



**STATEMENT  
BEFORE THE  
SENATE SPECIAL COMMITTEE ON AGING  
OF THE  
UNITED STATES SENATE**

**ON**

**PREPARING FOR THE DIGITAL TELEVISION TRANSITION: WILL  
SENIORS BE LEFT IN THE DARK?**

**SEPTEMBER 19, 2007**

**WASHINGTON, D.C.**

**WITNESS: NELDA BARNETT**

**AARP BOARD OF DIRECTORS**

For further information, contact:  
Jo Reed  
Federal Affairs Staff  
(202) 434-3800

Good morning. Mr. Chairman and members of the Committee, thank you for this opportunity to testify today on behalf of AARP regarding the impact of the digital television transition on older Americans. My name is Nelda Barnett and I am a member of AARP's Board of Directors.

We want to thank the Chairman for holding this hearing today. The digital transition will require an adjustment – and an expense – for many Americans. However, for older Americans there will be additional burdens that must be addressed. AARP appreciates the Committee's focus on the impact of this transition on older Americans and welcomes the legislation the Chairman has drafted to ease these burdens. As the transition proceeds, AARP is committed to working with this Committee and other Members of Congress to help make certain consumers are aware of the transition and know the steps to take to ensure they have access to broadcast television after February 17, 2009.

AARP has been actively engaged in addressing DTV transition issues before Congress and federal government agencies. We have worked closely with the Federal Communications Commission (FCC) and the National Telecommunications and Information Administration (NTIA). AARP has urged policy makers to mitigate the challenge for all consumers, particularly older persons. We continue to call attention to the importance of comprehensive consumer education and outreach to inform all affected individuals about the DTV transition and converter box coupon program.

**Background:**

Older Americans have had a growing reliance on television technology. TV offers more than just entertainment. For older Americans, television can be a primary connection to the outside world – providing life-saving weather forecasts and public safety announcements, along with information on government and politics, and community news. In fact, Americans aged 50 and above watch the greatest number of hours of television a day, almost 5.5 hours.<sup>1</sup>

The transition to digital television will offer consumers real benefits: better-quality transmission and a wider range of programming options. However, there will also be significant costs, monetary and non-monetary, for consumers. These costs are particularly challenging for older persons. They will need assistance in searching for an available converter box, understanding confusing and/or inconsistent messages, and addressing potential difficulties attaching the converter box to their sets.

My remarks this morning will focus on the following issues concerning the transition's impact on older Americans.

- A large percentage of analog-only households are older individuals who will be disproportionately impacted by the DTV transition and who are not prepared for the transition;

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<sup>1</sup> Nielsen Media Research, 2005.

- Older Americans rely on television broadcasting for critical weather and safety information and can ill afford to lose access to these broadcasts;
- Older persons confront additional challenges related to obtaining and redeeming converter box coupons, and installing the converter boxes;
- Coupons should be distributed when converter boxes are available for purchase at retail stores. A mechanism should be implemented to inform consumers about local stores that have the coupon-qualified converter boxes in stock;
- Older persons are particularly vulnerable to potential coupon fraud and abuse and could be subjected to retailers' "upselling" efforts;
- Older individuals residing in nursing homes and assisted living facilities are at risk of being left behind in the transition; it is unclear if these residents qualify to receive converter box coupons; and
- There must be a coordinated nationwide education campaign that includes federal and state agencies and programs serving consumers who are at the greatest risk of losing their broadcast television service, particularly vulnerable population groups such as older persons.

*1) A large percentage of analog-only households are older individuals who will be disproportionately impacted by the DTV transition and who are not prepared for the transition.*

According to a 2004 survey,<sup>2</sup> about 21 million households rely on over-the-air (OTA) broadcast-only television. A more recent Nielsen Media Research report estimates that the current number of OTA households is approximately 20 million. These are the consumers who will be without television service when the transition is concluded.

The Government Accountability Office (GAO) reported that of those OTA households, about 48 percent have incomes under \$30,000. Moreover, approximately 8 million – or 40% -- of these households include at least one person over the age of 50.<sup>3</sup>

Recently, CENTRIS released data from a survey<sup>4</sup> conducted to assess the probability that older Americans are more likely to be found in over-the-air households and are therefore more vulnerable to the consequences of the digital TV transition. The survey's findings revealed that older individuals:

1. Over age 65 are more likely to be found in OTA households;
2. As a group, are less likely to have purchased a new TV in the past three years;;
3. Are less likely to have HDTV capabilities in their households; and
4. Are less likely to own a digital TV.

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<sup>2</sup> Knowledge Networks/SRI, *Home Technology Monitor Ownership Survey*, Spring 2004

<sup>3</sup> Nielsen Media Research TV Household Estimates, 2003-2004.

<sup>4</sup> CENTRIS, *Analysis of Older Americans and the Digital TV Transition*, July 2007.

The survey analysis conducted by CENTRIS concluded:

- Older Americans over 65 are a more vulnerable group with respect to maintaining television services as the digital transition is completed;
- Older Americans will not be as exposed to DTV transition messages from electronic retailers as will younger members of the population; and
- The population of older Americans will need special focus in efforts to educate the public with respect to the end of the DTV transition.

***2) Older Americans rely on television broadcasting for critical weather and safety information and can ill afford to lose access to these broadcasts.***

For many older persons, the television is the most reliable and accessible source of important safety information. They rely on their television for daily weather forecasts, as well as all-important weather updates and emergency announcements. Older individuals depend on television broadcasts for critical national and local emergency alerts.

The DTV transition presents a challenge to uninterrupted access to this critical weather and safety information. It is vital for all consumers, particularly older Americans, to continue to receive this information after the DTV transition takes place on February 18, 2009.

***3) Older persons confront additional challenges related to obtaining and redeeming converter box coupons, and installing the converter boxes.***

There are additional challenges involved with the transition to DTV that confront older persons, and they must be addressed as soon as possible. Among these may be mobility issues, infirmity, isolation from other family members, and distance from retail centers in rural communities. It may be difficult, if not impossible, for many older Americans to leave their homes to purchase converter boxes. Although it will likely be possible to purchase the converter box online, there are a number of older individuals who do not have Internet access in their homes.

Another potential barrier for all consumers will be the converter box installation process. Assuming the consumer is able to request coupons and purchase the converter box, the next hurdle will be the installation. The process could require moving the television to get to the back of the set and connect the box, which could be difficult for frail or disabled persons, including many older Americans living on their own. Of course, there is also the possibility that the actual connection process required will be difficult for some to master.

***4) Coupons should be distributed when converter boxes are available for purchase at retail stores. A mechanism should be implemented to inform consumers about local stores that have the coupon-qualified converter boxes in stock;***

The success of the converter box coupon program will hinge, in part, on some uncertain timing elements. There are some consumers who will act expeditiously and request converter box coupons when they first become available in January 2008. According to NTIA rules, the coupons expire 90 days after they are mailed to the requesting

households. Based on some initial reports, we are concerned that converter boxes may not be in great supply in retail establishments until several months later. If a consumer receives the coupon in early January, it could potentially expire prior to the availability of converter boxes in community stores. It is critical that NTIA coordinate the distribution of the coupons with the availability of the converter boxes for purchase in the stores.

AARP is also concerned that older persons, particularly those with limited mobility, may have to travel to several retail establishments before locating a store that has coupon-qualified converter boxes on the shelves. In any one community, there could be a limited number of electronics stores that will stock the boxes for sale, and some stores may carry only a limited number of boxes.

The NTIA must work with the selected converter box coupon vendor, IBM, to design a mechanism to track the locations of stores that have stocked the coupon-qualified boxes for purchase, and update this information on a regular basis. Consumers should be able to access this information and locate the store in their areas with boxes in stock, by calling a toll-free number as well as by going to an Internet website.

***5. Older persons are particularly vulnerable to potential coupon fraud and abuse and could be subjected to retailers' "upselling" efforts.***

As recent consumer protection history has shown, whenever there is an opportunity for scam artists to take advantage of the consumer, it will happen. The converter box coupon



program provides such an opportunity. It is critical that the necessary steps be taken to protect consumers against scam artists who could sell unsuspecting consumers counterfeit or illegally duplicated converter box coupons. Even assuming such steps are taken, there will still be an opportunity for legitimate *free* converter box coupons to be offered for sale. Helping consumers to avoid this unnecessary extra cost will require educational materials clarifying how they can receive a valid coupon, and offering tips on how to avoid scam artists.

Consumers will need to be savvy shoppers to understand, and perhaps reject, anticipated efforts by retailers to sell enhanced converter boxes that do not qualify for the coupon discount, or encourage the purchase of new, digital sets. The process of “upselling” can be avoided by providing consumers with clear information on the types of converter boxes qualifying for use of the coupon, and for tips on what they need in their home to continue television reception.

***6) Older individuals residing in nursing homes and assisted living facilities are at risk of being left behind in the transition; it is unclear if these residents qualify to receive converter box coupons.***

The NTIA converter box coupon rules define a household as “All persons who currently occupy a house, apartment, mobile home, group of rooms, or single room that is occupied as a separate living quarters and has a separate U.S. post address.”<sup>5</sup>

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<sup>5</sup> NTIA Frequently Asked Questions, Converter Box Coupon Program, 2007.

AARP is concerned that this definition may not cover residents of nursing homes or assisted living facilities. Residents of these facilities must also be able to prepare for the DTV transition and exercise their right to purchase a converter box using the converter box coupons. We urge Congress to take the necessary steps to ensure that these residents qualify to participate in the converter box coupon program.

***7) There must be a coordinated nationwide education campaign that includes federal and state agencies and programs serving consumers who are at the greatest risk of losing their broadcast television service, particularly vulnerable population groups such as older persons.***

It is critical that Congress work with the NTIA and FCC to construct a coordinated effort to educate the public about the transition. This effort should engage other federal, state and local government agencies that serve vulnerable population groups, including older individuals and low-income households.

There are a number of federal assistance programs, such as those administered by the U.S. Department of Health and Human Services, that could be tapped to help. For example, the aging network represents a great resource. The Administration on Aging, State Units, and Area Agencies on Aging (AAA's), along with the wide range of service providers they fund, such as Meals on Wheels and local senior centers, could play critical roles in education and outreach.

Low income assistance programs, such as Supplemental Security Income (SSI), the Low Income Home Energy Assistance Program (LIHEAP) and the Commodity Supplemental Food Program, should also be engaged in distributing information to the low income population most vulnerable to this transition. Congress should request a specific plan that addresses the coordination of efforts among these, and other government agencies and programs.

Chairman Kohl's draft legislation addresses this need for government coordination. The draft includes a provision to establish a partnership with the FCC, the Administration on Aging and its allied aging network, as well as interested industry groups (such as manufacturers and retailers of consumer electronics equipment, broadcasters, public broadcasters, cable operators, satellite providers, and advertisers) and public interest groups. The partnership will create a public education campaign that provides information about the transition to older individuals, their families, caregivers, and aging support networks.

AARP recognizes that the task of educating the general public about the DTV transition is enormous – and the five million dollars designated by Congress for consumer outreach and education related to the converter box coupon program is virtually inconsequential, given the task at hand. However, these are the resources that are available and many organizations will need to step up to inform their own members. AARP is committed to doing its part to educate the 38 million AARP members around the country about the DTV transition and the converter box coupon program.

AARP has several publications, including the AARP Magazine and Bulletin that reach over 24 million households. In addition, the AARP Spanish language magazine, Segunda Juventud, is distributed to over 1 million Spanish-speaking older Americans. AARP is also planning other media activities and an outreach campaign to inform and educate the mid-life and older Americans that make up our membership.

**Conclusion:**

In about seventeen months, on the morning of February 18, 2009, consumers in households around the country could discover that they are unable to view their regular morning television programs. Older Americans could be cut off from important weather and safety information. Such individuals will be confused, frustrated, and angry that this important information and entertainment source in their household is no longer operational, through no fault of their own. Thousands of telephones will ring in communities around the country as well as right here in hundreds of congressional offices. Constituents will call their elected officials to complain and ask: “What has happened to my television set?”

We all have an important role to play to keep consumers connected, and particularly to assist more vulnerable populations such as older persons. While AARP will do its part to prepare our members and older persons generally for the DTV transition, we are also counting on policymakers to take the necessary steps that will ensure all consumers,

regardless of age, income, native language, or other factors, are ready for this significant change.

AARP commends Chairman Kohl for drafting legislation that serves as an important step toward assisting older Americans with the DTV transition. We look forward to working with Chairman Kohl, and the Members of this Committee, to ensure that all consumers stay connected.