

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
100 F Street, N.E.
Washington, D.C. 20549



FAX TRANSMITTAL

To: Cornish F. Hitchcock

Fax Number: 202-315-3552

Total Number of Pages, Including Cover Sheet: 2

Document: Response letter for AT&T shareholder proposal

Date: February 20, 2007

From: Office of Chief Counsel, Division of Corporation Finance
Telephone Number: (202) 551-3500

If you do not receive all pages, please telephone the above number for assistance.

NOTE: THIS DOCUMENT MAY CONTAIN PRIVILEGED AND NONPUBLIC INFORMATION. IT IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE, AND OTHERS WHO SPECIFICALLY HAVE BEEN AUTHORIZED TO RECEIVE IT. If you are not the intended recipient of this facsimile, or the agent responsible for delivering it to the intended recipient, you hereby are notified that any review, dissemination, distribution, or copying of this communication strictly is prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original to the above address by regular postal service without making a copy. Thank you for your cooperation.

February 16, 2007

**Response of the Office of Chief Counsel
Division of Corporation Finance**

Re: AT&T Inc.
Incoming letter dated December 19, 2006

The proposal requests that the board adopt a policy that includes, as a voting item in the proxy statement for each annual meeting, an advisory management resolution to approve the compensation of the named executive officers set forth in the Summary Compensation Table of the company's proxy statement.

We are unable to concur in your view that AT&T may exclude the proposal under rule 14a-8(a). Accordingly, we do not believe that AT&T may omit the proposal from its proxy materials in reliance on rule 14a-8(a).

We are unable to conclude that AT&T has met its burden of establishing that the proposal would violate applicable state law. Accordingly, we do not believe that AT&T may omit the proposal from its proxy materials in reliance on rule 14a-8(i)(2).

Rules 14a-8(b) and 14a-8(f) require a proponent to provide documentary support of a claim of beneficial ownership upon request. While it appears that the Association of Ameritech/SBC Retirees, Inc. did provide some indication that it owned shares, it appears that it has not provided a statement from the record holder evidencing documentary support of continuous beneficial ownership of \$2,000, or 1%, in market value of voting securities, for at least one year prior to submission of the proposal. We note, however, that AT&T may have addressed its deficiency notice to an incorrect address. Accordingly, unless the Association of Ameritech/SBC Retirees, Inc. provides AT&T with appropriate documentary support of ownership, within seven calendar days after receiving this letter, we will not recommend enforcement action to the Commission if AT&T omits the Association of Ameritech/SBC Retirees, Inc. as a co-proponent of the proposal in reliance on rules 14a-8(b) and 14a-8(f).

Sincerely,



Gregory Belliston
Attorney-Adviser