

HOUSE COMMITTEE ON FINANCIAL SERVICES

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May 18, 2015

514

Chairman Tom Wheeler  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, D.C. 20554

Dear Chairman Wheeler:

I would like to call your attention to an issue facing my constituents in Garrett County, Maryland. Garrett County is located in the far-western part of the state near Pennsylvania and West Virginia. Although Garrett is not close to the major population areas in Maryland, it is important that its residents feel connected to the state where they work, pay taxes, vote, and educate their children. I understand that the FCC will be putting forth a final rule based on the market modification requirements established in the Satellite Television Extension and Localism Act Reauthorization (STELAR). I have reviewed the Notice of Proposed Rule Making issued by your agency and I remain skeptical that Garrett County residents will have the opportunity to view in-state television. I hope that this letter will formally address my concerns.

Due to the Designated Market Areas (DMA) used by the Federal Communications Commission (FCC) to determine local television market structure, most Garrett County residents are unable to receive access to critical information about the state in which they live. Garrett County residents are located in the Pittsburgh, Pennsylvania DMA and are forced to view local television that targets this audience. As a result, Garrett is considered an "Orphan County," meaning that County residents are unable to receive coverage of Maryland political news, sports, public affairs programming, and employment information. I have heard from many of my constituents on this subject who are extremely frustrated with the current DMA designations. I stand with my constituents who are calling for a resolution.

I am encouraged by the new rules passed by Congress under STELAR in December of 2014. Many of my constituents who use satellite television may now have the opportunity to petition

the FCC for a market modification to view Maryland programing. However, I remain concerned that Garrett County will continue to be an "Orphan County" due to the "economic infeasibility exceptions" for satellite companies that are established in STELAR. It is my hope that the FCC will put forth a final rule that establishes a reasonable set of criteria for orphan counties to qualify for a market modification and to make sure that the infeasibility criteria does not restrict substantial access to market modifications. I want all Marylanders to have access to Maryland television and it is my hope that the new rules established by STELAR will be a successful step forward.

On behalf of my constituents, I look forward to continuing to work on this issue. Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "John K. Delaney". The signature is fluid and cursive, starting with a large loop and ending with a long horizontal stroke.

John K. Delaney  
Member of Congress



OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

June 16, 2015

The Honorable John Delaney  
U.S. House of Representatives  
1632 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Delaney:

Thank you for your letter regarding the Federal Communications Commission's (Commission) requirement to put forth rules on market modification for implementing the Satellite Television Extension and Localism Act Reauthorization (STELAR) Act. I also thank you for your view expressing concern about whether residents of Garrett County, Maryland, will have the opportunity to achieve a market modification. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

STELAR was enacted in December 2014, and Section 102 of this law gives the Commission authority to modify a commercial television station's local television market for purposes of satellite carriage rights. Prior to the enactment of STELAR, the Commission had authority to modify markets only in the cable carriage context. The Commission proposes to apply the existing cable rule to the satellite carriage context, while adding rules to address the unique nature of satellite television service.

On March 16, 2015, the Commission adopted a Notice of Proposed Rulemaking, which seeks comment on many of the rules necessary for implementing STELAR, including the issue you raise as to how satellite subscribers can meaningfully advocate for receipt of in-state programming via satellite. I am hopeful that the proposed rules will offer an opportunity for satellite subscribers in so-called "orphan counties," like Garrett County, to receive in-state stations via satellite. However, the ability of the market modification provision to successfully address orphan county problems in specific communities will depend in large part on satellite carriers' technical and financial ability to provide the in-state stations to those areas. The comment period for this proposal has ended, and Commission staff is currently reviewing the record in its entirety. The Commission is under a statutory deadline to adopt these rules by September 4, 2015.

I appreciate your interest in this matter. I understand how deeply Garrett County residents care about receiving their in-state political news, sports, public affairs programming, and employment information, and I assure you the Commission is working diligently to achieve that goal. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler".

Tom Wheeler