



May 22, 2003

The Honorable Richard B. Cheney  
President of the Senate  
Washington, DC 20510-0010

Dear Mr. President:

Enclosed is a draft bill to amend the Communications Act of 1934 to provide the Federal Communications Commission with permanent authority to auction spectrum licenses and with new authority to charge fees for unauctioned spectrum licenses and construction permits.

Spectrum auctions have proven to be an efficient method for assigning licenses or permits for certain spectrum-based services. Making the Commission's auction authority permanent will allow for more certainty in the auction planning process in the coming years. Fees on unauctioned spectrum licenses can be a desirable spectrum management tool in certain circumstances. Providing the Commission with fee authority will promote more efficient and effective spectrum use.

The Office of Management and Budget (OMB) estimates that this proposal would increase receipts by \$10 million in 2005 and by \$4 billion over ten years, though final scoring of enacted legislation may differ from these estimates. We have been advised by OMB that enactment of this legislative proposal would be in accord with the program of the President.

Sincerely,

A handwritten signature in black ink that reads "Theodore W. Kassinger".

Theodore W. Kassinger

Enclosures



Identical Letter Sent to:

The Honorable Dennis Hastert  
Speaker of the House of  
Representatives  
Washington, DC 20515-6501

The Honorable Tom DeLay  
Majority Leader  
House of Representatives  
Washington, DC 20515-6503

The Honorable Nancy Pelosi  
Minority Leader  
House of Representatives  
Washington, DC 20515-6502

The Honorable Bill Frist  
Majority Leader  
United States Senate  
Washington, DC 20510-1601

The Honorable Thomas Daschle  
Minority Leader  
United States Senate  
Washington, DC 20510-7010

The Honorable W.J. "Billy" Tauzin  
Chairman, Committee on Energy  
and Commerce  
House of Representatives  
Washington, DC 20515-6115

The Honorable John D. Dingell  
Committee on Energy and Commerce  
House of Representatives  
Washington, DC 20515-6115

The Honorable John McCain  
Chairman, Committee on Commerce,  
Science  
and Transportation  
United States Senate  
Washington, DC 20510-6125

The Honorable Ernest F. Hollings  
Committee on Commerce,  
Science and Transportation  
United States Senate  
Washington, DC 20510-6125