ONE HUNDRED FIFTHTEENTH CONGRESS

Congress of the United States House of Representatives

COMMITTEE ON ENERGY AND COMMERCE 2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6115

> Majority (202) 225-2927 Minority (202) 225-3641

MEMORANDUM

April 3, 2015

To: Subcommittee on Communications and Technology Democratic Members and Staff

Fr: Committee on Energy and Commerce Democratic Staff

Re: Subcommittee Hearing on "Facilitating the 21st Century Wireless Economy"

On <u>Wednesday, April 5, 2017, at 10:00 a.m. in room 2123 of the Rayburn House</u> <u>Office Building</u>, the Subcommittee on Communications and Technology will hold a hearing titled "Facilitating the 21st Century Wireless Economy."

I. BACKGROUND

The Federal Communications Commission (FCC) is responsible for allocating and licensing spectrum for commercial, local government, and non-federal uses. The National Telecommunications and Information Administration (NTIA) manages spectrum used by the federal government. The FCC and NTIA often coordinate to tackle larger spectrum issues.

Because spectrum is a finite resource, the communications sector has focused on identifying opportunities to make both commercial and federal spectrum use more efficient. Recent examples include:

<u>AWS-3 Auction</u>. The FCC concluded the AWS-3 auction in 2015, which generated record auction receipts of \$41.3 billion for 65 Megahertz (MHz) of spectrum. As a result of the auction, the FCC issued 1,611 new licensees for advanced wireless services (AWS) in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz bands. The FCC worked with NTIA to move federal users out of the 1755-1780 MHz band, but also provided for indefinite sharing with a limited number of federal systems.

3.5 GHz. The FCC voted in 2015 to permit commercial users to share 150 MHz of spectrum with the Department of Defense in the 3.5 GHz "innovation band." NTIA had previously dedicated part of that band to the Department of Defense, but the FCC expects mobile broadband and other innovative services now to occupy the band as well. The new spectrum sharing techniques include a tiered approach in which the FCC will assign

users one of three levels of access to the spectrum: incumbent access, priority access, or general authorized access.

<u>Spectrum Pipeline Act</u>. As part of the Bipartisan Budget Act of 2015, Congress required NTIA and FCC to auction off 30 MHz of low band spectrum for non-federal use. The law permitted federal spectrum users to conduct research and development on ways to make government spectrum use more efficient with auction revenues, and the law called for a balance of licensed and unlicensed spectrum.

Broadcast Incentive Auction. In the Middle Class Tax Relief and Job Creation Act of 2012 (the Spectrum Act), Congress authorized the FCC to conduct an incentive auction in which television broadcast spectrum holders can voluntarily relinquish their spectrum rights in exchange for a portion of the proceeds from the FCC's sale of those rights to others. The Spectrum Act also permits the FCC to allow unlicensed spectrum users to operate within the "guard bands" between licensed frequencies in the 600 MHz band.

The incentive auction ended earlier this year with more than \$19 billion in bids, \$7 billion of which will be applied to deficit reduction. As a result, 70 MHz of licensed spectrum will be made available for licensed, and 14 MHz of spectrum for unlicensed uses.

II. LEGISLATION TO CONSIDER

The subcommittee will consider legislation related to spectrum at this hearing, including S. 19, the MOBILE NOW Act, originally drafted and introduced in the Senate last Congress. MOBILE NOW would require NTIA to make available 255 MHz of the nation's airwaves, with 100 MHz being used for licensed service, like traditional mobile service, and 100 MHz being used for unlicensed service, such as Wi-Fi. The bill also:

- Requires that the government study the possibility of opening up multiple different swaths of the Nation's airwaves;
- Requires that the government study a number of policies to help expedite broadband deployment generally;
- Includes infrastructure provisions that would expedite the processing of applications to site broadband infrastructure on federal property;
- Creates an inventory of federal assets that could be used to help further broadband deployment;
- Allows unlicensed use in the guard bands between licensed users;
- Gives the FCC specific authority to make unlicensed spectrum available; and
- Requires the creation of a national plan for unlicensed spectrum.

III. WITNESSES

The following witnesses have been invited to testify:

Scott Bergmann

Vice President, Regulatory Affairs CTIA

Jared Carlson

Vice President, Government Affairs and Public Policy, North America Ericsson

Jennifer Manner

Senior Vice President, Regulatory Affairs, EchoStar Corporation and Hughes Network Systems

Dave Wright,

Director, Regulatory Affairs and Network Standards Ruckus Wireless