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The Honorable José Serrano  
 Chair, Subcommittee on Financial Services and General Government  
 House Appropriations Committee  
 Room 1040A Longworth House Office Building  
 Washington, DC 20515

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Federal Communications Commission  
Office of the Secretary

April 18, 2007

Chairman Serrano and Members of the Subcommittee:

According to news accounts, the Federal Communications Commission is poised to issue a Further Notice of Proposed Rulemaking at its April 25<sup>th</sup> meeting that would dictate how cable operators provide customers with so-called "must-carry" television stations. We have significant reservations about how such a rule could negatively impact consumers and America's digital transition, and we hope that Congress will urge the Commission to resist reaching any premature conclusions at this time before fully examining the implications of such a rule.

The news accounts we have read reflect what may be best described as a "perfect storm" of policies that could severely increase costs on consumers, reduce the diversity of programming on television, and inhibit the nation's transition to digital television that we all concur could herald tremendous benefits, including widespread high-speed Internet -- or broadband -- adoption.

The U.S. Congress, the FCC and industry have all worked diligently to meet the approaching 2009 "hard" date for the transition from analog to digital television. We also understand that cable companies have committed to a seamless transition for their customers - so that no households go "dark" or without the programming to which they are accustomed - by continuing to provide both an analog and digital tier of programming services. As such, they are likely to adopt a variety of solutions to ensure that customers continue to receive "must-carry" stations - those stations with select audience appeal that operators are required to carry under the "must-carry" requirements of the 1992 Cable Act and FCC rules.

However, the FCC is now considering a draconian rule that could require operators to carry every "must-carry" broadcaster's signal twice (so-called "dual carriage") in digital and analog form indefinitely, thereby doubling the must-carry obligation of cable operators and severely reducing the amount of channels available for new, niche and minority audiences at a time when our nation must free up as much bandwidth as possible for new uses. To put the impact of dual carriage into perspective, consider that markets like New York may have a dozen or more stations that choose the must-carry option.

Alternatively, the rule could force every cable customer who does not currently have a set-top box - of which there are currently tens of millions - to lease one. This cost would be born directly or indirectly by customers simply to obtain lightly-viewed must-carry broadcast signals. While we do not question the value of must-carry stations for their viewers, we do encourage the Commission to weigh the significant costs that imposing additional must-carry obligations on cable operators will bear on the marketplace, both as to cable boxes and to bandwidth use.

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Already, the Commission has brought on unnecessary and punitive costs for consumers by imposing the "integration ban" on set-top boxes that some estimates suggest will add hundreds of millions of dollars a year to subscribers' bills. By combining the harmful integration ban with the dual carriage obligation, the Commission risks dramatically increasing costs on consumers, with no benefits in return, for issues that the industry has worked and is working to address.

In addition, by pricing some consumers out of the cable market, the rule risks increasing the number of over-the-air television households requiring government support for the Digital-to-Analog Converter Box Coupon Program, thereby adding to the government's financial obligations at a time when we should collectively work to reduce them and we should be minimizing the number of Americans that risk going "dark" when the digital transition takes place in 2009.

In light of the significant implications of this rule on American households, we hope the Commission will take a "go slow" approach regarding the digital transition and must-carry obligations.

Sincerely,

/s/ Gary Flowers  
Executive Director  
Black Leadership Forum

/s/ Maritza Del Toro  
Executive Committee  
Dominican American Business Network

/s/ Iose Tejada  
President  
Dominico-American Society of Queens, NY

/s/ Lillian Rodriguez-Lopez  
President  
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/s/ Josephine Infante  
President & Founder  
Hunts Point Economic Development Corporation

/s/ Niel Ritchie  
Executive Director  
League of Rural Voters

/s/ Harry Alford  
President & CEO  
National Black Chamber of Commerce  
/s/ Melanie Campbell

Executive Director  
National Coalition on Black Civic Participation

/s/ E. Faye Williams  
National Chair  
National Congress of Black Women

/s/ Alfred Placeres  
President  
New York State Federation of Hispanic Chambers of Commerce

CC: The Honorable Daniel Inouye  
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The Honorable John Dingell  
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Commissioner, FCC

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Commissioner, FCC

## About the Organizations

### **The Black Leadership Forum**

Black Leadership Forum promotes creative and coordinated Black Leadership: diverse in membership but clear on its priority, to empower African Americans to improve their own lives and to expand their opportunities to fully participate in American social, economic and political life.

### **The Dominican American Business Network**

The Dominican American Business Network promotes entrepreneurship and business opportunities in the Dominican American community. Members include: Dominican American Chamber of Commerce of New York, National Supermarket Association, Asociación de Bodegueros de los Estados Unidos, Dominican on Wall Street, Dominican American Professional Alliance – DAPA, Camara Empresarial Dominicana de Queens, Dominican Chamber of Commerce, South Side Merchant Association of Rhode Island, Dominican-American Chamber of Commerce of Florida, and the New York State Federation of Hispanic Chamber of Commerce.

### **Dominico-American Society of Queens, NY**

The Dominican-American Society, Inc. (DAS) is a non-profit organization created in 1993 in response to the educational, social and cultural challenges that hinder the development of the Hispanic community in the United States.

### **Hispanic Federation**

The Hispanic Federation is a service-oriented membership organization of 90 Latino health and human service agencies dedicated to promote the social, political and economic well-being of the Latino community. The Federation provides essential services geared towards strengthening and supporting Latino institutions serving over 1.5 million Hispanics living in the Northeast region.

### **Hunts Point Economic Development Corporation**

HPEDC improves the business and resident environment by helping to create and to secure jobs, and to help current businesses attain the resources and information they need in order to more effectively compete in the local and regional economy.

### **League of Rural Voters**

The League of Rural Voters strives to make sure that people of rural communities, and their advocates, have the right information, communications and organizational tools to shape a sustainable, successful future.

### **National Black Chamber of Commerce**

The National Black Chamber of Commerce is dedicated to economically empowering and sustaining African American communities through entrepreneurship and capitalistic activity within the United States and via interaction with the Black Diaspora.

**National Coalition on Black Civic Participation**

The National Coalition on Black Civic Participation, Inc. was founded in 1976 on the principle of the yet unfulfilled realization of a full democracy. Building upon its rich history and strong relationships, the National Coalition serves as an effective facilitator and convener at the local, state and national levels. For more than 30 years, the National Coalition, through its 80 member organizations, has proven itself uniquely qualified to address the disenfranchisement of African American voters.

**National Congress of Black Women**

The National Congress of Black Women is a nonprofit organization dedicated to the educational, political, economic and cultural development of African American women and their families. NCBW also serves as a nonpartisan voice and instrument on issues pertaining to the appointment of African American women at all levels of government, and to increase African American women's participation in the educational, political, economic and social arenas. Currently, NCBW provides opportunities for women for leadership and decision-making positions in government, nonprofit organizations and the private sector.

**New York State Federation of Hispanic Chambers of Commerce**

New York State Federation of Hispanic Chambers of Commerce, an organization representing over 40 chambers of commerce and professional membership organizations in the United States, Puerto Rico and the Dominican Republic, works towards creating more opportunities for the Hispanic business community.