

SPOKEN STATEMENT
OF
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FEDERAL COMMUNICATIONS COMMISSION
BEFORE THE
UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON ENERGY AND COMMERCE
SUBCOMMITTEE ON
COMMUNICATIONS AND TECHNOLOGY
OVERSIGHT
OF THE
FEDERAL COMMUNICATIONS COMMISSION

Keeping the New Broadband Spectrum Law on Track

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Thank you Chairman Walden, Ranking Member Eshoo and Members of the Subcommittee for inviting us to appear before you today.

I share your goals of putting more spectrum into the hands of American consumers while raising funds for the Treasury and a nationwide broadband public safety network.

It is important for all of us to remember that the FCC is at the earliest stages of developing rules to implement Congress's will regarding incentive auctions – auctions that will literally be the most complex in world history. Initial comments are not even due until next month. We will have to cull through a plethora of ideas and new questions we did not contemplate when we launched the rulemaking last September. Consequently, it would be premature for me to offer a *final* opinion on where the Commission should go with new auction rules until it is time for us to vote on them.

Nonetheless, being the only commissioner before you today who is also a veteran of the two of the largest spectrum auctions in American history, as well as the digital television transition, I have learned a lot through trial and error. In our conversation today, I hope I can help illuminate a path forward based on past successes and failures.

My entire testimony could be boiled down to one sentence: the FCC should approach these auctions with simplicity, humility and regulatory restraint.

Through intelligently designed band plans and auction and service rules we can provide opportunities for *all* stakeholders - and potential new entrants - to successfully participate in the auctions.

Similarly, we should avoid micromanaging the wireless market through unnecessary rules that would deter bidders and reduce auction revenue. The goal of maximizing revenue is especially important here due to the Congressional mandate that part of the auction proceeds fund the construction of the new nationwide public safety network.

Furthermore, we should keep in mind that technology advances constantly, and what may seem impossible to achieve today may be routine tomorrow. Let's not underestimate market innovation; or worse: let's not inadvertently *preempt* it.

Beyond the spectrum auctions, American policymakers should continue their vigilance against encroachments upon Internet freedom, especially internationally. Chairman Genachowski and I worked together with the rest of the U.S. delegation in Dubai last week to prevent the International Telecommunication Union from expanding its reach into the Internet's complex ecosystem. That treaty negotiation is still underway, but I am happy to answer any questions you may have about it. And I would like to thank this Committee for its unanimous

and bipartisan resolution opposing even the smallest of international encroachments on Internet freedom.

In the meantime, I hope we could all share a New Year's resolution to close the Title II docket. My hopes may not be realized, but ending this proceeding would send a strong signal around the globe that the U.S. opposes subjecting the Internet to late 19th Century industrial policy.

Instead of new regulation in this space, we should revive a concept I proposed nearly five years ago – and that is to use the tried and true *multi-stakeholder* model to resolve alleged anti-competitive conduct that would threaten the open Internet. Supported by the backstop of existing antitrust and consumer protection laws, the multi-stakeholder model could spotlight market failures and cure them more quickly – and more effectively – than antiquated telephone laws. If this concept is good enough for us to preach abroad, shouldn't we practice it at home?

Thank you and I look forward to your questions.