August 1, 2023, https://www.tatari.tv/insights/what-are-national-local-spots-why-you-should-test-them.

[87] FCC, "Review of the Commission's Regulations Governing Broadcast Television Advertising, Notice of Proposed Rulemaking, FCC 95-226," *10 FCC* Record 11853, 11855, June 14, 1995.

[88] FCC, "Network Representation of Stations in National Spot Sales, Report and Order," 27 *FCC Reports* 697, 726, October 30, 1959 (hereinafter FCC 1959 Order).

[89] FCC 1959 Order, p. 713.

[90] FCC 1959 Order, p. 715.

[91] 47 C.F.R. §73.658(i).

linear TV market, advertisers purchase commercials airing in breaks during specific programs based on the projected number of viewers who, based on demographic characteristics, the advertisers wish to reach.[92] In linear TV, all viewers within a DMA typically see the local and sport advertisements during a given broadcast, while viewers nationwide see the same national advertisement during a given broadcast.[93]

Devices and Connected TV Advertising

TV sets, set-top boxes, and streaming devices that connect to the internet are collectively known as "connected TV" (CTV). CTV advertising leverages the digital infrastructure underlying the streaming of videos via the internet.[94] CTV is a form of programmatic advertising (i.e., the automated buying and selling of advertising inventory).[95] Rather than buying specific time slots on TV networks and stations, advertisers can target viewers and measure viewership using data collected by TV sets and streaming devices.[96] Geographic targeting works differently. Advertisers in the linear TV market reach audiences by purchasing time for commercials that air throughout a station's local TV market; CTV enables advertisers to target viewers by zip code or household.[97]

CTV has enabled parent organizations of the four major broadcast TV networks (ABC, CBS, FOX, and NBC) to sell local and regional advertisements within their SVOD services.[98] In June 2026, Fox Corporation announced that it has reached an agreement to acquire Roku, Inc.—a manufacturer of streaming devices, connected TV sets, and operator of a streaming platform—for $22 billion.[99] According to the trade publication *Advertising Week*, "Fox's acquisition of Roku reflects a broader industry shift toward integrated media ecosystems where content, technology, data, and advertising operate together rather than as separate functions."[100]

The market research company EMARKETER estimates that in 2025, advertisers spent about $51 billion on linear TV advertising, including via broadcast stations, broadcast TV networks, and

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[92] David Naffis, "CTV vs. Linear TV: Key Differences for Advertisers," *Insights* (blog), Adwave Digital Inc., November 24, 2025, https://adwave.com/resources/ctv-vs-linear-tv-difference (hereinafter Naffis, "CTV vs. Linear TV").

[93] Hannah Miller and Christopher Palmeri, "Ads on Streaming Services Are the Future and Are Also Annoying," *Los Angeles Times*, December 23, 2025, https://www.latimes.com/business/story/2025-12-19/ads-on-streaming-services-are-future-also-annoying.

[94] Naffis, "CTV vs. Linear TV."

[95] Adobe for Business Team, "What Is Programmatic Advertising," *Basics* (blog), Adobe for Business, Adobe Inc., June 25, 2025, https://business.adobe.com/blog/basics/programmatic-advertising-made-simple.

[96] Naffis, "CTV vs. Linear TV."

[97] Naffis, "CTV vs. Linear TV."

[98] Paramount Skydance Corporation, Paramount Ads Manager, "Customer Stories, How Winston-Salem Increased Ice Skating Rink Visits with CTV Ads," accessed March 27, 2026, https://adsmanager.paramount.com/insights/case-study-city-of-winston-salem-fairgrounds. NBCUniversal, NBCUniversal Spot On, "NBC Spot On Automotive," accessed March 27, 2026, https://nbcspoton.com/nbc_spot_on_automotive.html. ("Our breakthrough platform for local auto advertisers democratizes access to premium streaming video.") Disney Advertising, "How Connected TV Is Changing the Game for Mid-Market Advertisers," *Insights* (blog), Disney Advertising Sales, LLC, October 16, 2024, https://www.disneyadvertising.com/insights/thought-leadership/how-connected-tv-is-changing-the-game/. FOX Local Extension, "Connect with FOX Local Extension," accessed March 27, 2026, https://www.connectwithflx.com/. Sam Bradley, "Tubi Hopes Emotional Context Can Drive Demand for Streaming's Long Tail," *Digiday*, October 9, 2025, https://digiday.com/media-buying/tubi-hopes-emotional-context-can-drive-demand-for-streamings-long-tail/.

[99] Fox Corporation, "Fox Corporation to Acquire Roku, Inc.," press release, June 15, 2026, https://www.foxcorporation.com/news/corp-press-releases/2026/fox-corporation-to-acquire-roku-inc/.

[100] R. Larsson, "Why Fox's Roku Acquisition Could Reshape the Future of Connected TV Advertising," *Advertising Week*, June 22, 2026, https://advertisingweek.com/why-foxs-roku-acquisition-could-reshape-the-future-of-connected-tv-advertising/.

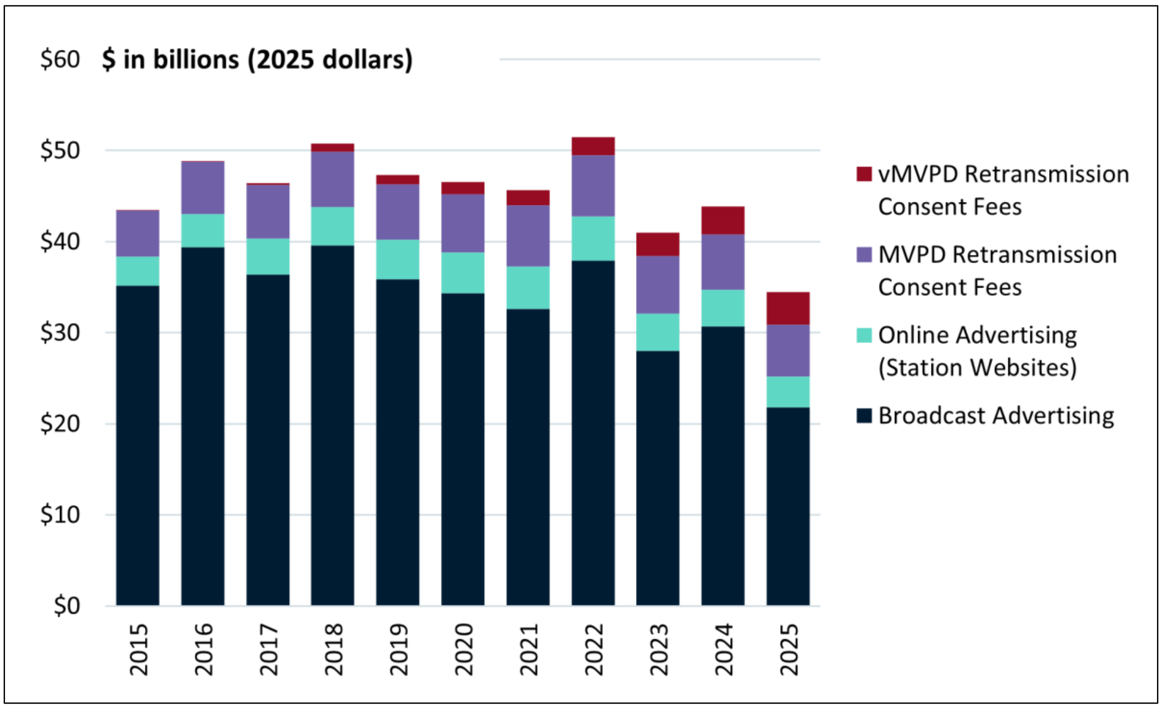
cable TV networks, and about $32 billion on CTV advertising.[101] In comparison, EMARKETER estimates that in 2015, advertisers spent $116 billion on linear TV advertising (adjusted for inflation in 2025 dollars)[102] and no money on CTV advertising.[103]

Industry Revenue and Consumer Trends

CRS analysis of data from the research firm S&P Global[104] found that overall broadcast TV industry revenues declined in real terms from $43 billion in 2015 to $34 billion in 2025,[105] and the portion of industry revenues from the sale of broadcast TV advertising also declined. In contrast, the amount of revenues broadcast TV stations received from MVPDs remained relatively steady (see **Figure 3**).

Figure 3. Broadcast TV Industry Revenue Sources

adjusted for inflation in 2025 dollars ($billions)



Sources: CRS analysis of data from S&P Global and Bureau of Labor Statistics (BLS). BLS, "Databases, Tables, and Calculators by Subject, Producer Price Index (PPI) Commodity Data, Series ID WPU364," accessed April 7, 2026; BLS, "Databases, Tables, and Calculators by Subject, PPI Commodity Data, Series ID WPU364," accessed April 7, 2026; BLS, "Databases, Tables, and Calculators by Subject, PPI Commodity Data, Series ID WPU364,"

[101] CRS analysis of data from EMARKETER Inc., "Advertising & Marketing, Total Media Ad Spending, US, by Media," accessed March 27, 2026, https://www.emarketer.com/forecasts/584b26021403070290f93a2f/67e424484047f19c19a40f4a/ (available via subscription) (hereinafter EMARKETER Total Media Ad Spending).

[102] CRS used BLS PPI Series WPU364 to adjust revenue data. (See **Figure 3**.)

[103] EMARKETER Total Media Ad Spending.

[104] S&P Global offers several research services, including market research. S&P Global, "Marketplace," https://www.marketplace.spglobal.com/en/.

[105] As described in "Virtual MVPD Distribution," 2015 marks the year multichannel video programming distributors entered the video distribution marketplace.

accessed April 7, 2026; and BLS, "Databases, Tables, and Calculators by Subject, PPI Commodity Data, Series ID WPU351," accessed April 7, 2026.

Notes: The term *MVPD* refers to a multichannel video programming distributor. MVPDs include cable and satellite services, which retransmit over-the-air broadcast signals via wired cable or spectrum. The term *vMVPD* refers to a virtual multichannel video programming distributor. vMVPDs are streaming services that deliver subscription packages of streaming linear channels, which may include broadcast TV stations, via the internet. CRS used the following BLS producer price indices (PPIs) to adjust broadcast TV industry revenue estimates from S&P Global: (1) PPI commodity data for advertising space and time, TV advertising sales, not seasonally adjusted, series WPU362 (to adjust advertising revenue data) and (2) PPI commodity data for network compensation from broadcast and cable TV, not seasonally adjusted, series WPU351 (to adjust retransmission consent revenue data).

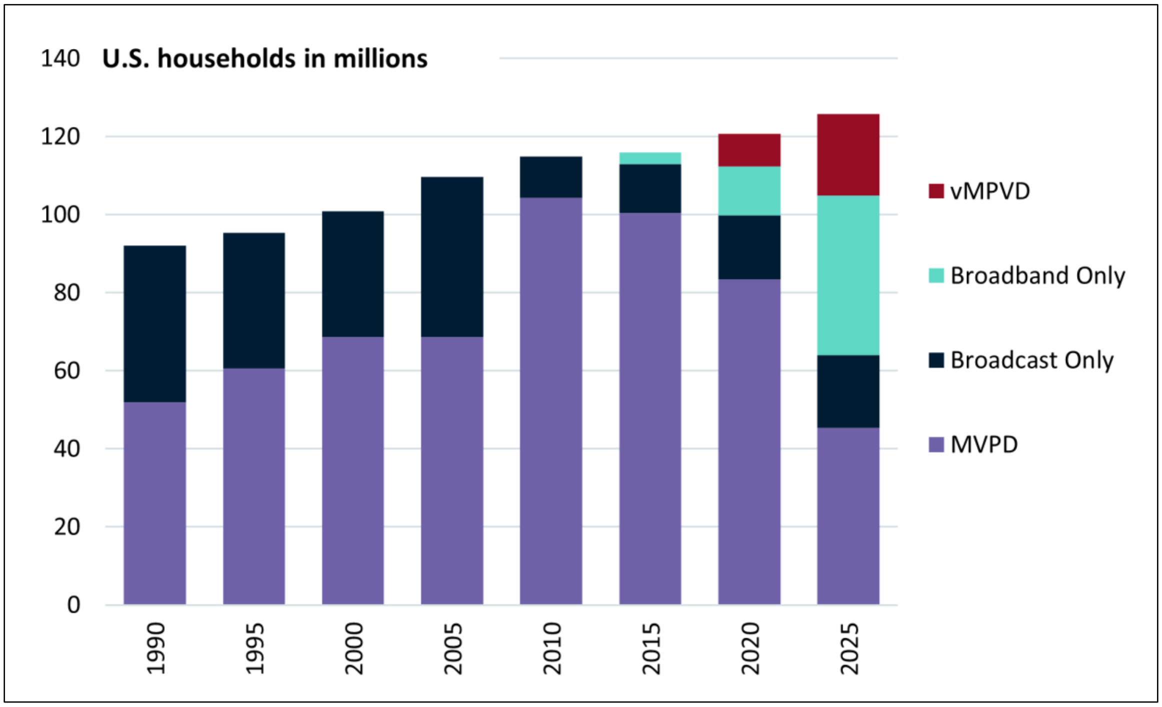
The amount of retransmission consent revenues broadcasters received from MVPDs in this period remained steady despite the decline in MVPD subscribers. As **Figure 4** indicates, the number of U.S. TV households subscribing to MVPDs dropped slightly between 2010 and 2015, from 104 million to 100 million, and during the next 10 years dropped more than 50%—to 45 million households in 2025. MVPDs maintain that between 2010 and 2025, the retransmission consent fees they paid broadcasters increased more than 2,000%.[106] MVPDs have stated that increased retransmission consent fees for broadcasters lead to higher retail prices for subscribers, who in turn may choose to substitute MVPD services with less expensive streaming services.[107] Between 1990—two years before the enactment of the 1992 Cable Act—and 2010, the number of U.S. TV households subscribing to MVPDs doubled, from about 52 million to about 104 million households (**Figure 4**).

[106] Cincinnati Bell Extended Territories LLC (d/b/a altafiber), "Comments of Cincinnati Bell Extended Territories LLC (d/b/a altafiber) in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 10, 2025, p. 2, https://www.fcc.gov/ecfs/document/121124255649/1 (hereinafter Cincinnati Bell Comments). Complaint, DIRECTV, LLC v. Nexstar Media Group, Inc.; and TEGNA Inc., No. 2:26-at-00488 (E.D. Cal. March 18, 2026), p. 5, https://variety.com/wp-content/uploads/2026/03/DIRECTV-Nexstar-Tegna-Complaint.pdf.

[107] Cincinnati Bell Comments, pp. 2-3. DIRECTV, LLC, "Reply Comments of DIRECTV, LLC in the Matter of Empowering Broadcast Stations to Meet Their Public Interest Obligations: Exploring Market Dynamics Between National Programmers and Their Affiliates, MB Docket No, 25-322," December 29, 2025, pp. 5-6, https://www.fcc.gov/ecfs/document/12292000125623/1.

Figure 4. U.S. Media Usage Trends

millions of U.S. TV households



Sources: CRS analysis of data from the Nielsen Company (Nielsen). Nielsen, *TV Audience Report 2010 & 2011*, 2011, pp. 4-5, https://robertoigarza.wordpress.com/wp-content/uploads/2008/10/rep-TV-audience-2010-11-nielsen-2011.pdf (see 1990-2010 data) (Nielsen *2010 & 2011 Report*); Nielsen, *The Total Audience Report Q1 2015*, 2015, p. 17, https://www.worldradiohistory.com/Archive-Arbitron/Archive-Arbitron-Radio-Today/total-audience-report-q1-2015.pdf (see 2015 data) (Nielsen *2015 Report*); Nielsen, *The Total Audience Report March 2021*, 2021, p. 31, https://radioconnects.ca/wp-content/uploads/2021/05/MAR_2021_Nielsen_Total_Audience_Report.pdf (see 2020 data) (Nielsen *2021 Report*); and Nielsen, "National Media Related Universe Estimates," 2025, p. 3 (see 2025 data), https://www.tvb.org/wp-content/uploads/2025/09/OTA_Jul_25_LandingLink.pdf.

Notes: Data are as of February of each year. The term *broadcast only* refers to households that have the capability to receive TV signals via over-the-air broadcasting only (Nielsen *2010 & 2011 Report*, p. 31). The term *TV household* refers to homes with at least one operable TV/monitor with the ability to deliver video [to consumers] via traditional means of antennae, cable set-top box or satellite receiver, and/or with a broadband connection. The term *broadband only* refers to homes with at least one operable TV set/monitor that receives video exclusively through a broadband internet connection instead of traditional means (over-air-broadcasting or via a multichannel video programming distributor [MVPD]) (Nielsen *2015 Report*, pp. 21-22). The term *vMVPD* (or virtual multichannel video programming distributor) refers to distributors that aggregate linear content licensed from major programming TV networks and package it together in a standalone subscription format accessible on devices with a broadband connection (Nielsen *2021 Report*, p. 34).

Considerations and Options for Congress

As the FCC continues to investigate contracts and relationships between broadcast TV networks and affiliates, Congress has several options. These options include (1) continuing oversight and/or deferring to antitrust authorities to address potential anticompetitive behavior, (2) investigate the role of broadcast TV networks in the CTV advertising industry, (3) limit the FCC's authority over broadcast TV networks, and (4) expanding the FCC's authority over vMVPDs.

Continue Oversight and/or Defer to Antitrust Authorities

Congress could continue to monitor developments within the marketplace and at the FCC. If any participants in the broadcast TV marketplace were to threaten to harm competition, those potentially affected could sue under antitrust laws,[108] or executive branch agencies with antitrust jurisdiction could investigate.[109]

Investigate Broadcast Networks' Roles in CTV Advertising

Congress may choose to investigate changes in the TV advertising marketplace since the FCC adopted its advertising rule in 1959. As **Figure 3** illustrates, the broadcast TV industry generated $22 billion in advertising revenues in 2025—the lowest level in inflation-adjusted terms within the last 10 years—and 63% of total industry revenues ($34 billion). During that time, CTV advertising has enabled parent organizations of TV networks to compete with their affiliates for local and national advertisers.

Change the FCC's Authority Over Broadcast Television Networks

The FCC is investigating the contractual relationships between broadcast TV networks and affiliates. Congress has several legislative options if it wishes to address the FCC's authority in this area. Congress could repeal or amend Section 303(i) of the 1934 Communications Act, as amended [47 U.S.C. §303(i)] to limit or expand the scope of the FCC's authority to oversee broadcast TV network affiliation contracts. Limiting the scope might focus the FCC on, as set forth in Section 307 of the Communications Act [47 U.S.C. §307], granting licenses to or withholding licenses of individual stations. Expanding the scope could enable the FCC to limit actions of broadcast TV networks that may inhibit affiliates' abilities to serve the public interest.

Create More Regulatory or Statutory Parity Between vMVPDs and MVPDs

Congress may wish to address the assertion that the FCC lacks the authority to extend regulations that currently apply to MVPDs to vMVPDs. Congress could amend Section 325 of the Communications Act [47 U.S.C. §325] to authorize broadcast stations to directly negotiate with vMVPDs for retransmission consent. Congress also could create a new statutory licensing scheme, like Sections 111 and 122 of the Copyright Act (17 U.S.C. §§111, 122), to facilitate the ability of vMVPDs to negotiate with broadcasters without needing to negotiate with owners or licensees of copyrighted programs separately.

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[108] For background information about antitrust laws, see CRS In Focus IF11234, *Antitrust Law: An Introduction*, by Jay B. Sykes.

[109] For example, in November 2018, the U.S. Department of Justice (DOJ) reached a settlement with six broadcast station TV group owners to resolve a DOJ lawsuit alleging that companies reduced competition in the spot advertising market by sharing nonpublic competitively sensitive information. DOJ, "Justice Department Requires Six Broadcast Television Companies to Terminate and Refrain from Unlawful Sharing of Competitively Sensitive Information," press release, November 18, 2018, https://www.justice.gov/archives/opa/pr/justice-department-requires-six-broadcast-television-companies-terminate-and-refrain-unlawful.

Author Information

Dana A. Scherer
Specialist in Telecommunications Policy

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