

FACT SHEET

Top 5 Benefits of The Digital TV Transition

Issue

Local television stations currently own valuable spectrum – the frequencies over which analog TV signals are broadcast -- that can be put to better uses for consumers. Though current law requires them to vacate that spectrum by December 31, 2006, local broadcasters have strongly opposed and resisted that requirement.

In order to put this spectrum (called the “700 megahertz band”) to better use for the public, Congress should establish a certain date on which analog TV broadcasts would end and the transition to digital broadcasting would be complete. Setting a certain date for this digital TV transition would bolster public safety, spark high-tech economic growth, bring broadband access to rural areas, create jobs, and give consumers more choices and lower prices.

Five Major Benefits of DTV Transition

1. **Public Safety.** On 9/11 and every day across the country, first responders from police and fire departments cannot speak to each other because their radios operate on different frequencies. The 9/11 Commission Report recommended in 2004 that Congress approve legislation to clear these channels for public safety. Congress was aware of this problem in 1997 and designated more spectrum for use by first responders, but it can't take effect until broadcasters release their currently held spectrum.
2. **Rural Broadband.** Rural areas are one of the major parts of the country that still lack high-speed broadband internet access. Using the additional spectrum, companies would be able to offer wireless broadband to areas that are not served by current broadband technologies.
3. **Economic Growth.** A definitive digital TV transition date would give high-tech companies enough certainty to invest R&D into innovative wireless broadband networks for use in the newly available spectrum. That would in turn spark growth in the U.S. high-tech sector, provide new high-quality jobs for American workers, and add to the global competitiveness of U.S. technology.
4. **Telecom Competition.** Today, consumers receive most of their telecommunications services – phone, television, and Internet service – through either their phone line or their cable line. Because spectrum in the 700 megahertz band is of high quality and capable of advanced uses, it could one day become a “third pipe” into consumers’ homes that could provide phone, television and Internet services, which would have the effect of increasing competition and reducing prices for consumers.
5. **Balancing the Budget.** With a tight federal budget, new sources of revenue are needed to help keep the budget balanced. The public auction of spectrum in the 700 megahertz band would bring significant revenue into the federal treasury, with one analysis by the Congressional Budget Office estimating the auction would garner as much as \$10 billion.

Helping Consumers

The 87% of households that subscribe to cable or satellite service are completely unaffected by the digital TV transition. While the small percentage of remaining households will shrink as TV manufacturers build more sets with built-in converters, Congress should use some of the revenues from the auction of the spectrum to provide these households with at least one converter box, ensuring that free over-the-air TV is available to all.

For More Information

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