

**SUPPORTING STATEMENT
U.S. DEPARTMENT OF COMMERCE
NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION
CERTIFICATION FOR RETAILERS TO ACCEPT AND REDEEM COUPONS
FOR THE PURCHASE OF A DIGITAL-TO-ANALOG CONVERTER BOX
OMB CONTROL No. 0660-0020**

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

Congress directed the National Telecommunications and Information Administration (NTIA) to create and implement a program to provide coupons for consumers to purchase digital-to-analog converter boxes. (See Title III of the Deficit Reduction Act of 2005, Pub. L. No. 109-171, 120 Stat. 4, 21 (Feb. 8, 2006). These converter boxes are necessary for consumers who wish to continue receiving broadcast programming over the air using analog-only television sets after February 17, 2009 - - the date that television stations are required by law to cease analog broadcasting. On March 15, 2007, NTIA published a Final Rule establishing the parameters of the Coupon Program and describing the rights and responsibilities of interested parties. See 72 Fed. Reg. 12097 (March 15, 2007).

This supporting statement is requesting a revision to the retailer certification form currently approved by OMB (OMB Control No. 0660-0020). The currently approved form requires retailers that wish to participate in the program to certify that they: (1) have been engaged in the consumer electronics retail business for at least one year; (2) have completed a Central Contractor Registration; (3) have in place systems that can be easily audited as well as systems that can provide adequate data to minimize fraud and abuse in retail redemption and government payment for coupons; (4) agree to have coupon box sales audited at any time during the term of participation in the coupon program by the U.S. Government or an independent auditor at no expense to the retailer; (5) will provide NTIA electronically with redemption information and payment receipts related to coupons used in the purchase of converter boxes, specifically tracking each serialized coupon by number with a corresponding converter box purchase; (6) agree to submit for payment only coupons resulting from purchase made for converter boxes.

Since that information collection was approved, the program has found it necessary to collect additional information from retailers to ensure, among other things, that:

- (1) retailers are timely reimbursed;
- (2) there is consumer information regarding the availability of converter boxes;
- (3) retailers are complying with program regulations;

- (4) there is information available as to the geographic location of converter boxes; and
- (5) the program is able to minimize waste, fraud, and abuse.

As part of the contract between NTIA and IBM, Corporate Lodging Consultants (CLC) is responsible for retailer management, coupon redemption and payment. CLC drafted an agreement that will be on a retailer website that will enable retailers to provide the information previously approved by OMB as part of the information collection. This agreement, which is also available to retailers in a hard copy format, also requires additional information from retailers. This additional information, as well as the rationale for its collection, is discussed below.

A. Provide coupon redemption alternatives available at Retailer=s Point of Sale (APOS@). Retailer selects one of the coupon redemption alternatives indicated below, subject to approval by Service Provider.

AWebsite@: Coupon redemption authorization via website interface; Retailer provides CECB SKU or UPC on a website provided by Service Provider.

AIVR@: POS redemption authorization via Interactive Voice Response system; Retailer provides CECB SKU or UPC via the telephone using a toll free number provided by Service Provider.

AUPC@Auth@: POS redemption authorization over Visa network via card swipe; Retailer provides CECB SKU or UPC with authorization request.

AUPC@Settle@: POS redemption authorization over Visa network via card swipe; Retailer provides CECB SKU or UPC with payment settlement request.

ASales Detail Reporting@: POS redemption authorization over Visa network via card swipe; Retailer provides CECB SKU or UPC via a separate report.

AE-Services@: POS redemption authorization via direct connection outside the Visa network; Retailer provides CECB SKU or UPC with authorization or settlement request.

Some of the IBM/CLC technical options for retailer coupon redemption may vary depending on the retailer=s size and selection of IT system processing. Moreover, the final rule requires retailers to have systems in place that are capable of electronically processing coupons for redemption and payment, tracking each and every transaction, and generating reports that are easily auditable. The final rule also requires retailers to certify that they will provide NTIA electronically with redemption information and payment receipts related to coupons used in the

purchase of converter boxes. Thus, this particular information collection both ensures that retailers comply with the final rule but also offers retailers options for processing coupons based

on preference and existing systems.

B. Contact URL

As part of the coupon program regulations, NTIA encouraged retailers to cooperate with its contractor in the administration of an effective and efficient program resulting in high customer satisfaction with a minimum of waste, fraud and abuse. This particular information is necessary so that IBM/CLC can monitor the retailer=s online activity related to the converter box.

C. Contact Fax

This particular information collection is necessary only to the extent that IBM/CLC needs to provide information to the retailer via facsimile.

D. Number of years as a consumer electronics retailer.

The final rule requires retailers to certify that they have been engaged in consumer electronics retail business for at least one year. This requirement is waived if the retailer is able to make a showing of good cause. This information collection permits IBM/CLC to determine if the retailer meets the one year requirement, and to inquire about showing of good cause if the retailer does not meet that requirement

E. Type of retailer

Multi-store chain

Single store location

On-line/internet

This information is necessary so that IBM/CLC can determine the number and type of stores that are participating in the program. The success of the program depends on providing information to consumers as to where converter boxes are available. The program will be better equipped to provide consumers with information about where converter boxes can be purchased if the collection of this information is permitted.

F. Number of store locations

Again, this information is necessary so that NTIA can determine the number and type of stores that are participating in the program. The success of the program depends on providing information to consumer as to where converter boxes are available. The program will be better equipped to provide consumers with information about where converter boxes can be purchased if the collection of this information is permitted.

G. Number of employees

The final rule requires retailers to train employees on the purpose and operation of the coupon program. The final rule also states that NTIA or its contractor will provide training materials. To ensure that retailers receive the proper training materials pursuant to the regulations, NTIA must be advised of the number of employees.

H. Approximate annual consumer electronics sales in dollars

This information will assist IBM/CLC in detecting waste, fraud, and abuse. The tracking system will detect anomalous redemption quantities based on the scale and size of the retailers' business, among other things.

I. Coupon-Eligible Converter Boxes carried [Manufacturer and UPC]

This information is necessary so that NTIA can direct consumers to specific store locations to purchase particular converter boxes. It is also necessary to enable the CLC system to authorize the transaction for reimbursement from the Department of Treasury.

J. Store locations:

Again, this information is necessary so that NTIA can determine the number and type of stores that are participating in the program. The success of the program depends on providing information to consumer as to where converter boxes are available. The program will be better equipped to provide consumers with information about where converter boxes can be purchased if the collection of this information is permitted.

K. Store Address [City, State, Zip]

Again, this information is necessary so that NTIA can determine the number and type of stores that are participating in the program. The success of the program depends on providing information to consumer as to where converter boxes are available. The program will be better equipped to provide consumers with information about where converter boxes can be purchased if the collection of this information is permitted.

2. Explain how, by whom, how frequently, and for what purpose the information will be used. If NTIA's Information Quality Guidelines apply, state this and confirm that the collection complies with the Guidelines.

This information will be collected from retailers only once. The information will not be

disseminated to the public, however NTIA will make a list available of the retailers that are certified to participate in the program. The list is necessary for consumers to know where to purchase converter boxes.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological techniques or other forms of information technology.

The retailers may use a web site to submit this information. The URL to be determined.

4. Describe efforts to identify duplication.

The information collection is unique to this program and is not available from another source.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

This information collection will involve small businesses only to the extent that small businesses decide to participate in the program. At this point, NTIA is not aware of any particular small business that plans to participate in the program. In any event, this information collection will not overly burden a small business. A Paperwork Reduction Analysis regarding the impact of this rule on small entities was prepared as part of the rulemaking.

6. Describe the consequences the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

The administration of this program will be severely hampered without this information collection. As a result, the overall digital transition will be a failure and millions of households that rely on over-the-air broadcasts will lose access to television after February 17, 2009.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

The data collection is consistent with OMB guidelines.

8. Provide the information of the PRA Federal Register notice that solicited public

comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions take by the agency in response to those comments. Describe the efforts to consult with persons outside the agency or to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

A Federal Register Notice soliciting public will be published. A draft of the notice is in ROCIS.

9. Explain the decision to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

NTIA will not provide gifts or payments to respondents.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

The data collected from retailers will not be public. NTIA will treat the information as confidential.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

The information collection does not contain any questions of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

It is estimated that it will take 30 minutes to enter the requested data.

13. Provide an estimate of the total annual cost burden to the respondent or recordkeepers resulting from the collection (excluding the value of the burden hours in #12 above).

NTIA does not anticipate that this additional information will add to the previous estimate of the total annual cost burden to the respondent or recordkeepers.

14. Provide estimates of annualized cost to the Federal government.

NTIA does not anticipate that this additional information will add to the previous estimate of

annualized cost to the Federal government. We estimated that it will take 2 weeks to review the information provided with respect to the retailer information collection. A 40-hour week at an hourly salary rate of \$75/hour would be \$3,000 for a two week total amount of \$6,000. This estimate assumes only those costs related to the retailer=s information collection and no other aspects of the retailer=s participation in the program.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB 83-I

The program change increase (15 minutes per respondent) is due to the additional information required. The total burden per response is 30 minutes X 4,000 respondents = **2,000 burden hours**.

16. For collections whose results will be published, outline the plans for tabulation and publication.

NTIA will not publish the data collected or otherwise release the data unless required by law. NTIA may provide a list of retailers that are certified to participate in the program.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

NTIA is not seeking approval to refrain from displaying the expiration date.

18. Explain each exception to the certification statement identified in Item 19 of the OMB 83-I.

No exceptions are requested.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection of information will not employ statistical methods.

Attachments: Federal Register Notice
 Sample Survey Instrument