



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

March 1, 2016

The Honorable Ron Johnson
Chairman
Committee on Homeland Security and Governmental Affairs
United States Senate
340 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Johnson:

Thank you for your letter regarding the Commission's implementation of the Satellite Television Extension and Localism Act Reauthorization (STELAR).

I agree that it is of utmost importance to provide communities with access to broadcast stations of most local interest. Therefore, I am pleased to write that the Commission is now accepting satellite market modification petitions.

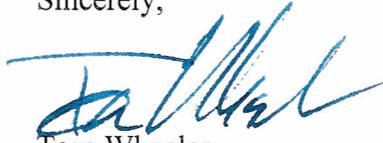
As you note, the STELAR Act required the Commission to adopt, by September 4, 2015, new rules that would allow for market modification for satellite carriers. The Commission met this deadline when it adopted the STELAR Report & Order on September 2, 2015. The new rules adopted in that order allow modification of satellite television markets to help ensure that satellite operators carry the broadcast stations of most interest to a local community. Specifically, the rules establish a process that will enable a broadcast TV station to be carried by a satellite operator in a new community if the station can demonstrate a local relationship to such community. This process is initiated by a petition from the TV station, satellite operator, or county government. Through this process, the Commission considers whether the change would better serve the interests of the local community and may include a particular community in more than one television market if it furthers the public interest. Significantly, the STELAR provides that a satellite operator is not required to carry a station pursuant to a market modification if it is "not technically and economically feasible" for a satellite operator to carry the station by means of its existing satellites.

The Commission is accepting satellite market modification petitions. Pursuant to the Paperwork Reduction Act, the new satellite market modification rules could not become effective until the Commission obtained approval from Office of Management and Budget (OMB) for the information collection requirements contained in the new rules. On February 25, 2016, the Commission published a notice in the Federal Register announcing that OMB approval for these information collections had been obtained and that these new rules were effective.

I can assure you that the Commission will expeditiously consider market modification petitions, including those filed by applicants from Wisconsin. The new rules provide the Commission with 120 days to act upon such a petition. A television broadcast station that becomes eligible for mandatory satellite carriage by operation of a market modification may elect mandatory carriage or retransmission consent with respect to a satellite carrier within 30 days after the market determination. If the station elects mandatory carriage, a satellite carrier must commence carriage within 90 days after receiving the station's request. If a station elects retransmission consent, then the station and the satellite operator must negotiate the terms of a retransmission consent agreement, which may include monetary or other compensation for carriage of the broadcast signal. If the station and satellite operator do not reach an agreement, then the station cannot be carried.

I am hopeful that the new satellite market modification rules will offer an opportunity for subscribers in your state to receive in-state stations of local interest via satellite. I appreciate your views and understand how deeply the residents of your state care about receiving local programming, especially when it comes to viewing Packers games. Please let me know if I can be of any further assistance.

Sincerely,



Tom Wheeler