



STATE OF NEW YORK
EXECUTIVE DEPARTMENT
STATE CONSUMER PROTECTION BOARD

Eliot Spitzer
Governor

Mindy A. Bockstein
Chairperson and Executive Director

September 17, 2007

Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington, D.C. 20554

Re: *In the Matter of DTV Consumer Education Initiative* – Comment
MB Docket No. 07-148

Dear Commissioners:

As New York State top consumer watchdog, the New York State Consumer Protection Board (CPB) is involved in a wide array of issues. The CPB conducts consumer investigations, research and analysis; develops legislation, consumer education programs and materials; responds to individual complaints by working to settle disputes through voluntary agreements and represents the interests of consumers before the New York State Public Service Commission (PSC) and other State and federal agencies.

The digital television (DTV) consumer education initiative on which you seek comment, was inspired by a letter written by Representatives John D. Dingell, Chairman of the Committee on Energy and Commerce, and Edward J. Markey, Chairman of the Subcommittee on Telecommunications and the Internet, expressing their concerns with the pace and scope of the Federal Communications Commission (FCC) consumer education effort on the transition from analog to digital television broadcasting. The Notice of Proposed Rulemaking (NPRM) issued by the FCC on July 30, 2007, requests comment on specific actions proposed in the Representatives' letter. The CPB thanks the FCC for the opportunity to comment.

The CPB acknowledges that several benefits arise from the DTV transition including making spectrum available for both public safety uses and expanding wireless competition and innovation. While we commend the FCC for its outreach material on its website and its collaborative efforts with the industry, public interest groups, governmental agencies and Congress in advancing the significant benefits of digital

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broadcasting for the public, the CPB believes more can be done to enhance consumer education and industry accountability in this context.

The CPB supports Chairmen Dingell and Markey's suggestion that the Commission "require television broadcasters to air periodic public service announcements and a rolling scroll about the digital transition" but would recommend that rural communities be a primary focus. Rural customers are more apt to have a television in their home that works with the help of "rabbit ears" or a rooftop antenna compared with those in urban areas as cable companies take longer to lay coaxial cable in these areas. Urban settings are more likely to have television service with cable, satellite or other pay television service.

To increase awareness in rural areas, the CPB recommends intensifying on-air announcements regarding the transition to a digital television signal. For example, if broadcasters are airing one 30-second announcement per hour, then in rural areas, it should be expanded to 2 or 3 times per hour. Increasing the nature and frequency of notice is necessary to get this message out to these households. Additionally, increased frequency of flyers in mailings and in local newspapers as well as customer billing notices would enhance notifying people in rural communities and administrators of schools and not-for-profit entities. Further, senior households would also benefit from this targeted effort.

To advance a uniform message, the Commission can develop a model template for announcements and mailings. The CPB also recommends a constant scrolling message on one of the broadcast channels and that the message be broadcasted in multiple languages. Broadcasting in multiple languages will increase the awareness of the digital television transition in all ethnic populations. Moreover, to increase knowledge in the low-income populations, the CPB suggests that all telecommunications providers notify their low-income customers of the transition through their current Lifeline outreach efforts.

Additionally, some consumers who are cable or satellite subscribers believe that if they own an analog TV they need to purchase a new TV or converter box. Therefore, to prevent the consumer from making an unnecessary purchase of a \$500-\$1000 television or \$100-\$200 for a converter box, a strong message must be conveyed that analog television sets will not become obsolete once the digital transition takes place. Some of the onus should be placed on the cable and satellite providers to make this information known to their customers. The FCC should mandate that this information be conveyed with the same frequency as the transition message. This information is vital because not all consumers are able to afford new televisions nor should they erroneously spend money to purchase a converter box.

The converter box coupon program administered by the National Telecommunications and Information Administration (NTIA) is an essential aspect of the digital television transition. The FCC and NTIA's efforts of notifying consumers of the transition and other relevant information are paramount so that consumers do not

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incur unnecessary costs. The CPB concurs with the Chairmen's suggestion in their letter to require retailers who participate in the converter box coupon program to detail their employee training and consumer information plans to the Commission and to have FCC staff conduct spot inspections to ascertain whether such objectives are being met at stores. The CPB also recommends that a meaningful civil penalty be imposed against entities that do not comply with any aspect of the transition. The penalty may be assessed against the entity for failing to adequately train employees or notify customers.

NTIA's coupon program starting January 1, 2008, thru March 31, 2009, permits all eligible U.S. households to request up to 2 coupons, worth \$40 each, to be used for the purchase of up to 2 digital-to-analog converter boxes. The FCC reports that at least 15 million households currently rely exclusively on over-the-air broadcasting.¹ Therefore, all necessary steps should be taken to make sure that these households are made aware of how to sign up for the coupon program and receive these vouchers in an expeditious fashion. The CPB recommends that the coupons only be available from either the FCC or NTIA in order to limit any possible fraud.

Evidence shows that consumers are not familiar with the mechanics and consequences of the transition to Digital TV. According to the National Association of Broadcasters, more than 60 percent of Americans surveyed are completely unaware that this transition is taking place. February 17, 2009, the date on which the switch to full digital will take place, will be here sooner than we think. We call on the FCC to spearhead the educational outreach effort and collaborate with various stakeholders on the federal and state level and in the public and private arena to advance information on the DTV transition. All interested parties need to enhance the education and outreach effort to ensure that consumers retain access to free local television programming, for critical news, communication, education and entertainment purposes. The CPB looks forward to working with the FCC, as a state partner, towards this goal.

Thank you for your consideration of these comments.

Sincerely,



Mindy A. Bockstein
Chairperson and Executive Director

¹ Statement of Chairman Kevin J. Martin, September 11, 2007.