

SOUTH CAROLINA CABLE TELEVISION ASSOCIATION NEWSLETTER

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NFL NETWORK LEGISLATION

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The National Football League owners backed legislation that was introduced in both the House and Senate in January entitled “Cable Television Antidiscrimination and Dispute Resolution” (“NFL Bill”). The NFL Bill would force South Carolina cable operators to negotiate contracts to carry the NFL Network as part of their basic digital programming packages. Senate Bill 989 was referred to a Judiciary subcommittee and House Bill 4374 was referred to the Labor, Commerce and Industry Committee. The House Public Utility Subcommittee held a hearing on the bill on April 8, 2008. Mark Richardson of the Carolina Panthers testified on behalf of the bill.

The South Carolina Cable Television Association also testified emphasizing the following points:

- It is inappropriate for the General Assembly to intervene in business negotiations between cable companies and programmers.
- The market is working in this area. Some cable systems carry the NFL network which is available on satellite systems. Instead of continuing negotiations and improving the product so that customers will demand the NFL network, the NFL owners have resorted to asking for legislation to require more regulation.

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NFL NETWORK LEGISLATION (continued from page 1)

- This is not a state issue. There is a need for uniformity across the country and the programming contracts cover many states.
- There is an existing federal mechanism to deal with the issue. The Federal Cable Act required the FCC to create regulations to address allegations of discrimination and abuse of market power in the negotiation of programming contracts. Even though there is a mechanism in place, the NFL Network has not filed a complaint.
- In a hearing in March before the U.S. House Energy and Commerce Committee, Roger Goodell, an NFL Commissioner, told the Committee that the NFL Network was not seeking new legislative remedies for access to cable networks. He asked the Committee to urge the FCC to improve the process. That position is inconsistent with now seeking a new level of regulation through the state.
- The proposed bill violates federal law and the Constitution. Congress gave the FCC jurisdiction over the issue which preempts state regulation. It also violates the cable company's First Amendment rights by requiring them to carry certain programming.

After the House subcommittee hearing, the NFL Network gave the required ten day notice that it will be filing a complaint with the FCC. This action confirms the SCCTA's position that Congress has provided appropriate remedies and that there is no need for additional legislation on the state level. The SCCTA has also notified the Chairman of the Senate Judiciary subcommittee to which the Senate's version of the NFL Bill was referred that the SCCTA opposes the bill and requests the opportunity to be heard by his subcommittee should it meet to consider the legislation.

There has been no movement on either bill since the April 8th hearing and the bills are not expected to move during this legislative session. Based on questions asked by members of the House subcommittee during the hearing, it appears there is considerable opposition to the proposed legislation.

Revisions to Sales & Use Tax Regulations for Communications Services

The Department of Revenue is considering amending its regulations concerning the application of the sales and use tax to communications services. The proposed amendment summarizes longstanding Department opinion concerning the taxability of various communications services and attempts to list as many communications services as possible that the Department has held in the past as subject to the tax through advisory opinions and audits. For example, the Department has taxed communications services such as telephone (including VoIP), paging, answering services, cable television, satellite programming, fax transmission, voice mail messaging, e-mail, database access transmission services such as legal research services, credit reporting/research services, and charges to access an individual website.

BROADBAND LEGISLATIVE DEVELOPMENTS

The S.C. Broadband Technology & Communications Study Committee's Report to the General Assembly was presented on February 8, 2008. The Report indicated that several of its duties involve the status of the state's present broadband communications infrastructure. Because of the competitive nature of broadband, incumbent providers were reluctant to provide detailed information to the Committee without protection of proprietary information. The Committee hired Connected Nation on a limited basis to assist with obtaining the information as to where broadband is available. In order to assess the need for broadband in unserved and underserved areas within the State and to identify the types and locations of infrastructure required to satisfy the need for broadband would require more time, expertise and money than given to the Committee. The Committee recommended that the State create a public-private partnership to promote the deployment and adoption of broadband services.

Trident Technical College and Greenville Technical College received Title III grants from the U.S. Department of Education and built systems using Instructional Television Fixed Service technology to broadcast courses over the 2.5GHz spectrum to their campuses in their service areas. ETV's licenses cover the entire State and overlay the licenses owned by Greenville and Trident Techs. If the state wants to create a statewide wireless network over the 2.5 GHz spectrum, it can do so with the licenses owned by ETV. The Report recommended that Greenville Tech and Trident Tech be authorized to issue requests for proposals to lease excess spectrum capacity, that the revenues be retained by them, and that a consultant be retained to assist in developing a request for proposal to lease ETV's excess capacity.

Two resolutions were introduced in the House in late February relating to the broadband initiative. House Bill 4735 was authored by Speaker Harrell and Chairman of the Labor, Commerce and Industry Committee, Rep. Cato. It was amended substantially in the Senate and is expected to eventually pass. The amended version relates to the use of Educational Television Network licenses and excess broadcast spectrum capacity. The legislation that created the Broadband Study Committee provided that ETV could not sell or lease telecommunications and information technology infrastructure prior to approval of the recommendations of the Committee by the General Assembly. The Bill creates the S.C. Educational Broadband Service Commission to obtain and evaluate proposals from commercial entities to lease ETV's excess spectrum capacity. It also provides a process for approving the leases. The current version of the bill includes a provision that the "commission must not impose any pricing requirements on lessees and must take steps to ensure that the state's assets are not made available to a private broadband service provider to subsidize a private company's competitive service offerings." The SCCTA supported the insertion of this language in order to minimize the chance of facing subsidized competition from a wireless broadband provider using the ETV spectrum. Any revenue received from the lease of spectrum capacity would be deposited into the state general fund. The amended version of the bill returned to the House on April 17, 2008.

The other resolution, House Bill 4692/Senate Bill 1181, directs the State Budget and Control Board's Chief Information Officer and S.C. ETV to provide a wireless cloud over all public schools and over a 10 mile radius surrounding the schools. It was referred to the House Labor, Commerce and Industry Committee.

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BROADBAND LEGISLATIVE DEVELOPMENTS (continued from page 3)

On March 12, 2008, House Bill 4843 was introduced. This bill requires the S.C. Public Service Commission to adopt regulations requiring broadband providers to periodically submit reports on the deployment of broadband Internet service to the public. The report would include where the company provides broadband services broken down by zip codes, the percentage of households in the provider's territory by zip codes, data transmission speeds available to customers, new services and upgrades. The Commission would publish the reports on its website. It was referred to the House Labor, Commerce and Industry Committee on March 12, 2008. Since the information requested is considered confidential and proprietary, it is expected that broadband providers will oppose the legislation. It is not likely to advance this legislative session.

Public Service Commission Elections

Terms for four of the seven Commission Seats on the Public Service Commission expire June 30, 2008. The following persons have applied as candidates:

- District 1: Joseph Leroy Grant, Jr., John E. Howard, Roberta Kuntz, Frank Harrington McKnight
- District 3: Nancy Sherer Campbell, Laura Jordan Grice, Randy Mitchell, Floyd Franklin Neyman, Jr., Clifford Thomas Shiflet
- District 5: G. O'Neal Hamilton, Benjamin Paul Knott, Jr.
- At-Large: George Martin Arnold, Jr., Roberta Kuntz, Frank Harrington McKnight, C. Robert Moseley, Swain Edgar Whitfield

Prior to election by the General Assembly, candidates for Commissioner are screened, investigated, and reviewed by the State Regulation of Public Utilities Review Committee. Public hearings by the subcommittee to review each candidate's qualifications were scheduled to begin April 17, 2008. The Review Committee's Report will be issued on May 5th and the election by the General Assembly is scheduled for May 21, 2008.

USF Audit Results

USF Audit Results

The Office of Regulatory Staff contracted with an independent third-party auditor, Scott McElveen, LLP to audit the financial statements of the South Carolina Universal Service Fund. The 2006 audit was recently released. The Fund's deficit as of December 31, 2006, was \$838,090. During the Fund's inception stage, the Fund was not adjusted for some telecommunication company changes such as bankruptcies, loss of certification and buyouts. The refund of revenues for international calls and some companies' ability to pay into the Fund added to the deficit. These factors will be considered when resizing the Fund in the future.

NEW LAW IMPOSES RESTRICTIONS ON USE OF PERSONAL INFORMATION

The Financial Identity Fraud and Identity Theft Protection Act was signed by the Governor on April 2, 2008. The majority of Act 190's provisions will become effective on December 31, 2008. In addition to allowing consumers to place a security freeze on their credit report at no charge, it restricts the use and release of personal identifying information by businesses. As a result of the Act

BUSINESSES CANNOT	BUSINESSES CAN
<ul style="list-style-type: none">publicly post, display, or intentionally communicate or make available to the public a consumer's social security number or portion containing 6 digits or moreintentionally print the social security number on any card required for the consumer to access products or services provided by the businessrequire a consumer to use his social security number to access an Internet website unless a password is also required to access the siteprint the social security number on materials to be mailed unless state or federal law requires its inclusionpost, print, transmit, sell or exchange a social security number or a portion that consists of 6 digits or more unless there is written authorization or a legitimate business or government purposeprint a receipt that contains more than 5 digits of the card account number and the expiration date. This portion becomes effective in 3 years for machines in use prior to 2005 and 1 year for machines in use on or after January 1, 2005.	<ul style="list-style-type: none">include the social security number on an application or in documents related to an enrollment process, or to establish, amend or terminate an account or to obtain a credit report. A social security number may be mailed for this purpose, but cannot be visible on or through the envelope.use the social security number for internal verification or administrative purposesuse the social security number to open an account or pay for a product or service authorized by a consumeruse or release the social security to investigate or prevent fraud, conduct background checks, collect a debt, conduct social or scientific research or to obtain a credit report or furnish data to a consumer reporting agency.The social security number can be used by a person acting pursuant to a court order, warrant, subpoena or other legal process; orby a person providing the social security number to a governmental entity; orby a financial institution as defined in the Gramm-Leach-Bliley Act.Social security numbers and other personal identifying information can be used as part of the maintenance and reporting of employment records or in the course of the administration or provision of employee benefits and programs.The social security number can be used in a recorded document in the official records of a county orin a document filed in the official records of the Court.

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NEW LAW IMPOSES RESTRICTIONS (continued from page 5)

Businesses must modify personal identifying information by shredding, erasing or making it unreadable prior to disposing of the records. Personal identifying information is the first name or initial and last name in combination with social security number, driver's license number, financial account number in combination with access code which may be used to access financial accounts. There are exceptions for banks, health insurers, and consumer credit reporting agencies. The privacy protection provisions also restrict information to be included in documents to be recorded or filed in the official records by the register of deeds or the clerk of court of a county. Businesses that own or license computerized data or other data that includes personal identifying information must disclose a breach of the system's security to the person whose information was disclosed.

**Supreme Court denies
Time Warner Cable's Appeal**

Time Warner Cable Information Services filed an application with the Public Service Commission on October 1, 2004, requesting that its certification be amended to provide service in the service territories of Farmers Telephone Cooperative, Inc.; Fort Mill Telephone Co., Home Telephone Co., Inc. PBT Telecom, Inc.; and St. Stephen Telephone Co. On the same day, the company filed a separate application requesting that its certification be amended to provide service in the ALLTEL service area. The Rural Companies opposed the application, but ALLTEL did not. The Commission granted the request to extend service into ALLTEL's territory, but denied the application to extend service into the Rural Companies' territories. The Supreme Court upheld the denial in a decision issued March 31, 2008.

**4th Circuit Remands Piracy
Decision that Denied Damages**

DIRECTV filed a complaint in North Carolina alleging that John Rawlins used illegal devices to access programming in violation of the Cable Act and the Wiretap Act. *DIRECTV v. Rawlins*, 4th Cir. Opinion No. 06-1430 (W.D.N.C., April 21, 2008). When Rawlins failed to respond to the complaint, the court entered a default judgment against him under both statutes. Rawlins was permanently enjoined from continuing to violate the statutes and DIRECTV was awarded attorney's fees and costs, but no statutory damages. DIRECTV appealed the denial of damages under the Wiretap Act, but not the Cable Act. The trial court abused its

discretion both by giving weight to improper considerations and by failing to adequately consider several factors including the severity of Rawlins' piracy and the harm it exacted on DIRECTV. The Court outlined several flaws in the district court's analysis including the fact that Rawlins neither used the devices for commercial purposes nor purchased them for resale was not germane to an analysis of damages. The district court also incorrectly gave weight to the lack of evidence to show that Rawlins induced others to violate the Wiretap Act which has no bearing on his culpability for his own interception. The 4th Circuit noted that the district court's reasoning punishes DIRECTV for gaps in evidence that are due solely to Rawlins' failure to respond to the complaint. The 4th Circuit found it most troubling that the trial court failed to give much, if any, weight to the affidavit of DIRECTV's Senior Director of Signal Integrity. The affidavit included significant detail regarding DIRECTV's costs and billing practices, Rawlins' account history, and the particular devices Rawlins used to steal the signal. The affidavit was critical to DIRECTV's claim for damages because it was probative of many of the factors that, although never considered by the trial court, should govern the exercise of discretion to award damages under the Wiretap Act. Those factors included the following: the severity of the violation; the degree of harm to the victim; the relative financial burdens of the parties; and the purposes to be served by imposing the statutory damages amount. The trial court failed to adequately weigh any of these considerations. The case was remanded for the district court to properly consider the damage award.

STATE-ISSUED CERTIFICATES OF FRANCHISE AUTHORITY

As of April 17, 2008, following are the current certificates of franchise authority with the South Carolina Secretary of State:

<i>Company</i>	<i>Areas</i>
ATLANTIC BROADBAND.....	Snelling, Fairfax, Barnwell, Williston, Bamberg, Bamberg County, Denmark, Allendale
BERKELEY CABLE TV, INC.....	Moncks Corner, Harleyville
BROADBAND EXPERIENCE.....	Central, Pickens County
d/b/a FAMILY VIEW CABLEVISION	
CATAWBA, INC.....	Rock Hill
CHARTER COMMUNICATIONS, LLC....	Pickens County, Union, Woodruff, Pelzer, West Pelzer, Easley, Greenville, Travelers Rest, Greenville County, Starr, Oconee County, Salem, Spartanburg, Clinton, Laurens
CHESNEE COMMUNICATIONS.....	Cherokee County, Spartanburg County, Chesnee
COMCAST OF CAROLINA.....	Goose Creek, Hampton County, Edisto Beach, James Island
COMCAST OF GEORGIA/SC II.....	Edisto Beach, Meggett, Hollywood
COMCAST OF GEORGIA/SC INC.....	Hampton County, Aiken County, Burnnettown
COMCAST OF THE SOUTH.....	Prosperity
HARGRAY CATV CO., INC.....	Jasper County, Estill, Hampton
HOME TELECOM.....	Goose Creek, North Charleston
HORRY TELEPHONE COOPERATIVE....	Conway, Surfside Beach
HPI ACQUISITION CO., LLC.....	Anderson, Due West
MANAGED SERVICES INC.....	Jasper County, Berkeley County, Richland County, Horry County
METROCAST COMMUNICATIONS.....	McColl, Marlboro County
OF MISSISSIPPI, LLC	
NORTHLAND CABLE TELEVISION.....	West Union, Pickens County, Seneca, Laurens County
PASSPORT COMMUNICATIONS.....	Fort Mill
PINE TREE CABLEVISION.....	Lamar, McBee, Cottageville, Kershaw County, Bamberg County, Orangeburg County, Aiken County, Perry, Wagener, Salley, Bethune, Gaston, Jefferson, Barnwell County
TECHCORE CONSULTANTS II.....	Orangeburg County, Holly Hill, Ehrhardt, Bowman, Eutawville, Dorchester County
TIME WARNER CABLE, LLC.....	Georgetown County, Charleston County
TIME WARNER ENTERTAINMENT.....	Myrtle Beach, Conway, Surfside Beach, Sumter, Sumter County,
ADVANCE/NEWHOUSE PTRSHP	Richland County, Orangeburg, Orangeburg County, Columbia, Forest Acres, Lee County, Quinby, Myrtle Beach Air Force Base, Cayce, Springdale, West Columbia
TIME WARNER ENTERTAINMENT ADVANCE/NEWHOUSE PTRSHP.....	Clover, Fort Mill
-CHARLOTTE DIVISION	
TIME WARNER NY CABLE, LLC.....	Dillon County, Nichols, Bluffton, Hardeeville, Jasper County, Hilton Head, Marion County, Lakeview
VIDEO VISION, INC.....	Heath Springs, Kershaw
YRT2, INC	Greenville, Greenville County, Berkeley County, Dorchester County, Summerville, Columbia, Horry County, Myrtle Beach

SOUTH CAROLINA LEGISLATIVE UPDATE



The second session of the General Assembly convened on January 8, 2008. The following bills of interest were enacted so far this session:

Act 180 – Senate Bill 588 - Small Employer Health Group Cooperative

This Act allows small employers to form a nonprofit health group cooperative to obtain group health insurance coverage. The cooperative must contain at least 1000 eligible employees or have at least 10 participating employers. It was signed by the Governor on February 19, 2008.

Act 182 – Senate Bill 598 - Channel Blocking Bill

The Television Programming Protection Act requires a cable or video service provider using digital technology to block all video and audio on any channel that a subscriber has not purchased at no charge. The provider has 5 days to block a channel if the provider is using analog technology. If the provider is delivering channels on a promotional basis, it must provide advance notice of its intent to do so and inform the subscriber that upon the subscriber's request, all video and audio on the promotional channels can be blocked. If a subscriber notifies the provider that he wants to block a channel and it is transmitted due to equipment failure, the provider must immediately block the channels if the provider is using digital technology. For those using analog transmissions, the provider has 48 hours to block the channel. The Act became law without the Governor's signature on February 28, 2008.

Act 190 – Senate 453 – Financial Identity Fraud & Identity Theft Protection Act

The Financial Identity Fraud and Identity Theft Protection Act was signed by the Governor on April 2, 2008. It will become effective on December 31, 2008. In addition to allowing consumers to place a security freeze on their credit report at no charge, it restricts the use and release of personal identifying information by businesses and those filing documents with the clerk of court and register of deeds. See page 5.

Following is a list of other pending bills of interest introduced since the last newsletter:

Senate 11 – Lobbying Economic Interest Statements

This bill amends the requirements for the contents of the economic interest statements to clarify that a public officer, public member or public employee is required to report the source of any gifts, including transportation, lodging, food, entertainment or anything of value with \$25 or more in a day or worth \$200 or more total in a calendar year. It also deletes the requirement that a candidate must maintain an account of the occupation of each person who makes a contribution. It was read the second time and amended by the Senate on April 10, 2008.

S.C. Legislative Update continued....

Senate 392 – Illegal Immigration Reform Act

This bill addresses illegal aliens and public employment, enforcement of federal immigration and customs laws, and recording and reporting immigration law violations. The House appointed a conference committee to address differences with the Senate over the Act on February 26, 2008.

Senate 1094 –Political Action Committee

This bill prohibits PACs organized by or on behalf of the Governor, Lt. Governor, any other statewide constitutional officer, a member of the General Assembly, or director or deputy director of a state department appointed by the Governor. It passed the Senate and was referred to the Judiciary Committee on April 9, 2008.

Senate 1133 – Cell Phones

This bill makes it illegal to operate a motor vehicle while using a cellular telephone. It was referred to the Senate Transportation Committee on February 20, 2008.

Senate 1181/ House Bill 4692 – Wireless Cloud

This bill would require the Chief Information Officer of the Budget and Control Board and SC ETV to provide a wireless cloud over all public school facilities and over a 10-mile radius surrounding the school. It was referred to a Senate Judiciary subcommittee on March 17, 2008.

Senate 1242 – Taxation Realignment Commission

This bill would establish the S.C. Taxation Realignment Commission to conduct a comprehensive study of the state's tax system and to submit a report of its recommended changes to further the goal of maintaining and enhancing the state to attract businesses and individuals to locate in the state. It was read in the Senate the second time on April 10, 2008.

Senate 1243 – Sales & Use Tax Exemptions

This bill would exempt tangible personal property sold or leased to public schools and school districts from sales and use tax. It was referred to the Senate Finance Committee on March 27, 2008.

Senate 1253 – Cellular Unfair Trade Practice

This bill would make it an unfair trade practice for a cellular company to charge a reactivation fee when a cellular phone is lost, damaged or destroyed. Fees in excess of the average monthly bill to a customer whose cellular phone is stolen or to a customer who cancels his cellular contract due to his move into an area in which the provider provides no signal are also prohibited. It was referred to the Senate Judiciary Committee on April 1, 2008.

S.C. Legislative Update continued....

House Bill 4735 – S.C. Educational Broadband Service Commission

The S.C. Educational Broadband Service Commission would be created to obtain and evaluate proposals from commercial entities to lease ETV's excess spectrum capacity. See page 3.

House Bill 4784 – Sales & Use Tax Increase

This bill increases the sales and use tax by an additional 1% and provides that the revenue be deposited in a separate "Property Tax Reduction Fund." It was referred to the House Ways & Means Committee on February 28, 2008.

House Bill 4815—S.C. Motion Picture Incentive Act of 2008

The Motion Picture Incentive Act of 2008 would revise and update tax incentives for motion picture productions. It was reported out of the House Ways & Means Committee on April 16, 2008.

House Bill 4843 – Broadband Reports

This bill requires the Public Service Commission to adopt regulations requiring broadband providers to periodically submit reports on the deployment of broadband Internet service to the public. It was referred to the House Labor, Commerce and Industry Committee on March 12, 2008. See page 4.

House Bill 4960 – Coupon Unfair Trade Practice

It would be an unfair trade practice to advertise a price for a product that reflects a discount requiring a buyer to submit a coupon to the manufacturer for a cash rebate to obtain the advertised price. It was referred to the House Labor, Commerce and Industry Committee on April 3, 2008.

FCC BRIEFS

FCC Orders and Notices can be downloaded from the FCC's website at www.fcc.gov.

On April 9, 2008, the FCC adopted rules for the delivery of timely and accurate alerts, warnings and critical information to the cell phones and other mobile devices of consumers during disasters or other emergencies. Consumers can expect to receive three types of messages via their cell phones including Presidential Alerts, Imminent Threat Alerts, and Child Abduction Emergency/AMBER Alerts.(FCC 08-99).

On March 21, 2008, the FCC issued an order that banned carriers from entering into exclusive contracts with residential multiple tenant environments to provide telecommunications services to residents in those MTEs and prohibited enforcement of existing contracts that contain exclusivity provisions. The FCC found that these exclusive agreements between carriers and building owners hurt consumers and harm competition, with little evidence of countervailing benefits. (FCC 08-87).

The FCC issued an Order on March 19, 2008, which adopted emergency call handling requirements for Internet-based telecommunications relay service providers to ensure that persons using Internet-based forms of TRS can promptly access emergency services. (FCC 08-78).

The FCC released *Local Telephone Competition: Status as of June 30, 2007*, on March 20, 2008. End-user customers obtained local telephone service by using approximately 134.5 million incumbent switched access lines, 28.7 million CLEC lines, and 238.2 million mobile subscriptions at the end of June 2007. About 42% of switched access lines in service to CLEC end users served residential customers whereas 64% of the incumbents' lines served residential

customers. Mobile service providers reported 10% more subscribers than a year earlier. The report can be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at www.fcc.gov/wcb/stats.

The FCC released *High-Speed Services for Internet Access: Status as of June 30, 2007*, in March 2008. High-speed lines (or wireless channels) connecting homes and businesses to the Internet at speeds that exceed 200 kbps in at least one direction increased from 82.8 million lines to 100.9 million lines during the first half of 2007. ADSL lines increased by 2.1 million during the first half of 2007, fiber connections increased by 0.4 million lines, and cable modem service increased by 2.4 million lines. Of the 100.9 million total high-speed lines, 34.1% were cable modems, 27.3% were ADSL, 1.0% were symmetric DSL or traditional wireline, 1.4% were fiber to the end user premises, and 36.2% used other technologies. When all technologies are considered, incumbent ILECs reported 56.8% of total high-speed connections.

On March 21, 2008, the FCC released reports presenting data on telephone penetration levels on a state-by-state basis for various income categories and the latest report on telephone subscribership levels. In March 2007, penetration among low-income households nationwide was 88.4% while the overall nationwide penetration rate was 94.6%. The report can be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at www.fcc.gov/wcb/stats.

The FCC released its latest report on telephone number utilization on March 21, 2008. Reporting carriers have over 1.3 billion telephone numbers. Over 626 million were assigned to customers. Since

FCC BRIEFS continued...

wireless number portability began, wireline customers have moved more than 50 million numbers to new carrier. Wireless customers moved more than 43 million numbers to new carriers. The report can be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at www.fcc.gov/wcb/stats.

On March 3, 2008, the FCC released the DTV Consumer Education Order requiring television broadcasters, MVPDs, telecommunications carriers, retailers, and manufacturers to promote awareness of the nation's transition to digital television on February 17, 2009. (FCC 08-56).

On February 4, 2008, the FCC released its latest report on telephone subscribership levels. The report presents statistics based on the current population survey conducted by the Census Bureau in July 2007. It also shows subscribership levels by state, income level, race, age, household size, and employment status. The report can be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at www.fcc.gov/wcb/stats.

On February 4, 2008, the FCC released its latest report on the state of competition in the mobile telephone industry and concluded that there is effective competition in the marketplace. The report demonstrates that consumers continue to experience significant benefits—including low prices, new technologies, improved service quality, and choice among providers—from competition in the marketplace. Approximately 99.8% of the U.S. population has one or more different providers of mobile service in the census block in which they live. Approximately 99.3% of the population living in rural counties has one or more different mobile providers. During 2006 the number of mobile subscribers rose from 213 to 241.8 million increasing the nationwide penetration rate to approximately 80%. (FCC 08-28).

The FCC released its *Quality of Service of Incumbent Local Exchange Carriers* on February 1, 2008. The report enables consumers, regulators and industry to evaluate quality-of-service trends of the major incumbents and smaller carriers. For 2006 trouble reports per 1000 lines are increasing on average 2.1% annually and repair intervals are increasing on average 5.5%. The report can be downloaded from the Wireline Competition Bureau Statistical Reports Internet site at www.fcc.gov/wcb/stats.