

Opening Statement of the Honorable Greg Walden
Subcommittee on Communications and Technology
Hearing on “Keeping the New Broadband Spectrum Law on Track”
December 12, 2012
(As Prepared for Delivery)

Before I begin, I'd like start the last hearing of this subcommittee of the 112th Congress by recognizing five hard-working members of this subcommittee who are departing Congress, Cliff Stearns, Mary Bono Mack, Brian Bilbray, Charlie Bass, and Ed Towns. We appreciate your service and wish you well in the next chapter of your life.

We will also miss Phil Gingrey's presence in our subcommittee's hearings, but he won't be going far. Phil, we wish you well in your new role as vice-chair of our Environment and the Economy Subcommittee.

Meanwhile, we will have some new members joining our committee, including Billy Long, a member of the Missouri Professional Auctioneer's Hall of Fame. Commissioners—as you write the rules for these auctions, I am volunteering Billy to be your auctioneer.

We are here today to check on the progress at the FCC at following the law and implementing the incentive auction legislation Congress passed last year. Not only does this new law hold the potential to unleash new technology and create hundreds of thousands of American jobs, it also is the source to fund the build out of the interoperable public safety network for our police and firefighters.

While I'm not about to micro-manage how the FCC operates the auction, I do expect the FCC will follow the law, including maximizing the proceeds from the auction.

Not only does our leadership of the wireless world hinge on the agency's efforts, so too does the fate of the public safety broadband network.

The U.S. has long led the world in spectrum auctions with an auction model based on the elegant simplicity of one core concept: markets, not the whims of regulators, are best suited to ensure that spectrum is put to productive and innovative use.

Hopefully, we've learned that overly prescriptive auction rules can lead to less than successful auction results. The FCC so encumbered the D block auction of the lower 700 MHz band that a 10 MHz license for the use of prime broadband spectrum failed to garner more than a few token bids, and those were well below the true value of the spectrum. The FCC must avoid overly prescriptive auction rules and instead rely on market mechanisms that have a proven track record of success.

Remember, the revenue generated, which was used in part to help pay for the middle class tax cut and extension of unemployment benefits, will also be used to help pay for the interoperable public safety broadband network under FirstNet, to fund next generation 9-1-1 service and to invest in public safety research and development. A broadcast incentive auction that fails to raise the revenue needed for these projects, or that unnecessarily gives away billions in cleared spectrum, is a failure.

In particular, I would like a commitment that the commissioners will honor the language of the Act that requires guard bands to be “no larger than is technically reasonable to prevent harmful interference between licensed services outside the guard bands.”

As we discussed in last month's receiver performance hearing, guard bands, although sometimes necessary to prevent interference between neighboring services, are sub-optimal use of spectrum. Their size should be minimized. Yet the Commission's NPRM contemplates two guard bands of at least six megahertz and contemplates expanding them to as much as 10 Mhz. I want to see the engineering analysis that justifies such fat guard bands. Is six megahertz the minimum size needed? Could the Commission use channel 37 as a guard band between mobile broadband and broadcasting to reduce the

need for additional dedicated guard bands? Could the FCC reduce the need for guard bands by improving receiver performance? These are just a few of the unanswered—and unasked—questions from the Commission's NPRM.

Finally, let me make it clear, I support the use of unlicensed spectrum to foster innovation and provide much needed offload for congested mobile broadband networks. That's why our bill expands the amount of unlicensed spectrum by identifying an additional 195 MHz in the 5 GHz band, frequencies ideal for this kind of use. It also codifies the use of white spaces. What I cannot support is the unnecessary expansion of unlicensed spectrum in other bands needed for licensed services, especially at the expense of funding for public safety.

Let me be clear: every megahertz of broadcast television spectrum the FCC doesn't auction means less revenue to fund prerogatives already determined by this committee and this Congress, including FirstNet, next-generation 9-1-1, and wireless research and development.

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