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**Committee on Government Reform**  
**Subcommittee on National Security, Emerging Threats, and International Relations**  
**House of Representatives**

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Good morning, Chairman Shays and Ranking Member Kucinich and distinguished members of the Subcommittee. I would like to thank you for inviting me here to testify today on the important topic of improving U.S. success at International Telecommunication Union (ITU) World Radiocommunication Conferences (WRCs). I am Michael D. Gallagher, Acting Assistant Secretary for Communications and Information, U.S. Department of Commerce.

**Introduction**

Why are WRCs important to the United States? In short, WRCs are the way the nations of the world, meeting collectively at the ITU, regulate spectrum usage at the international level. Radio spectrum is an invisible, but indispensable building block for America's future. It is a natural resource that fuels economic growth. It is key to our nation's digital defense and our citizenry's safety. It is a wireless link that can enable anyone, anywhere to access the resources available on the worldwide web. Employment in industries such as mobile radio remains strong. It is an industry, however, where constant renewal and change dominate. A constant flow of new technologies, services and products characterizes this global market. Government policies for spectrum must keep pace in order for U.S. companies to stay in the race with their international competitors. New startups such as Vivato and Atheros contribute growth in the high technology economy and rely on the U.S. government's ability to make spectrum available. In 2003, the United States achieved outstanding successes by more than doubling the available spectrum and agreeing on common global rules for 5GHz WiFi devices and "Internet in the Sky" services from passenger aircraft using the 14 GHz band. The results of the WRC in these two examples lead directly to the ability of U.S. companies to market products and services worldwide. Having an ITU allocation and rules in place are already helping U.S. industry to market in countries previously closed to such devices and services.

WRCs are increasingly important to many of the critical functions of Federal agencies, particularly in the areas of national security and homeland defense. Many of the Department of Transportation (DOT) activities for maintaining safe transportation networks and the National Aeronautics and Space Administration (NASA) activities rely on spectrum to operate globally. Without spectrum these agencies and many others could not do their jobs. Two examples where national security interests were at stake at the World Radio Conference 2003 (WRC-03) were spectrum allocations for radars and for the Global Positioning System (GPS). The U.S. delegation protected our ability to operate critical radars in a number of frequency bands,

including operation in all parts of the world for force protection radars in the 13 GHz band. The U.S. Delegation also overcame a challenge to GPS modernization from Europe's interest in exploiting the commercial benefits of global satellite positioning.

To succeed in these issues requires that all parts of the government pull together. In the cases above, the National Security Council and the National Economic Council played a major role in focusing the debate and moving the United States government to a common position.

The United States government must continue to be prepared to address the challenges presented by WRCs or risk the likelihood of relinquishing its global leadership role in telecommunications technology and use. Improvements within the process can be made, and the National Telecommunications and Information Administration (NTIA) is committed to continual improvement in our efforts, working alongside the Department of State and the Federal Communications Commission (FCC).

On the President's behalf, NTIA manages the use of the radio frequency by the Federal agencies. In this role, NTIA processes Federal agencies' requests for frequency assignments; coordinates current and future spectrum requirements among the Federal agencies; and along with the FCC and the Department of State, develops and promotes the United States government's position on spectrum management issues within international treaty bodies and other fora. Because of its unique role as policy adviser and spectrum manager, NTIA must bring together the spectrum interests of Federal agencies and advance policies that promote the benefits of technological developments in the United States for all users of telecommunications services. As the manager of the Federal spectrum, NTIA promotes policies to accommodate new technologies that need spectrum, to improve spectrum efficiency, to increase private sector access to scarce spectrum resources, and to plan for future Federal spectrum needs, including those critical to national defense, public safety and law enforcement.

U.S. communications needs are global. The United States must be capable of operating any time and anywhere in the world. Communications are the backbone of our economic and national security. Therefore, it is imperative that the management of spectrum is accomplished internationally so that the United States and all other nations have a level playing field. The international framework must also be forward-looking and flexible to accommodate future technologies that tend to move faster than traditional approaches toward international negotiations.

To reach our goals, the United States must do its best to prepare for, participate in, and implement the results that provide the framework for international operation of telecommunications. The success of the United States meeting its spectrum needs globally and to protect its use of the spectrum domestically depends primarily on the ability of the NTIA, the Department of State, the FCC, other Federal agencies and the private sector to work together.

NTIA and the FCC have to work hand-in-hand on domestic spectrum management policies on a daily basis. Approximately 70 percent of the allocated radio spectrum below 30 GHz is shared, and there are many overlapping spectrum issues affecting the non-shared portion (about 23 percent non-Federal government and 7 percent Federal government exclusive) in this spectrum. FCC Chairman Powell and I have made it a major goal to coordinate our efforts domestically and internationally through preparation for and participation in the ITU and regional spectrum management activities. Our partnership with the State Department through the

leadership of Ambassador Gross, the U.S. Coordinator and Deputy Assistant Secretary for International Telecommunications Policies, ensures a well-focused and integrated foreign policy.

### **Improving U.S. Spectrum Policy and WRC Challenges**

As you are aware, President Bush established the “Spectrum Policy Initiative” to promote the development and implementation of a U.S. spectrum policy for the 21<sup>st</sup> century. He directed the Secretary of Commerce to chair the initiative. The initiative involves an interagency task force to develop recommendations for improving spectrum management policies and procedures for the Federal Government as well as an examination of ways to improve spectrum management for State, local, and private sector spectrum use.

The Administration is committed to promoting the development and implementation of a U.S. spectrum policy for the 21<sup>st</sup> century that will foster economic growth, ensure our national and homeland security, maintain U.S. global leadership in communications technology development and services, and satisfy other vital U.S. needs. Successful participation in WRCs is one way for the United States to maintain global leadership in communications technology development and services.

At the international level, the ITU faces the same spectrum management challenges as those faced by the United States every day. The ever-evolving technical, economic and political environment makes WRCs particularly complex domains. There are challenges of threats to security and safety, of static processes and legacy regulations in a dynamic field, and of the finite nature of access to the radio spectrum. The ITU, and in particular WRCs, often have complaints leveled against them regarding the length and complexity of the spectrum allocation process, policies that cause inefficient use of spectrum and the lack of efficiency stimulating incentives, and delay in accommodating new services and technologies in the spectrum. The United States is leading the way by example is working to overcome these tendencies in the ITU and to make the ITU less reactive. The ITU needs to anticipate future spectrum needs rather than waiting for technology to be deployed before beginning the international allocation process. NTIA also wants to eliminate hurdles the ITU at times erects that limit the ability to share spectrum or to accommodate new needs or capabilities.

### **WRC Process and U.S. Success**

By convening WRCs, the ITU develops international radio regulations that have treaty status. WRCs set the stage for future technological development by allocating radio frequency spectrum to radio services, establishing spectrum use coordination methods, establishing international rules for radio equipment operation, and identifying spectrum for specific uses. NTIA, with the support of the Federal agencies, partners with the State Department and the FCC in preparing for and participating in these conferences.

The United States has historically been very successful in achieving its objectives at the WRCs as a result of good preparation, the leadership of the heads of the United States delegations, and efforts of the United States delegation. In an organization where the United States has one vote among the 189 ITU member states, our achievements have actually been quite extraordinary.

In addition to the “headline” issues like 5 GHz and GPS that were resolved at WRC-03, there are many other important issues that the WRC must address. For WRC-03, the agenda contained 48 identified items. These items touched on almost all radio services and frequency bands. Bringing these disparate issues to resolution requires a large number of experienced government experts. At WRC-03, we were able to reach a successful resolution on all of the issues.

Our WRC-03 experience has taught us the benefits of early outreach to other countries and thorough preparation of senior agency leaders. I believe that WRC-03 has proven that the United States is doing a better job getting ready for WRCs than in previous years. I am also pleased to say that we are doing a better job in getting WRC results incorporated into U.S. regulations in a timely way thanks to the leadership of the Chairman Powell and the FCC.

### **Recommended Improvements**

In 2002, the General Accounting Office (GAO) in *Telecommunications: Better Coordination and Enhanced Accountability Needed to Improve Spectrum Management* (GAO-02-096) recommended that the State Department, FCC and the NTIA "jointly review the adequacy of the preparation process following the 2003 World Radiocommunication Conference (WRC) and develop recommendations for improvements." In response, NTIA, the FCC, and the State Department have undertaken a review process. Our agencies have had a series of meetings to coordinate our respective review efforts. We plan to continue these meetings and respond appropriately as promised in our responses to the GAO report and to Congress.

In particular, NTIA is conducting a comprehensive examination of the U.S. preparatory approach, including a request for public comments. NTIA's report will contain an analysis of concerns about WRC preparations and make recommendations. The report will be available soon. In learning from past WRCs and by synthesizing best practices, NTIA believes that improvements can be made in several key areas of WRC preparation, including:

- 1. Senior Level Engagement.** As demonstrated in preparing for WRC-03, the resolution of difficult issues and the ultimate success at the WRC can be better achieved through greater engagement of agency leadership. Senior participation and policy direction at early points could greatly facilitate issue resolution. Earlier resolution means early preparation and an earlier opportunity to convey U.S. views. Chairman Powell and I have continued to improve our interagency communications, taking a more forward-looking approach to accommodate advances in technology. This engagement will be carried into the WRC preparatory processes for WRC-07.
- 2. Cooperation and Coordination of Federal and Non-Federal Preparations.** NTIA believes that while the federal and non-federal preparatory processes are currently working well, we will continue to seek opportunities for early and ongoing dialog.
- 3. International Coordination and Communication.** Ambassador Gross, Chairman Powell, and I have actively been pursuing ways to better coordinate to improve our international outreach efforts as we prepare for international fora such as WRCs. In many instances European or Asian-Pacific, Arab or African nations come to the WRC with unified positions. The United States' ability to reach consensus early with other countries in the Americas on important issues

helps ensure that U.S. policy views will prevail in the WRC. Consultations with other countries at all levels needs to be a constant activity throughout the WRC cycle in order for the United States to be successful in conveying its views to others. We are already well on the way to meeting this goal for the next WRC in 2007.

4. **Delegation Preparation.** NTIA believes that the United States can take steps to better prepare our delegations as early as possible through creating delegations, selecting spokespersons and issue coordinators, and appointing a highly qualified Ambassador.

5. **Implementation.** As noted earlier, NTIA and the FCC are working hard to ensure that implementation moves quickly. Some of the key issues from WRC-03 have already moved through the FCC's rulemaking process. Early implementation of any WRC results provides certainty to industry, facilitates planning activities and stimulates investment and job creation. Establishing a clear implementation plan and moving quickly to carry it forward fulfills these goals.

In NTIA's Fiscal Year 2005 budget, the Administration is requesting additional funds to improve our international efforts so we can meet the challenges and complexities of the future WRCs and other technical fora on which major decisions will be made.

## **Conclusion**

I believe that the U.S. WRC preparation process has been very effective, but there is always room for improvement. This hearing comes at an opportune time, because NTIA is now completing development of recommendations to improve the WRC preparatory process. NTIA has learned important lessons from our WRC-03 successes. First, we must work together with the FCC, the State Department, key government agencies and industry to develop creative and practical solutions to tough spectrum issues. We must also engage in early consultation with a number of other countries. We must work effectively with our security allies throughout the process. We must ensure effective leadership of the United States delegation. And finally, we must implement WRC results in a timely fashion. We are applying all of these lessons learned as we now prepare for WRC-07.

Mr. Chairman and members of the Committee, the radio spectrum is vital both to our national and economic security. I look forward to working in partnership with Congress to develop the best possible process for preparing for United States participation in WRCs.

Thank you again for inviting me to testify. I welcome any questions you may have for me.