



March 3, 2026

House Environment and Transportation Committee
Attn: Trish Gagnon
251 Taylor House Office Building
Annapolis, Maryland 21401

Re: HB 1037 - "Broadband Accountability and Affordability Act" (Oppose Unless Amended)

Dear Chair Korman and Members of the House Environment and Transportation Committee:

On behalf of the Computer & Communications Industry Association (CCIA), I write to respectfully oppose unless amended HB 1037, in advance of the House Committee on Environment and Transportation hearing on March 3, 2026.

CCIA is an international, not-for-profit trade association representing a broad cross-section of communications and technology firms.¹ Proposed regulations on the interstate provision of digital services therefore can have a significant impact on CCIA members. CCIA represents leading technology and communications companies that invest billions of dollars annually to expand broadband access, improve network performance, and deliver innovative services to consumers across the United States.

CCIA and its members strongly support efforts to expand affordable and reliable broadband access, particularly for low-income households. These comments are focused on the bill's inapt application to satellite-based broadband services, which are regulated at the federal level and often do not include the same features and functions of wireline-based broadband services.

1. Satellite services are under the jurisdiction and authority of the Federal Communications Commission (FCC) in a few ways. Satellite-based services are transmitted via spectrum over which the FCC has exclusive jurisdiction. 47 U.S.C. § 303. Included in this grant of authority is "exclusive jurisdiction to regulate the provision of direct-to-home satellite services." *Id.* § 303(v).² In addition, the Communications Satellite Act of 1962, codified at 47 U.S.C. § 701 *et seq.*, authorizes the FCC to regulate and protect "video programming which is transmitted via satellite." *Id.* § 705(d)(1). The attempt in HB 1037 to regulate satellite-based broadband service is therefore outside the state's power. This fundamental flaw infects every other provision in the bill.

2. Low Earth Orbit (LEO) satellite broadband is often the only viable connectivity option for Maryland's hardest-to-reach rural areas, where fiber deployment can exceed \$100,000 per

¹ For more than 50 years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than \$100 billion in research and development, and contribute trillions of dollars in productivity to the global economy. A list of CCIA members is available at <https://www.ccianet.org/members>.

² "As used in this subsection, the term 'direct-to-home satellite services' means the distribution or broadcasting of programming or services by satellite directly to the subscriber's premises without the use of ground receiving or distribution equipment, except at the subscriber's premises or in the uplink process to the satellite." *Id.*



location. By imposing novel regulatory burdens and uncertainty, HB 1037 could deter providers from prioritizing Maryland deployment. Neighboring states are not pursuing this regulatory experiment, raising the real possibility that rural Marylanders will have fewer options than residents just across state lines. The result could be a regulation-induced broadband gap that undermines economic opportunity, education, and quality of life.

3. The bill assumes a traditional, terrestrial network model that does not reflect how modern broadband systems operate. For example, backup power mandates are incompatible with satellite architectures that rely on customer terminals. Likewise, granting authority to audit “facilities and infrastructure” raises serious jurisdictional and practical concerns as Maryland cannot audit satellites in orbit, which are federally regulated assets. HB 1037 also applies subjective standards such as “adequate” or “reasonable” service to dynamic, shared-capacity networks where performance naturally varies by user density. The Public Service Commission (PSC) is not positioned to adjudicate such satellite network design decisions that are governed by global engineering constraints.

Satellite broadband systems operate across state and national borders simultaneously. A single LEO satellite beam may serve customers in multiple states at once. State-by-state regulation of inherently interstate infrastructure is not only legally questionable, but technically unworkable.

CCIA supports policies that expand broadband access and improve connectivity for all Marylanders. However, HB 1037 would create significant legal risk, technical incompatibilities, and investment disincentives that could slow deployment—especially in the rural communities that need broadband most.

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For these reasons, CCIA respectfully urges the Committee to oppose HB 1037. We remain committed to working with policymakers on solutions that expand broadband access while preserving competition, innovation, and lawful regulatory boundaries.

Sincerely,

Megan Stokes
State Policy Director
Computer & Communications Industry Association