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WHAT THE INDUSTRY READS FIRST

Core Mission: NCTA, FCC Highlight AI Policy Plans

The theme of this year's **State of the Net** Conference was "More Than Meets the AI" and there was plenty to digest on that front, with **NCTA's** new chief unveiling the internet and television association's six-part AI policy framework during an afternoon keynote.

"Core to the widespread adoption of AI is the connectivity infrastructure that underlies it all. This critical infrastructure isn't just a byproduct of AI. It is the backbone, the workhorse, the foundational element that made and makes AI possible," NCTA President/CEO *Cory Gardner* told the Washington policy crowd gathered for the annual event.

The goal of NCTA's AI plan, known as "CORE AI," will be to support innovation, while also strengthening critical infrastructure, protecting creators and ensuring consumers and workers benefit from AI's growth.

Highlighting the more than \$335 billion NCTA's operator members have invested in building up high-speed broadband networks in the last 20 years—\$26 billion in 2025 alone—while bringing broadband and mobile costs down for consumers, Gardner said that connectivity infrastructure "should be recognized and built into every economic and security policy our nation puts forward—a part of every national AI plan—whether it's national economic security or our national defense."

A major concern for NCTA as it pushes forward with the

CORE AI framework is the "harmful patchwork of state AI laws" that Gardner warned are "arbitrarily limiting investment opportunity and connective capability."

The remark follows a White House executive order in December to develop a national approach to regulating AI to preempt state laws. "As states like California, Colorado and Utah wrestle over how best to tackle AI-related issues, they should ensure they are collaborating with the companies who are front and center in these debates," Gardner said. He also stressed the importance of leveraging R&D initiatives, particularly when it comes to improving dynamic spectrum sharing and network management, as well as prioritizing reskilling programs to prepare the next generation of workers and strong copyright protections, highlighting how NCTA programmer members have invested more than \$528 billion into award-winning entertainment over the last 20 years..

FCC Commissioner *Olivia Trusty* also chimed in on the future of AI policymaking during her turn at the podium. "The real question before us is not whether AI will transform communications, but whether our networks, our spectrum policies and our regulatory frameworks are ready to support it at scale," she said in her keynote, adding that "AI algorithms may be written in code, but they live and operate on networks."

The FCC's role in making sure spectrum and communications infrastructure policy keeps pace with innovation

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should be to provide predictable regulation to “give communications providers and innovators the confidence to invest, build and scale,” with Trusty echoing Gardner’s concerns with the nearly 1,200 AI-related bills introduced at the state level in 2025.

The commissioner said that the FCC must also continue to prioritize policies that help accelerate nationwide high-speed network deployment; recognize the pace at which AI technologies evolve and pursue policies that are “targeted, risk-based and adaptable”; and make sure that all AI policies “remain anchored in the public interest.”

With the conference coming just days before the 1996 Telecommunications Act’s 30th birthday, there was plenty of talk about reforming the legislation as AI becomes a more relevant topic in Congress.

New Street Research analyst *Blair Levin*, who was Chief of Staff from 1993-1997 for then-FCC Chairman *Reed Hundt*, said he’s not all that confident that today’s policymakers could come up with legislation that addresses the fast development of modern technology, even in the context of bridging the digital divide. Both he and **Public Knowledge** President/CEO *Christopher Lewis* said they’d like to see more attention spent on reforming the FCC’s Universal Service Fund.

Evan Swarztrauber, Senior Fellow at the **Foundation for American Innovation**, pondered whether Congress should ask if the way that the Telecom Act envisions the market “still makes sense.” He used universal service as an example, with its early idea being to subsidize a provider’s operating expenses without any local competition. That doesn’t work as well if folks can purchase a Starlink device.

“Does it make sense to continue subsidizing companies instead of the end consumer? If there are options, and if we believe that demand can drive deployment and availability of fixed wireless, satellite, fiber, etc., should we instead just deal with the consumers’ income challenges as opposed to subsidizing a company in the hopes that they offer their service affordably, without knowing if any consumer actually wants it,” Swarztrauber asked.

In order for any reforms to be made, Swarztrauber added that “some entrenched camps” in Congress will need to meet in the middle. But if USF is going to continue without direct appropriation from the government, there’s an obvious place to look: data centers. Swarztrauber doesn’t think putting a fee would push companies to stop investing in AI and hurt the U.S.’ position in the global AI race.

“I think the obvious place to look is the companies that are spending hundreds of billions of dollars on data

centers every year,” he said. “It is not a punishment. USF has acted as an indirect subsidy to technology companies for years... I think it is not unreasonable to ask them to contribute what would be a rounding error in any sort of quarterly earnings to this program.”

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TRUMP SHIFTS STANCE ON NEXSTAR-TEGNA DEAL

President *Trump*’s skepticism over the pending **Nexstar-Tegna** acquisition appears to have subsided. In a Truth Social post over the weekend, he advocated for the deal to receive regulatory approval, citing a need for more competition among TV networks. “Letting Good Deals get done like Nexstar-Tegna will help knock out the Fake News because there will be more competition, and at a higher and more sophisticated level,” Trump [wrote](#). “GET THAT DEAL DONE!” It’s an adjustment from his previous stance that aligned more with **Newsmax** CEO *Chris Ruddy*, who’s been a vocal opponent to the Nexstar-Tegna deal and any related changes to the **FCC**’s broadcast ownership regulations. In December, Trump [posted](#) a Newsmax article detailing Ruddy’s unfavorable stance against lifting the 39% ownership cap, with the president saying, “If anything, make them SMALLER.” At the time, **New Street Research** maintained that Trump’s post didn’t equate to full opposition, and with his latest remarks, it’s one more “hurdle” Nexstar-Tegna evaded. But questions still remain about whether the FCC has the authority to raise the current 39% cap and approve Nexstar-Tegna, as well as whether the **DOJ** will force the two companies to divest stations in specific markets. Not to mention the ramifications the combination would have on the broadcast industry. “The NXST/TGNA deal, if approved by the courts, will in the near term, result in increased prices for traditional linear programming bundles offered by MVPDs and increased bargaining power with the national networks,” NSR wrote. “Longer term, such moves will increase cord cutting and increase incentives for the national networks to place premium content on alternative platforms.” Plenty for lawmakers to probe witnesses on during tomorrow’s Senate Commerce hearing on broadcast media ownership!

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YOUTUBE TV GETS SKINNY

DirecTV, **Fubo** and **Sling TV** aren’t the only vMVPDs watching their weight. **YouTube TV** is going skinny too, with a plan to roll out 10+ bundles across genres in the

coming weeks. The distributor, which offers a base plan at \$82.99/month, announced in a blog post Monday that skinny bundles will begin launching this week. The sports plan, which includes access to all major broadcasters as well as sports nets **FS1**, **NBCSN**, and **ESPN** channels, is priced at \$64.99/month (\$54.99/month for new customers for a year). Access to ESPN Unlimited will be added to the package in the fall. You can also bundle sports and news channels, including **CNBC**, **Fox News**, **MS Now**, **CNN**, **C-SPAN**, *Bloomberg* and **Fox Business**, for \$71.99/month (\$56.99/month for new users for three months). An entertainment bundle featuring **FX**, **Hallmark**, **Comedy Central**, **Bravo**, **Paramount**, **Food Network** and **HGTV** and more is \$54.99/month (\$44.99/month for new users for three months). Customers can also bundle news and entertainment channels with family content from **Disney Channel**, **Nickelodeon**, **Nat Geo**, **Cartoon Network** and **PBS Kids** for \$69.99/month (\$59.99/month for new users for three months). Skinny bundle subs will still get access to unlimited DVR, multiview and other base plan features, as well the option to bundle **NFL Sunday Ticket + RedZone**, **HBO Max** and other add-ons.

SUPER BOWL SUNDAY

As we anxiously await those **Nielsen** numbers for the Super Bowl, what'd you think of that halftime show? **NCTA** VP, External and State Affairs *Rick Cimerman* gave us a laugh at the **State of the Net Conference** when he joked that he'd never expected pole attachments to be part of the big game. For those who didn't watch, performer *Bad Bunny*'s halftime show included dancers flexing from utility poles in his love letter to Puerto Rico and Latin America that also featured an excellent salsa remix of *Lady Gaga* and *Bruno Mars*' "Die with a Smile." Nielsen numbers are expected tomorrow. As a reminder, the measurement firm is using the game to pilot a new methodology enhancement to more accurately account for co-viewing, particularly for live events. The initial results from the pilot program will be released a few weeks after the delivery of Nielsen's final Big Data + Panel ratings.

NETFLIX ON DOJ PROBE: 'ORDINARY COURSE OF BUSINESS'

The proposed **Netflix-WBD** transaction is facing scrutiny from the **DOJ**, which is investigating whether the streaming giant used anticompetitive tactics to win a bidding war that also included **Paramount Skydance** and **Comcast**. In an interview with **Fox Business** on Monday, Netflix Chief Global Affairs Officer *Clete Willems* called the probe a "totally ordinary course of business," explaining that the streamer is continuing to engage with regulators, including state attorney generals. "We have nothing to hide here," Willems said. "We think this is going to be great for the

U.S. economy. And we film in all 50 states. So I think we're looking forward to going around the country and talking about those contributions that we're making to each of those states." **WSJ** [reported](#) Friday that the Justice Department asked a rival entertainment company in a civil subpoena to "describe any other exclusionary conduct on the part of Netflix that would reasonably appear capable of entrenching market or monopoly power." The subpoena also asked whether a WBD merger with Netflix or PSKY would hurt competition.

NBCU HITS OLYMPICS MILESTONE

NBCUniversal's "Legendary February" was officially a go over the weekend as the Milan Cortina 2026 Winter Games kicked off. The Comcast-owned programmer is putting all of its linear and streaming might behind the month-long sports event, including with coverage on Versant networks **USA** and **CNBC**. The strategy is delivering results. NBCU said the opening Saturday of Milan Cortina averaged 28.5 million viewers across **NBC**, **Peacock**, NBCU digital platforms, **CNBC** and **USA**. It's the most-watched Winter Games presentation since Sochi 2014, per preliminary data from **Nielsen** and data from **Adobe Analytics**. The day was also up 92% vs the opening Saturday of Beijing 2022. Peacock and digital platforms alone averaged 4.1 million viewers and 1.3 billion minutes streamed, the first time more than 1 billion minutes of Winter Olympics coverage have been streamed in a single day. Friday's Opening Ceremony averaged 21.4 million viewers across platforms, up 34% vs Beijing 2022.

SCRIPPS SELLS COURT TV

Scripps agreed to sell the **Court TV** network to **Law&Crime**, the true crime and legal content platform owned by media creator holding company Jellysmack. The financial details of the deal were not disclosed. Created and led by **ABC News** Chief Legal Analyst *Dan Abrams*, who began his career at Court TV, Law&Crime operates two FAST channels as well as 25 **YouTube** channels. Court TV originally launched as a cable channel in 1991 before it became TruTV in 2008. Scripps relaunched the brand as a broadcast network and FAST channel in 2019 after acquiring the rights from Turner Broadcasting.

PROGRAMMING

This past weekend, **Newsmax** CEO *Chris Ruddy* and anchor *Rob Schmitt* visited Venezuela to interview National Assembly President *Jorge Rodriguez*, brother of interim President *Delcy Rodriguez*. The conversation will air on "Rob Schmitt Tonight" at 7pm. The network also spotlighted the trip on "Bianca Across the Nation."