

PATRICK K. RYAN Congress of the United States House of Representatives Washington, DC 20515

October 31, 2023

The Honorable Gene L. Dodaro Comptroller General U.S. Government Accountability Office 441 G Street NW Washington, D.C. 20548

Dear Comptroller General Dodaro,

I write to request that the Government Accountability Office (GAO) conduct a study on sports blackouts that bar certain media markets and consumers from viewing live sporting events.

Sports blackouts have long been a source of frustration and inconvenience to Americans of all backgrounds. As a result of policies adopted by major sports leagues and broadcasters, fans in their home team's territory are blocked from viewing nearly all of their team's games on any platform other than their local regional sports network (RSN), forcing them to subscribe to the RSN while out-of-market viewers have their pick of cheaper, more comprehensive streaming services. Even RSN subscribers can be blacked out when the league sells the exclusive rights to certain games to streaming services like Prime Video, as happened over 20 times to New York Yankees and Mets fans over the 2023 Major League Baseball (MLB) regular season. This confusing patchwork leaves many fans without a reliable option for watching all of their team's games on one platform, even when they are subscribed to a service which should have all of the team's games.

In addition, blackouts can also result from an impasse in negotiations between distributors and content providers, which impacts a consumer's ability to watch their favorite team's games, even when they have subscribed to and paid for access to those games. For example, the recent dispute between Charter Spectrum and Disney left Spectrum's customers blocked from viewing all Disney-owned programming for ten days. As a result, millions of Americans missed out on viewing parts of Sunday Night Baseball on ESPN, the US Open, and the start of the college football and NFL seasons. Although the dispute was resolved, it was not an aberration. From 2010 to 2022, New York experienced a total of 82 blackouts related to carriage disputes amounting to 3,080 blackout days for subscription services that had been paid for.¹

¹ American Television Alliance, *A Dark Record: Big Broadcast Blackouts 2010-2022*, <u>Blackouts In Your Area -</u> <u>American Television Alliance</u>.

Congress has played an important role in regulating the sports media landscape. The Sports Broadcasting Act of 1961 grants the major sports leagues an exemption to antitrust laws with regard to broadcasting agreements, allowing them to pool the rights to all teams' games in a national package.² Under the 1992 Cable Television Consumer Protection and Competition Act, distributors must gain broadcasters' permission before carrying their programming.³ If negotiations stall, broadcasters have the right to black out content for the distributor's customers, as happened to millions of Spectrum customers this year. Congress thus has an interest in determining whether the current sports media landscape is one that upholds a reasonable level of access for fans.

To that end, I request that GAO conduct a study into sports blackouts that specifically examines the following:

- 1. The prevalence and adverse impacts to consumers of sports blackouts throughout the United States over the last ten years, including those stemming from both league policies and carriage disputes.
- 2. Steps federal agencies can take to reduce sports blackouts. In particular, whether and to what extent the Federal Communications Commission has the authority to intervene in carriage disputes that are causing blackouts.
- 3. Whether sports blackouts are related to the major sports leagues' antitrust exemption under the Sports Broadcasting Act of 1961 and MLB's blanket antitrust exemption under Federal Baseball Club v. National League, and how removing the exemptions would potentially impact sports blackouts.
- 4. Legislative actions Congress could take to ensure that fans can reliably watch every game of their favorite team's season on a single platform, regardless of where they live.

Thank you for your prompt attention to this request.

Sincerely,

Patrick K. Ryan Member of Congress

² P.L. 87-331.

³ P.L. 102-385