



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

March 31, 2008

Honorable Edward J. Markey, Chairman
Subcommittee on Telecommunications and the Internet
US House of Representatives
2108 Rayburn HOB
Washington, DC 20515

Dear Chairman Markey:

Thank you for your recent letter concerning the digital television (DTV) transition that will take place on February 17, 2009. In your letter, you ask whether additional funds will be needed for the TV converter box program that is administered by the National Telecommunications and Information Administration (NTIA). I share your concern that no consumer should be left unprepared for the DTV transition as a result of insufficient funding of the TV converter box coupon program.

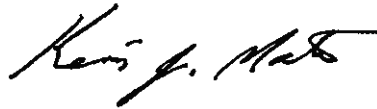
Based on information compiled by NTIA, as of March 30, 2008, a total of 9,122,889 coupons have been requested by U.S. households. These numbers appear to be increasing at a steady rate. As you point out in your letter, pursuant to NTIA rules for the program, the first 22.25 million coupons are available to any households and the last 11.25 million coupons are available to homes that do not subscribe to cable or satellite service.

Given the lack of exact data on the number of households that continue to rely on over-the-air signals and also have analog TV sets, it is difficult to predict whether the converter box program is presently adequately funded. This difficulty is compounded by the fact that we do not yet know what the redemption rate will be for the over nine million converter box coupons that consumers have requested thus far. As you know, NTIA began issuing coupons in February of this year and none of those issued have reached the 90-day expiration date prescribed in the statute and NTIA's implementing regulations. As a related matter, I understand that NTIA may soon consider the feasibility of reissuing coupons that may expire due to non-redemption by consumers. Such action, if adopted, could impact both redemption rates and funding requirements. And, notwithstanding the collective outreach efforts of the FCC, NTIA and others, many consumers may not act until near the end of the transition, leading to a late rush on coupons. All of these factors will affect whether sufficient funding is available.

I am committed to working with both NTIA and representatives of the industry in a continuation of our efforts to promote consumer awareness of the transition and to monitor the availability of funding in the converter box program. As I have said before, no Americans should be left in the dark after the digital transition. The Commission is dedicated to doing everything it can to minimize the burden of the transition on consumers and ensure that all consumers are able to reap its benefits.

Thank you for your interest in this very important matter. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin J. Martin". The signature is written in a cursive style with a large, sweeping initial "K".

Kevin J. Martin