HENRY A. WAXMAN, CALIFORNIA
CHAIRMAN

JOHN D. DINGELL, MICHIGAN
CHAIRMAN EMERITUS
EDWARD J. MARKEY, MASSACHUSETTS
RICK BOUCHER, VIRGINIA
FRANK PALLONE, JR., NEW JERSEY
BART GORDON, TENNESSEE
BOBBY L. RUSH, ILLINOIS
ANNA G. ESHOO, CALIFORNIA
BART STUPAK, MICHIGAN
ELIOT L. ENGEL, NEW YORK
GENE GREEN, TEXAS
DIANA DEGETTE, COLORADO
VICE CHAIRMAN
LOIS CAPPS, CALIFORNIA
MIKE DOYLE, PENNSYLVANIA
JANE HARMAN, CALIFORNIA
JAN SCHAKOWSKY, ILLINOIS
CHARLES A. GONZALEZ, TEXAS
JAY INSLEE, WASHINGTON
TAMMY BALDWIN, WISCONSIN
MIKE ROSS, ARKANSAS
ANTHONY D. WEINER, NEW YORK
JIM MATHESON, UTAH
G.K. BUTTERFIELD, NORTH CAROLINA
CHARLIE MELANCON, LOUISIANA
JOHN BARROW, GEORGIA
BARON P. HILL, INDIANA
DORIS O. MATSUI, CALIFORNIA
DONNA CHRISTENSEN, VIRGIN ISLANDS
KATHY CASTOR, FLORIDA
JOHN SARBANES, MARYLAND
CHRISTOPHER MURPHY, CONNECTICUT
ZACHARY T. SPACE, OHIO
JERRY McNERNEY, CALIFORNIA
BETTY SUTTON, OHIO
BRUCE BRALEY, IOWA
PETER WELCH, VERMONT

ONE HUNDRED ELEVENTH CONGRESS

Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515–6115

MAJORITY (202) 225–2927
FACSIMILE (202) 225–2525
MINORITY (202) 225–3641

energycommerce.house.gov

JOE BARTON, TEXAS
RANKING MEMBER

RALPH M. HALL, TEXAS
FRED UPTON, MICHIGAN
CLIFF STEARNS, FLORIDA
NATHAN DEAL, GEORGIA
ED WHITFIELD, KENTUCKY
JOHN SHIMKUS, ILLINOIS
JOHN B. SHADEGG, ARIZONA
ROY BLUNT, MISSOURI
STEVE BUYER, INDIANA
GEORGE RADANOVICH, CALIFORNIA
JOSEPH R. PITTS, PENNSYLVANIA
MARY BONO MACK, CALIFORNIA
GREG WALDEN, OREGON
LEE TERRY, NEBRASKA
MIKE ROGERS, MICHIGAN
SUE WILKINS MYRICK, NORTH CAROLINA
JOHN SULLIVAN, OKLAHOMA
TIM MURPHY, PENNSYLVANIA
MICHAEL C. BURGESS, TEXAS
MARSHA BLACKBURN, TENNESSEE
PHIL GINGREY, GEORGIA
STEVE SCALISE, LOUISIANA

March 16, 2009

The Honorable John M. Spratt, Jr.
Chairman
Committee on the Budget
Room 207 Cannon House Office Building
Washington, DC 20515-6065

The Honorable Paul Ryan
Ranking Member
Committee on the Budget
Room B71 Cannon House Office Building
Washington, DC 20515-6065

Dear Chairman Spratt and Ranking Member Ryan:

Attached please find the Minority views and estimates of the President's Fiscal Year 2010 budget from the Committee on Energy and Commerce Republicans.

Sincerely,

Joe Barton

Joe Barton
Ranking Member
House Committee on Energy and Commerce
2322-A Rayburn
Washington, DC 20515

Views and Estimates on the President's Budget For Fiscal Year 2010

Submitted by:

The Honorable Joe Barton, Ranking Member
Committee on Energy and Commerce
March 16, 2009

Table of Contents

Introduction 3

Consumer Protection 3
- Department of Commerce 3
- National Highway Traffic Safety Administration 4
- Federal Trade Commission 4
- Consumer Product Safety Commission 4

Energy 4
- Climate Revenues 5
- Department of Energy 5
- Environmental Protection Agency 5
- Environmental Management 6

Environment 6
- Environmental Protection Agency 6
- Brownfields 7
- Superfund 7

Health Care 7
- Medicare 8
- Medicaid 8
- Food and Drug Administration 9
- National Institutes of Health 9

Telecommunications 10
- The Universal Service Fund and the Anti-Deficiency Act 10
- Corporation for Public Broadcasting 10
- Digital Television Transition and Public Safety Fund 10
- Spectrum Auction Authority and Spectrum License User Fees 11

Introduction

Clause 4(f) of Rule X of the Rules of the House of Representatives for the 111th Congress and section 301(d) of the Congressional Budget Act of 1974, as amended, require each standing committee of the House to submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the Concurrent Resolution on the Budget for the ensuing fiscal year (FY 2010) which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

On February 26, 2009, President Obama submitted to Congress his proposed budget for FY 2010 (the President's budget). The Committee on the Budget has requested that committees submit their Views and Estimates by March 13, 2009. The following represents the Committee on Energy and Commerce's Minority views and estimates on the President's budget and its requests for additional budget authority beyond the requests contained therein.

Consumer Protection

Department of Commerce

The President's budget request for FY 2010 includes $13.8 billion for the Department of Commerce (Department). The request represents an increase of $4.5 billion over FY 2009 and includes funding for programs at the Department that attempt to create the conditions for economic growth and promote U.S. innovation and competitiveness in a global economy. While we support the Administration's commitment to these important programs, we remain very concerned about internal inefficiencies at the Department, and we are committed to addressing any and all duplicative and wasteful efforts.

The increased funding includes $4 billion for the Bureau of the Census in preparation for the 2010 Census, which is in addition to the $1 billion recently provided by the American Recovery and Reinvestment Act (Recovery Act). We support the need to provide this important service but have serious concerns about the additional funding request. We note the additional monies provided by the Recovery Act and the 2009 omnibus authorization far exceed the increases that were previously anticipated would be required to conduct a thorough census. There is no transparency or explanation of how these additional requested funds will be used, nor is there justification for them.

Separately, given the White House's recent attempt to shift responsibility for some aspects of the Census from the Department and into the White House, we are extremely troubled by the potential politicization of the process. The Census is vitally important in understanding the state of our Nation and in helping to determine how our citizens are represented in Congress. Political opinions should have no place in this essential process, and we hope that the White House and the Department avoid even the appearance of this impropriety in conducting the 2010 Census.

The Recovery Act provided $600 million for the construction and maintenance of National Oceanic and Atmospheric Administration (NOAA) research facilities, vessels, and satellites, as well as $230 million for habitat restoration, hydrographic services, research, and management operations. The President's budget adds over $1.3 billion to fund NOAA's development and acquisition of vital weather satellites and climate sensors. While much of this research is warranted and critical, we are

concerned that some of this research may be politicized in the debate over climate change. The Administration should avoid this, strive for the best science possible, and cut funding for ineffective research.

With our national debt rapidly increasing, we support every effort to prioritize discretionary spending and eliminate duplicative or unnecessary funding. Given the fact that the Recovery Act provided funds for many programs within the Department, it is vitally important that we redouble our efforts to avoid government waste. We hope that the Administration will continue President Bush's use of the Program Assessment Rating Tool to assess effectiveness and to eliminate ineffective, unnecessary, or duplicative programs and associated funding where appropriate.

National Highway Traffic Safety Administration

The Administration's budget request for the Department of Transportation lacks any information regarding the specific amount requested for NHTSA. The omnibus appropriation bill provided NHTSA with $856 million in budget authority for FY 2009. We withhold our views until such time as we receive further clarification of the President's funding request for DOT and NHTSA.

Federal Trade Commission

The President's budget request contains no information regarding the budget authority for the commission. However, we note the line item for "Other agencies" requests a total of $19.8 billion, approximately a 3.7 percent increase over FY 2009. We can only assume this increase is spread evenly among all agencies that will share in the line item total.

However, the President's budget also anticipates a decrease in FY 2011 funding for "Other agencies" by $1 billion to $18.8 billion, at which point it is stepped down further in the subsequent outyears. We wholeheartedly support efforts to trim government spending, but have no inkling where the proposed cuts will come. We are skeptical such cuts will be enacted. Rather, it is more likely that the Democrat-controlled Administration and Congress will increase funding regardless of need. Therefore, the President's budget submission in all likelihood underestimates the projected budget deficit by several billion dollars over the five-year period.

Consumer Product Safety Commission

The Administration's budget request contains no information regarding the funding level for the commission. Congress enacted the Consumer Product Safety Improvement Act (CPSIA) in the 110th Congress to provide the Commission with new tools and authorities to improve product safety. Section 201 reauthorizes the commission in FY 2010 at $118,200,000. Given the additional workload associated with the new mandates of the CPSIA and other laws (such as the Pool and Spa Safety Act) and the increase in commissioners and associated staff, we believe it is necessary to provide an appropriation requisite with the approved authorization.

Energy

Climate Revenues

The President's budget assumes revenues from a cap-and-trade scheme designed to curb CO_2 emissions. This cap-and-trade plan will increase taxes, raise energy costs for consumers, and kill American jobs. Studies show that in per-household terms, a family of four can expect to pay as much as $4,560 in additional taxes in 2015. Moreover, because the President's cap-and-trade scheme will hit the coal-dependent South and Midwest much harder than the West Coast and Northeast, families and workers in the South and Midwest will unfairly subsidize tax cuts for the West Coast and the Northeast. The President's cap-and-trade fiasco will regulate economic activity and personal behavior with the real costs being borne by the already financially-stressed families of the United States.

Further, it is widely understood that under a cap-and-trade program, firms would pass most of the costs along to their consumers rather than bearing the costs themselves. Studies of the effects of Kyoto-like reductions (which would be less stringent than the reductions targets called for by the President), the cost of home heating oil and natural gas would nearly double, electricity costs would increase by 73%, and gasoline prices would spike by 60 percent.

Further, the President's cap-and-trade program would discourage domestic production of oil and gas, thereby increasing the country's dependence on foreign oil. Discouraging well-paying oil and gas jobs in the name of a "green economy" shows lack of foresight in this tough economy. Further, carbon-intensive industries will endure lost competitiveness, lost jobs and lost investment. For the United States to charge ahead with the President's cap-and-trade plan makes no sense from a competitiveness standpoint if the developing world does not follow suit.

Department of Energy

The Department of Energy budget only allocates enough funding to continue with the ongoing licensing activities of the planned repository at Yucca Mountain. The budget otherwise completely halts development of the repository. This is fiscally irresponsible, and it could halt the development of much-needed new nuclear plants. Electricity customers have paid almost $30 billion to fund a repository, and yet the Administration refuses to move forward with its development. The federal government is in breach of agreements to take nuclear waste from civilian generating facilities – the taxpayers' liability increases $500 million for every year the opening of a permanent repository is delayed. Not only will additional delay cost billions of dollars, but new nuclear plants will be more difficult to develop as long as the eventual waste disposal issue is undecided.

Environmental Protection Agency

The EPA assumes its success with regulating CO_2 through a cap-and-trade program by comparing CO_2 cap and trade to the acid rain program. This comparison is fallacious; the acid rain program should not be used as a template for CO_2 regulation. Acid rain is caused by sulfur dioxide and nitrogen oxide, anthropogenic polluting gases. According to the EPA, the overwhelming

majority of sulfur dioxide and a significant percentage of all nitrogen oxides are point sources from electric power generation. Carbon dioxide, however, is a naturally-occurring gas that cannot be eliminated merely by targeting point sources. An acid rain program that targeted a percentage of point source power plant emissions cannot be compared to an economy-wide cap and trade for an internationally occurring and migrating gas like CO_2. As addressed in the climate revenues section, the targets chosen by the President and mandated to the EPA are unrealistic and will cause great damage to an already compromised economy.

Environmental Management

The President's budget offers platitudes about the need for cleanup, but makes to specific requests for DOE's Environmental Management (EM) program. EM manages cleanups of legacy sites of nuclear weapons production and government nuclear energy research.

Environment

Environmental Protection Agency

The Environmental Protection Agency (EPA) is responsible for the abatement and control of pollution. Its 2010 budget request includes a substantial increase over the budget requests of the last eight years—$10.5 billion, which is a 34 percent increase over the budget likely to be enacted for 2009 and includes $3.9 billion for EPA's operating budget.

We are concerned that President Obama has shifted the focus away from what works in people's neighborhoods and reverted to the notion that all wisdom occurs inside the Beltway and EPA needs to become a regulatory factory rather than assess problems based upon their merits and sound science. We do not oppose necessary increases in administrative costs or regulations when appropriate, but when people are losing their jobs and companies are holding the line on spending, we are troubled that paying for more desks and higher salaries is one of the highlights of this budget rather that actual public health and environmental improvements. In addition, we recognize the necessary and important role that is played by the States in administering and enforcing Federal environmental law, and we urge smarter partnerships which leverage expertise and resources for the public good.

Safe Drinking Water

The Safe Drinking Water Act (SDWA) Amendments of 1996 authorized a drinking water state Revolving Loan Fund (DWSRF) program to help public water systems finance infrastructure projects needed to comply with federal drinking water regulations and to meet the Act's health objectives. Under the DWSRF, States receive capitalization grants to make loans to public water systems (privately and publicly owned) for drinking water projects and certain other SDWA activities. Because Congress wished the DWSRF to be self-sustaining, rather than a bank that repeatedly needed to be replenished, repayments and interest are recycled back into the program so the DWSRF generates funding for loans (revolve) even without Federal capitalization.

After enacting a $2 billion jolt into Safe Drinking Water Act's Revolving Loan Fund (DWSRF) under the American Recovery and Reinvestment Act in February 2009 and another $829 million for the DWSRF later that same month – not to mention $145 million in earmarked water projects, the Obama Administration has proposed $1.5 billion for the DWSRF. Especially in this tight budget time, we are very concerned about the notion that the DWSRF should not revolve, but rather serve as a clearinghouse, during a time when many systems do not charge their customers the true cost of their services. While we are concerned that the DWSRF was never meant to operate this way, we are interested and will monitor EPA activities with regard to small system customers who are least likely to afford expensive mandates.

Many uncertainties remain as to how carbon capture and sequestration (CCS) will affect groundwater sources. EPA states it continues to make progress on this problem and will process Underground Injection Control permit applications for experimental CCS sites and evaluate the results of these pilot programs before commercial CCS can develop. We are very concerned, however, that EPA has not thought through the liability concerns that attach to potential storage activities and urge the Agency to sort these matters out promptly.

Brownfields

While we do not see mention of it in the President's budget, we wish to express our support for grants and other activities related to brownfields cleanups. This program should be reauthorized, and we hope the President will show leadership in calling for its unamended reauthorization. We also support STAG funding out of concern for the need to remediate and redevelop petroleum-contaminated brownfields and urge EPA to make those cleanups a high priority within its brownfields program.

Superfund

We are concerned about protecting people through quality cleanups, not merely high numbers of actions, or promises of new taxes. The Committee's Republicans recognize the need for the EPA to continue to expedite and accelerate the pace and progress of cleanups within Superfund and support appropriate allocation of resources to accomplish this goal. We urge protective and prudent remedial actions to accomplish Superfund projects rather than shoddy but statistically significant site cleanups.

While we support funding for Superfund, we recognize that 70 percent of responsible parties are paying for cleanup at the sites they polluted. As such, we are very concerned about the new $1 billion tax increase that President Obama's budget unilaterally levies on the petroleum and chemical industry to build up the Superfund trust fund. The enactment of this tax does not ensure that sites are cleaned up any faster, but does require innocent companies to pay for the guilty and polluters to pay twice. Further, we are concerned that the revenues in this fund would be held hostage by the President and congressional appropriators as convenient way to increase Federal spending.

Congress has never funded the Superfund program without the use of money from the General Treasury, and we are concerned that a new tax – when the program is spending approximately 50 cents on the dollar for actual cleanups – will do more to make our standard of living more expensive and drive jobs overseas than it will to make our communities more livable.

We believe that public confidence in Superfund is better achieved by focusing less on taxing and more on reducing administrative and related issues as well as and more on cleaning up toxic waste sites.

Health Care

Medicare

The President's budget proposal establishes a $630 billion reserve fund to finance health care reform. Half of the funds that create this reserve funds are from $316 billion in cuts to Medicare and Medicaid; the largest part of those cuts are to the Medicare Advantage program. The remaining balance of the reserve fund is funded through increasing taxes on homeowners. In total, the President believes even more money will be needed to achieve health reform – he refers to his budget proposal as a "down payment" to this regard. Overall, the biggest problem with the President's budget proposal is that it cuts billions out of the Medicare and Medicaid program, particularly Medicare Advantage, and imposes taxes on middle-income homeowners to create a "reserve fund" for health reform without any details about his plan and how the money would be used to achieve health reform.

With regards to the President's proposed Medicare cuts, it is unclear to the Committee how the Administration would achieve such savings. There has been no detail supplied to the Committee about the policies that would be presented that could result in the projected savings, nor any information about the Administration's budget assumptions regarding the savings. The Committee appreciates that the President has not taken the approach of the Democrat Congress last year to enact strict draconian cuts to the Medicare Advantage payments rates. Such efforts, as included in the CHAMP Act, reflected a desire to undermine the entire Medicare Advantage program, which would have resulted in a loss of access of millions of seniors to their current Medicare Advantage plans. Rather than cuts, the President's proposal applies the concept of competitive bidding to Medicare Advantage plans. The Committee is generally supportive of the concept of competitive bidding as a market tool that provides transparency and quality, and can result in efficient payment by the Medicare. However, it is unclear at this time how competitive bidding of Medicare Advantage would be designed. The Committee is specifically concerned with whether there are robust measure put in place in a competitive bidding model that would ensure continued access by beneficiaries to Medicare Advantage plans, particularly in rural areas.

In addition, Congress has overridden the projected Medicare physician fee schedule payment cut each year for the past several years. In 2010, physicians face a 21 percent reduction in Medicare fee schedule payments followed by a number of cuts projected for several years. The President's budget proposal does not offer any suggestions for addressing this long-term problem in physician payment. The proposal, does, however, assume over $300 billion into the budget baseline to account for an anticipated payment fix. Again, there are no details about the anticipated fix and the budget assumptions used to arrive at this figure. The Committee plans to continue to work to replace the current payment formula that produces yearly cuts with long-term payment reform that will allow for more stable and appropriate payments to physicians and address concerns with the growth in spending in Medicare.

Medicaid

The Medicaid program is a shared responsibility of Federal and State governments to provide medical assistance to low-income individuals, including children, the aged blind, and/or disabled, and people who meet eligibility criteria under the former Aid to Families with Dependent Children (AFDC) program. Others receive Medicaid through waivers and amended State plans with somewhat higher income-eligibility limits. Under the Administration's budget, the Federal share of Medicaid outlays would be $290 billion in FY 2010. This is an $89 billion (44.3 percent) increase over FY 2008 spending. Including the State (nonfederal) funding share, the total cost of the Medicaid program to the American taxpayers is expected to exceed $6.12 trillion over the next 10 years.

We are deeply concerned about the rapid, unsustainable escalation of Medicaid spending proposed in the Administration's budget because we know most States simply cannot afford to sustain this level of growth without significant reductions in spending on education, public safety, and transportation programs. Despite bipartisan calls for fundamental Medicaid reform from elected leaders at the State level, the Administration's budget essentially takes a pass on this issue.

We are concerned about the lack of policy proposals in the Administration's budget that would reduce the unsustainable growth rate of Medicaid spending. The Administration's proposal to "expand availability of family planning services under Medicaid" would only save $10 million over the next five years and the proposal to "ensure appropriate Medicaid payments through the use of National Correct Coding Initiative (NCCI) edits" would only produce $175 million in savings over the same time period. The only remaining Medicaid-specific proposal is to increase the amount of Medicaid rebates paid by prescription drug manufacturers. The Administration projects their proposed rebate increase would generate $8.17 billion in new revenues over the next five years. While we appreciate the Administration's attempt to produce a policy proposal that reduces the rate of Medicaid growth by more than $1 billion, we are concerned that simply increasing the fees pharmaceutical manufacturers pay in order to participate in the Medicaid program will result in a cost shift to all other purchasers of pharmaceuticals and in pharmaceutical manufacturers opting to no longer participate in the Medicaid program, which may result in millions of Medicaid beneficiaries no longer having access to their prescribed medications.

Food and Drug Administration

We support the President's request for additional funds to make food and medical products safer, including the over $1 billion for FDA's food safety efforts. We believe the additional funds for food safety are vital to further securing our food supply. We agree that more funds can be directed towards protecting the safety of our food supply without imposing onerous new taxes on consumers of food.

The President's budget also requests that Congress enact legislation that provides for a pathway for the FDA to approve "generic" biologics. We believe it is important for Congress to enact legislation to allow a pathway for "follow-on" biologics as long as it is done in a way that protects public health and innovation.

National Institutes of Health

The President's budget for FY 2010 includes $6 billion in spending for cancer research at the National Institutes of Health. We are pleased at the President's acknowledgment of the value of research and particularly the devastating effects of cancer. However, we are concerned about how this funding will be distributed. It is important that funds go towards advancing medical research and are prioritized in a manner that furthers scientific goals. The proposed funding increase along with the additional funds appropriated in this year's economic stimulus bill must be spent appropriately on meritorious research projects that will yield true scientific advancement, not on projects designed to advance a political agenda. We strongly encourage increasing funding of the Common Fund, which is recognized as a legitimate and worthwhile funding stream to carry on the trans-NIH research activities at the discretion of the Director.

Telecommunications

The Universal Service Fund and the Anti-Deficiency Act

Legislation signed into law in 2005 exempted the Universal Service Fund (USF) programs from the application of the Anti-Deficiency Act (ADA) until Dec. 31, 2006. Since then, Congress has continued to shield the universal service programs from the ADA with a series of one-year extensions of the exemption. The most recent extension, signed into law March 11, 2009, as part of the Omnibus Appropriations Bill, lasts until December 31, 2009.

The universal service programs should not be exempt from the ADA, which helps maintain fiscal control over spending by requiring government agencies to have funds available before incurring obligations. This Committee has documented troubling waste, fraud, and abuse in the USF programs. The Universal Service Fund has ballooned to over $7 billion a year. The increase is due in large part to rapid growth in the high-cost fund, which has more than tripled to close to $4.5 billion a year from $1.3 billion in 1997. And when the price tag for universal service goes up, American consumers bear the burden. Universal service fees have topped 11 percent of the subscriber's monthly long-distance bill. Exempting the universal service programs from the ADA can only exacerbate the problem. The FCC has also said that compliance with the ADA would not be an obstacle to the continued operation of the fund. We believe that restructuring the Universal Service Fund, and compliance with the ADA, is crucial to ensuring the future health of these programs.

To that end, the Committee is poised to consider comprehensive USF reform legislation this Congress. We believe Congress and the Federal Communications Commission (FCC) should consider various proposals to reform contributions to, and distributions from, the Universal Service Fund, including the use of reverse auctions. We do not support proposals to simply expand the Universal Service Fund to include broadband subsidies. The American Recovery and Reinvestment Act (ARRA) just allocated more than $7 billion for broadband. To issue and invest the money from the ARRA, and then examine the results, will take at least two years. We should use that time to get our USF house in order.

Corporation for Public Broadcasting

The Corporation for Public Broadcasting (CPB) customarily receives an advance appropriation. We are prepared to consider CPB funding in any reauthorization bill as part of the Committee's review of the statutory and programmatic framework for the distribution of funds to public television stations through the CPB.

Digital Television Transition

By the end of January, 2009, approximately 95 percent of television households were already prepared for the February 17, 2009, digital television (DTV) transition and more than 11 million active converter-box coupons were still in circulation, according to data from Nielsen and National Telecommunications and Information Administration. Democrat leadership nonetheless rushed the DTV Delay Act through the Senate and House without holding a single hearing or markup on the legislation in either chamber, and added another $650 million for the transition in the ARRA. We will use any DTV hearings the Committee holds between now and the June 12, 2009, delayed transition date to conduct oversight and hopefully minimize the harm and waste caused by the postponement. There appears to have been little justification for the delay or the expense. For example:

- The original funding in the legislation can cover the cost of 33.5 million redeemed coupons. As of January 29, 2009, 21.7 million coupons had been redeemed, leaving enough money for another 11.8 million.
- Despite the delayed date, approximately one third of the Nation's nearly 1,800 full-power broadcast stations transitioned voluntarily February 17, 2009, with little difficulty for television viewers.
- The $650 million did not become available until March 3, 2009. At that point, only 3.9 percent of television households—representing less than 4.5 million homes—did not have a digital television, cable or satellite service, or a converter box. Simply buying a $50 converter box for each of the remaining homes would have cost $225 million, $425 million less than the money allocated in the stimulus package.

Spectrum Auction Authority and Spectrum License User Fees

The President's budget recommends: 1) assessing spectrum license user fees; 2) indefinitely extending the FCC's auction authority; and 3) auctioning domestic satellite spectrum. We are prepared to consider these proposals, but believe that all telecommunications policy matters, including rules regarding spectrum management, are best determined by the Committee through the normal legislative process. The telecommunications sector carries with it some of the most complex technical and public policy questions that Congress confronts. Crafting sound policy in this area requires a level of expertise that the Committee is best able to provide. Developing a comprehensive and forward-looking spectrum management policy, of which auctions are an essential component, will provide maximum benefit to the American public.