Opening Statement of the Honorable Greg Walden
Subcommittee on Communications and Technology
Hearing on "Creating Opportunities through Improved Government Spectrum Efficiency"
September 13, 2012
(As Prepared for Delivery)

I welcome our witnesses and appreciate their counsel as we examine ways to increase government spectrum efficiency and satisfy American consumers' growing demand for wireless broadband services. I'm convinced we can create new jobs from our work and bring innovation and efficiency to the federal government.

In the months since the Congress passed the Middle Class Tax Relief and Job Creation Act, which included the spectrum incentive auction provisions this subcommittee brought to the table, we have turned our attention to federal government usage of spectrum. In coordination with Representative Eshoo, I appointed a working group led by Brett Guthrie and Doris Matsui, and asked them to examine in depth how the government uses spectrum. Our goal is to create more jobs by freeing up spectrum to meet demand and spur innovation in America. It's also our goal to bring innovation and spectrum efficiency to the government users.

One way we can create additional spectrum opportunities is through use of the Commercial Spectrum Enhancement Act. Under the CSEA, commercial providers bear the cost of moving federal incumbents to clear spectrum. Given the budgetary pressures facing the country — and the potential for sequestration to pose significant challenges to our defense agencies — we have an opportunity to work together to optimize the value of underutilized spectrum and upgrade equipment and services used by federal agencies.

The best example of this process is the 2006 AWS-1 auction, which made 90 MHz of spectrum available for wireless broadband and raised more than $13.7 billion for the Treasury.

The President's Council of Advisors on Science and Technology – or PCAST – has provided us with one view of how to create spectrum opportunities in Federal bands. Rather than look to ways to increase the efficiency of the government users, the recently released PCAST report assumes that it would cost too much and take too long to move most federal systems. Instead, the report recommends that commercial providers operate around government systems and share spectrum. The concept of sharing is not new, and is certainly worth continued exploration. Sharing technologies and the underlying business models, however, are not sufficiently developed to make it the entire focus of our spectrum strategy or to supplant clearing.

Spectrum sharing may hold potential in the future for some spectrum bands where clearing is impossible or we have certainty that the cost of relocation exceeds the value of the spectrum. I am not ready to accept the opinion that "the norm for spectrum use should be sharing" today. That's simply not good enough.

I am also concerned because that conclusion appears based, at least in part, on a recent NTIA report concluding that it would cost $18 billion and take 10 years to clear the federal government from the 1.7 GHz band. The NTIA has admitted, however, that it did not conduct an independent analysis to reach those estimates. Instead, the NTIA compiled estimates from the federal users. As the GAO's written testimony for today's hearing indicates, we need more rigorous analysis before giving up on clearing spectrum and working to maximize efficiency in how the government uses spectrum.

I appreciate our witnesses' testimony today. You are all very talented people who help us in our work. I am particularly pleased to see Major General Wheeler with us, as NTIA's preliminary responses to a letter from our government spectrum working group indicate that the Department of Defense is the largest government user of spectrum, with just under 90 percent of the ground-based assignments and over 99

percent of the airborne use of government spectrum below 3.1 GHz. Government systems can and should be comprised of the most efficient and technologically advanced products available.

Working together we must increase efficiency, upgrade government systems, and make spectrum available to meet our country's wireless broadband demand.

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