

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Transforming the 2.5 GHz Band*, WT Docket No. 18-120

In many areas of the U.S., the Educational Broadband Service (EBS) band never lived up to expectations. After a protracted history of wishful thinking that included educational broadcasting and then broadband opportunities for schools and non-profit institutions, we are mostly left with an inefficient system of commercial broadband leases, continuous licensing freezes, and underutilized spectrum. I recognize that certain educational institutions took advantage of their licenses and constructed networks, but they are few and far between. This situation warrants a new approach, one that moves the pendulum towards the Commission's well-established flexible use policies.

Today's item takes such a step by removing the educational restrictions on these licenses, fostering a more vibrant secondary market, and dusting off the bandwidth sitting in the FCC inventory by ordering an overlay auction where there is currently unlicensed spectrum. As such, the item generally moves in the right direction, and I applaud the Chairman for his leadership, even if I may have opted for tribal bidding credits rather than a tribal priority window. However, I certainly appreciate that the Chairman added stringent buildout requirements for licenses obtained in this set-aside. Every tribal EBS licensee should be on notice: if you don't build, the license will be cancelled.

On a broader note, it is fair to say no one can truly predict who will be interested in participating in this auction, and there is unlikely to be a mad rush for these licenses. While a winning bidder would obtain an overlay license, the only guarantee is the right and obligation to serve 80 percent of the white space population, not a larger area such as the unserved portion of a market. This may ultimately discourage some of our largest providers from participating in the auction.

Moreover, this proceeding is fundamentally about making slivers of spectrum available in those areas where it is not licensed. While additional spectrum opportunities in rural – or non-urban – markets are important, the lack of available spectrum in the largest markets makes it hard to characterize this as a true mid-band play for 5G or next-generation services. Accordingly, I certainly welcome and appreciate the Chairman's statements from last week indicating that the 3.5 GHz auction will occur in the first half of 2020; that there is likely to be a C-band item this fall; and that progress is being made on commercial use in the entire 3.1 to 3.55 GHz band. These are issues I have been working on for years to effectuate, and this is very welcome news for America's 5G outlook. I look forward to engaging further on these matters and reviewing the forthcoming items.

On this item, I approve.