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November 8, 2017

The Honorable Ajit Pai Chairman Federal Communications Commission 445 12th Street SW Washington, DC 20554

Dear Chairman Pai:

This letter is regarding what could be an exciting new broadcast technology standard, ATSC 3.0, and the implications it will have on consumers across the country. Broadcasters and other stakeholders deserve credit in developing this new standard that will undoubtedly bring significant benefits to consumers including more localized safety warnings and improved picture quality. Enhancing these capabilities will help our nation's broadcasters perform their critically important mission of providing the American people with free over-the-air programming.

However, ATSC 3.0 is also much more comprehensive than just improving picture quality and safety warnings. It is my understanding that the new standard also contemplates targeted advertisements that would be "relevant to you and what you actually might want to see." This raises questions about how advertisers and broadcasters will gather the demographic information from consumers which are necessary to do targeted advertisements, and what privacy protections will be in place for consumers. It is also my understanding that ATSC 3.0 will not be backwards-compatible, which means consumers will be forced to replace their televisions if it is widely adopted.

While there are undoubtedly critical benefits of ATSC 3.0, we deserve to have a complete understanding of the overall impacts of this new standard. We should be having a robust dialogue about the privacy implications of this new standard as well as ensuring we are doing everything possible for consumers in any transition. This is critically important and very timely as the Commission is set to consider a Report and Order and Further Notice of Proposed Rulemaking authorizing the use of ATSC 3.0 during the Open Commission Meeting on November 16, 2017. Although privacy concerns were raised in the record, it was not addressed at all in the draft order released by the Commission. In fact, the word "privacy" is not even mentioned a single time in the entire draft order the FCC will soon take up. You further noted in recent testimony that the FCC is only considering the technical standards associated with ATSC 3.0, but this technical review cannot be separated from a review of privacy and security concerns. That is in fact the meaning of the phrase "privacy and security by design."

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This continues a troubling pattern of indifference at the FCC towards consumer privacy. To better address these concerns, I respectfully request answers to the following questions so that we call better understand the impacts of ATSC 3.0 on the consumer and how the FCC intends to consider privacy issues moving forward.

- You noted in response to my questions at a recent FCC Oversight Hearing before
 the House Committee on Communications and Technology that the Federal Trade
 Commission (FTC) will have a role in overseeing the privacy of ATSC 3.0 users.
 Has FCC staff coordinated with FTC staff to discuss these issues to ensure the
 FCC does not approve a technical standard that fails to adequately protect
 consumers' privacy or security?
- 2. It is my understanding that there are several different business models for targeted advertisements under ATSC 3.0. One model includes building transmitters similar to cell towers around the DMA to do regional advertising. I understand this is a very capital intensive process with a high operating expense, but that it would not require the collection of personal information from consumers. Is that correct? If no personal information from consumers is required, what standards will be applied to determine whether my constituents would choose to see targeted advertisements or not?
- 3. It is my understanding that a second business model for targeted advertisements involves delivery via the internet. In this scenario will the age, sex, address, and other demographic information would be collected in order to deliver targeted advertising? Would consumers have to provide consent in order for their data to be collected? Could they choose not to provide their demographic information and not receive targeted advertisements but still receive the enhanced picture quality and public safety communications? If a consumer decides to provide their personal information, who is responsible for protecting it?
- 4. It is my understanding that another business model would use an encrypted signal, even for over-the-air television broadcasts that have traditionally been free. Would this require consumers to use some sort of encryption key to access the signal? Would such a key require a consumer to enter their age, address, gender, and other demographic information? If the free over-the-air signal is encrypted and needs demographic information from a consumer to access it, do you still consider this service to be "free" in your opinion?
- 5. There have been media reports that ATSC 3.0 would allow for better collection of audience data and would use this information as a sales tool for the advertisers, rather than relying on Nielsen or other measurement data. Will the new standards permit broadcasters to collect data on age, sex, income, address, or any other personal information? How will they be permitted to use this information? Will consumers be able to opt-out of having their data collected for this purpose?

- 6. It appears that new ATSC 3.0-capable TV sets could be susceptible to hacking, malware, and other potential computer viruses that could lead to predatory advertising instead of legitimate commercials. Is there anything contained in the proposal to address this potential problem?
- 7. How many TV sets are in the country today, and what will happen to them when ATSC 3.0 is deployed? How many TV sets will need to be replaced when broadcasters are not required to carry both the current ATSC 1.0 signal and the new ATSC 3.0 signal? What would you estimate the approximate cost to consumers to replace these sets?

Thank you for your attention to these important issues. Answers to my questions will help give the American people confidence that we are adequately considering all of the impacts this new standards will have on consumers. I look forward to receiving your response and please do not hesitate to contact me directly if you have any questions or concerns.

Sincerely,

Debbie Dingell

Member of Congress

CC: The Honorable Mignon Clyburn, Commissioner, Federal Communications Commission
The Honorable Michael O'Reilly, Commissioner, Federal Communications Commission
The Honorable Brendan Carr, Commissioner, Federal Communications Commission
The Honorable Jessica Rosenworcel, Commissioner, Federal Communications Commission
The Honorable Greg Walden, Chairman, House Committee on Energy and Commerce
The Honorable Frank Pallone, Ranking Member, House Committee on Energy and
Commerce