



UNITED STATES DEPARTMENT OF COMMERCE
National Telecommunications and
Information Administration

Washington, D.C. 20230

July 25, 2008

The Honorable Edward J. Markey
Chairman
Subcommittee on Telecommunications and the Internet
Committee on Energy and Commerce
House of Representatives
Washington, DC 20515-6115

Dear Chairman Markey:

Thank you for your co-signed letter regarding the TV Converter Box Coupon Program (Coupon Program) administered by the National Telecommunications and Information Administration (NTIA). In your letter, you raise concerns and seek responses to specific questions about NTIA's ability to redistribute unredeemed and expired coupons. I welcome the Committee's continued oversight of the Coupon Program and appreciate the opportunity to respond to your questions.

As described in detail in the attached responses, the contract between NTIA and IBM is a Requirements Contract, which provides NTIA the ability to order coupons based upon the needs of the Government. This type of contract was selected to afford maximum flexibility in responding to consumer need, while also assuring the greatest likelihood of contained costs. NTIA is committed to honoring, to the greatest extent possible, consumer requests for coupons and has set aside funding for that specific purpose. In fact, on July 18, 2008, pursuant to its rights under the requirements provisions of the contract, NTIA initiated action with IBM to order 6 million additional coupons over the 33.5 million base amount. NTIA is working closely with IBM to ensure that sufficient administrative funds are available to achieve this goal within the statutory administrative cap. NTIA will continue to update the Committee on the status of program funding.

Again, I appreciate the opportunity to provide greater clarity on this matter and welcome any further questions you may have.

Sincerely,

Meredith Attwell Baker
Acting Assistant Secretary
for Communications and Information

Enclosure

cc: The Honorable Cliff Stearns, Ranking Member
Subcommittee on Telecommunications and the Internet
Committee on Energy and Commerce