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February 18, 2009

The Honorable Michael J. Copps
Acting Chairman
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

The Honorable Anna Gomez
Deputy Administrator
National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Ave., NW
Washington, D.C. 20230

Dear Acting Chairman Copps and Deputy Administrator Gomez:

To minimize the harm and confusion caused by the President's delay of the digital transition, we urge you to focus the coupon program on the minority of households that are still completely unprepared. These are the homes that really need a converter box. Focusing the $40-per-coupon program on this five percent of television households may even have the happy result of achieving budget savings on behalf of the taxpayers, because it will not require spending all of the $650 million that is earmarked for these efforts in the stimulus bill that was signed yesterday.

By stalling the DTV transition, the Obama Administration has snatched defeat from the jaws of victory. Millions of viewers now expect that the switch will simply move from one date to another; instead, it will occur almost willy-nilly over a period of months. Unfortunately, the Obama delay that Congress passed and the President signed seems certain to confuse and perplex viewers now that a third of the country's 1,800 full-power television stations have turned off their analog signals and switched to digital only. As you know, hundreds more stations will follow before the new deadline arrives.

None of this was necessary. Approximately 95 percent of households were prepared for the transition as of February 1, according to Nielsen. Moreover, the coupon program is not out of money. Approximately 5.5 million households were holding almost 11 million active coupons that they could have used between January 28 and yesterday, according to Nielsen. And approximately 1.3 million households have come off the waiting list since it started January 4 as coupons have expired and 2.6 million more were sent out. A bill we introduced in January, H.R. 661, would have authorized an additional $250 million so that the NTIA could send additional coupons even before existing coupons

expired. According to the NTIA, this would have cleared the waiting list and then some within two weeks, in time for the February 17 deadline. We would even have gotten much of the money back in expired coupons.

By contrast, the delay act provided no additional money for coupons. As a result, the waiting list ballooned from 2.8 million coupons on January 23 to 4.2 million coupons yesterday, when approximately 650 broadcasters ended their analog broadcasts—no doubt leaving some consumers on the coupon waiting list essentially stranded.

We urge you to consider the following as you implement the delay act and begin to obligate the $650 million provided in the stimulus bill:

1. Television viewers in particular markets will need an understanding of when they might need to obtain a converter box. We urge you to make the list of stations transitioning before June 12 and the dates of transition available to consumers through your consumer outreach programs, on your web sites, and over your telephone help lines, so that consumers in a specific area will know when the transition will affect them.

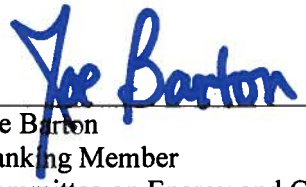
2. The delay act allows the NTIA to issue replacement coupons to cable and satellite homes whose previous coupons have expired, thereby allowing cable and satellite homes to ostensibly get new coupons before households that are exclusively over-the-air get any. Clearly, even though all households are entitled under the law to redeem at least two coupons, consumers in markets where broadcasters are transitioning sooner will have a greater need for converter boxes, as will consumers who do not have cable or satellite service. We urge you to make this clear in your consumer outreach, on your web sites, and over your telephone help lines to encourage those households with a greater need to obtain coupons first.

3. The delay act gives the NTIA discretion to revise its rules as necessary to implement the act. We urge the NTIA to give priority for coupons to exclusively over-the-air homes, which might otherwise lose all service, so that such homes can get one or both coupons before homes with cable or satellite service. In reissuing coupons, we further urge the NTIA to establish rules so that exclusively over-the-air homes who have not requested any coupons get their requests fulfilled before consumers who are making re-requests.

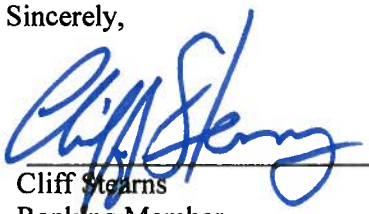
Nothing can completely undo the chaos that this delay will inflict. However, if you are able to prioritize the coupon program, it may be possible to mitigate the harm of the delay and save the taxpayers a bundle. That would be a change that people could believe in and also appreciate.

Thank you for your consideration.

Sincerely,



Joe Barton
Ranking Member
Committee on Energy and Commerce



Cliff Stearns
Ranking Member
Subcommittee on Communications,
Technology, and the Internet

cc: Commissioner Jonathan Adelstein
Commissioner Robert M. McDowell