

Thursday, March 26, 2009

**STATEMENT ON THE DTV TRANSITION**  
**House Committee on Energy and Commerce**  
**Subcommittee on Communications, Technology and the Internet**

Chairman Boucher, Ranking Member Stearns, members of the Subcommittee, thank you for providing me with the opportunity to speak briefly today.

I asked to participate in this hearing because I think it is appropriate for the record to reflect that the DTV transition has been especially problematic for many of the four million U.S. citizens I represent. Now that the transition date has been extended until June, is my hope that the deficiencies in planning that gave rise to these problems can be addressed. I know that today's oversight hearing reflects your determination, Mr. Chairman, to make certain that recent history does not repeat itself.

I want to emphasize at the outset that the problems experienced in Puerto Rico to date did not result from a lack of awareness on the Island about the transition. Community and media organizations serving Puerto Rico, working in conjunction with the Commerce Department, did a terrific job of informing consumers about the steps they needed to take in order to avoid a loss of service. I think this stands in contrast to certain jurisdictions in the states, where outreach efforts were less successful.

In a somewhat ironic twist, however, residents of Puerto Rico encountered problems precisely because they heeded this guidance too well. Upon being advised of the impending transition, my constituents did not hesitate: they applied for coupons quickly and in droves. The sheer number of coupon requests made from households in Puerto Rico should not have come as a surprise. It is common knowledge that Puerto Rico, relative to the states, has a large percentage of residents that rely on analog televisions. Although Puerto Rico ranks about 25th in total population size among U.S. jurisdictions, Island residents have sought more coupons than all but seven states. As of March 17th, about 2.1 million coupons had been requested by

the Island. This is about 80% of the amount requested by New York, a state with five times the population. And it is roughly three times the amount requested by Kentucky or Oregon, which have comparable population sizes.

For some Island residents who requested these coupons, the system worked as designed. They received a coupon, went to a participating Island retailer, and used the coupon to offset the cost of a converter box. But for far too many of my constituents, the process did not proceed as planned. As in the states, some households in Puerto Rico requested coupons, but were placed on a waiting list because demand exceeded supply. Other households obtained a coupon, but found their local retailers no longer had boxes in stock, and therefore had to wait. While they waited, their 90-day coupon expired. Based on intuition and some anecdotal evidence, I think this scenario may have been more common in Puerto Rico than in many other jurisdictions.

In a July 2008 letter to the Secretary of Commerce, the previous resident commissioner and current governor, Luis Fortuño, urged Commerce to re-issue coupons to individuals whose coupons had expired. The Secretary's response did not directly address this request. Instead, it merely noted that the law did not prohibit an individual whose coupon had expired from obtaining—for free—an unexpired coupon from a generous friend or family member. While technically accurate, this was unhelpful as a practical matter, since unexpired coupons had become a rare species on the Island. Efforts to have non-profit organizations order and distribute coupons did little to mitigate the problem, again largely because of insufficient supply.

My purpose today is not to cast blame, because that is not constructive and because there is probably enough to go around. I want to look forward, not back, and to make sure that we do what is necessary before June to make this transition as seamless as possible—for my constituents and for yours.

Thank you again, Mr. Chairman.