



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

September 1, 2015

The Honorable Al Franken
United States Senate
309 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Franken:

Thank you for your letter regarding the Commission's efforts to update our competitive bidding rules to provide small businesses and rural service providers with greater flexibility to compete in today's wireless marketplace. I appreciate your leadership and support for our efforts to ensure that *bona fide* small businesses and eligible rural service providers have the opportunity to participate in our spectrum auctions and in the provision of spectrum-based services.

To that end, the Commission recently adopted a Report & Order updating our competitive bidding rules to reflect the dramatic changes in the wireless marketplace since they were last updated in 2006. In 2006, the top four national carriers served 82 percent of the market; today the share of the top four national carriers has increased to 98 percent. Given these changes, the Commission acted in order to afford *bona fide* small businesses and eligible rural service providers a better on-ramp into the wireless industry and the flexibility to make businesses decisions that can create more wireless choices for consumers.

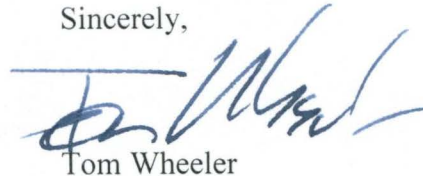
As you note, the Communications Act of 1934, as amended, directs the Commission to ensure rural service providers have the opportunity to compete for spectrum in the Commission's spectrum auctions. To aid these rural service providers, the Report & Order creates a bidding credit to incentivize their participation in future auctions and facilitate competition in rural areas. Specifically, the rural bidding credit will allow entities that serve predominantly rural areas and provide services to 250,000 subscribers or less to receive a 15 percent bidding credit or discount on the amount they must pay for licenses awarded at auction. For the upcoming Incentive Auction, at the request of rural service providers, the Report & Order also establishes a \$10 million cap on the overall amount of discounts that either small businesses or rural service providers may receive in smaller markets to ensure that they can compete for spectrum on equal footing with larger, well-financed small businesses.

Ultimately, the reforms adopted in the Report & Order will increase the economic opportunity for small and rural businesses, as well as ensure that the beneficiaries of our competitive bidding rules are those intended by Congress.

Page 2—The Honorable Al Franken

Thank you for your ongoing support of our efforts to promote competition and choice in mobile broadband.

Sincerely,

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Tom Wheeler



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

September 1, 2015

The Honorable Heidi Heitkamp
United States Senate
G55 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Heitkamp:

Thank you for your letter regarding the Commission's efforts to update our competitive bidding rules to provide small businesses and rural service providers with greater flexibility to compete in today's wireless marketplace. I appreciate your leadership and support for our efforts to ensure that *bona fide* small businesses and eligible rural service providers have the opportunity to participate in our spectrum auctions and in the provision of spectrum-based services.

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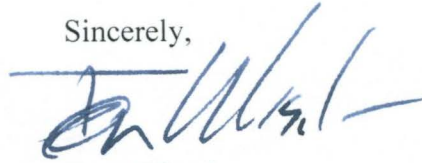
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OFFICE OF
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September 1, 2015

The Honorable Amy Klobuchar
United States Senate
302 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Klobuchar:

Thank you for your letter regarding the Commission's efforts to update our competitive bidding rules to provide small businesses and rural service providers with greater flexibility to compete in today's wireless marketplace. I appreciate your leadership and support for our efforts to ensure that *bona fide* small businesses and eligible rural service providers have the opportunity to participate in our spectrum auctions and in the provision of spectrum-based services.

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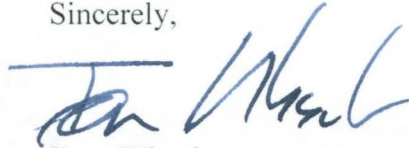
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OFFICE OF
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September 1, 2015

The Honorable Pat Roberts
United States Senate
109 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Roberts:

Thank you for your letter regarding the Commission's efforts to update our competitive bidding rules to provide small businesses and rural service providers with greater flexibility to compete in today's wireless marketplace. I appreciate your leadership and support for our efforts to ensure that *bona fide* small businesses and eligible rural service providers have the opportunity to participate in our spectrum auctions and in the provision of spectrum-based services.

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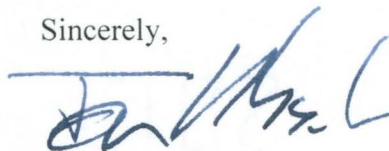
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OFFICE OF
THE CHAIRMAN

September 1, 2015

The Honorable Jeanne Shaheen
United States Senate
520 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Shaheen:

Thank you for your letter regarding the Commission's efforts to update our competitive bidding rules to provide small businesses and rural service providers with greater flexibility to compete in today's wireless marketplace. I appreciate your leadership and support for our efforts to ensure that *bona fide* small businesses and eligible rural service providers have the opportunity to participate in our spectrum auctions and in the provision of spectrum-based services.

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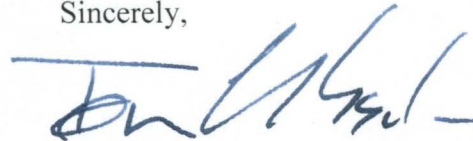
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FEDERAL COMMUNICATIONS COMMISSION
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OFFICE OF
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September 1, 2015

The Honorable Jon Tester
United States Senate
724 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Tester:

Thank you for your letter regarding the Commission's efforts to update our competitive bidding rules to provide small businesses and rural service providers with greater flexibility to compete in today's wireless marketplace. I appreciate your leadership and support for our efforts to ensure that *bona fide* small businesses and eligible rural service providers have the opportunity to participate in our spectrum auctions and in the provision of spectrum-based services.

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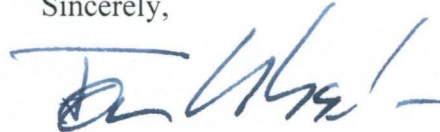
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