

**REMARKS OF COMMISSIONER NATHAN SIMINGTON TO THE FREE STATE  
FOUNDATIONS FIFTEENTH ANNIVERSARY GALA LUNCH  
OCTOBER 15, 2021**

Thank you for the kind invitation to join you all here today. It's an honor not just to be here, but to be in such rarefied air. I am delighted to speak alongside Commissioners Brendan Carr, Mignon Clyburn, and Mike O'Rielly, as well as Deborah Lathen, who was Bureau Chief of the then-Cable Services Bureau, among her other important telecom work.

It's also a pleasure to join the Free State Foundation for their 15th anniversary. For a decade and a half, the Free State Foundation has served as an important venue at which lawmakers, regulators, and policy professionals from both sides of the aisle, and I imagine sometimes even from an aisle over, have come to hash out ideas related to the free market and limited government. While those ideas usually have been centered within telecom and technology, the principles within are durable and universal. I look forward to speaking with those with whom I share an opinion, and more importantly those with whom I disagree, at many Free State Foundation events to come.

As some of you may know, I selected Free State Foundation for my maiden address. In that address, I remarked on the 25th anniversary of the Telecom Act of 1996 and the fulfillment of the promise of the deregulatory era. I was cautioned by some that there would be incumbent interests within telecom who took umbrage with the sentiments I expressed supporting the Act in that speech. Now, with almost a year on the Commission in the rear view, I understand that it is probably not possible to utter a sentence for which it is not true that a vital and thoroughly informed interest in telecom will object. I'm sure if I came out today in support of chocolate ice cream, I'd be hearing from the vanilla lobby in due course with a PowerPoint on the importance of vanilla beans to the economy of Madagascar. And so I've concluded to be a bit Zen about the process--to learn what I need to but forget the rest.

And good thing, because nowadays I'm talking about receiver standards. And, predictably, I have ruffled a few feathers.

I hear from some corners that building better receivers is an expense. Well, true. Guard bands are an expense, too. Interference due to intermodulation and spurious emission are expenses. Every digital bit beneath the Shannon limit is an expense. Operating our wireless future on the back of cheap edge devices that are sensitive to interference in an increasingly spectrally dense mid-band environment will be a potentially very large expense when those devices fail. I don't know quite how big, but I am willing to bet it is smaller than the expense of the implementation of receiver standards.

I hear from some other corners that building better receivers stifles innovation. Many of those same players serve incumbents in the federal bands, and I'm not sure that they've made the same case to the NTIA regarding federal receiver standards, though it's always been available for them to make. Naturally, I'm skeptical that the bare existence of standards for minimum receiver performance are likely to stifle innovation. But here's

one thing about which I'm not skeptical. It's, at present, easier to build a cheap wireless device, with poor receiver performance, in China than it is here. What happens when the industry implements better receiver standards? Do consumers pay a bit more? Possibly. But do we also apply pressure to Chinese manufacturers, potentially making it feasible for non-Chinese manufacturers to compete to make higher quality devices with better components? Perhaps some domestically? That sounds, to me, like it'd have a protective effect on innovation, actually. And, at a minimum, it would mitigate some of the dominance of Chinese manufacturers in the domestic market.

I hear from still some other corners—at this point I'm not sure just how big this polygon is—that it is beyond the ken of the Commission's powers to regulate receivers. That the Commission effectively regulates transmit only. Well, I tend to think that our regulations are not simplex. We don't merely regulate transmissions. We regulate reception too—logically, we have to, because interference as experienced by an end user or device takes place in a single transmission-reception process. Traditionally we haven't focused on receivers, but that doesn't mean that we face an absolute bar. I think the Commission agreed to that in a task force in 2002, and Commissioners and Chairs since have come out in support. There may be reasons that we have yet to act, but those reasons are not about ambiguity over our regulatory authority.

Of course, I am at the Free State Foundation, and I didn't come here to argue for an overbearing, arbitrary Commission ukase on this subject. I hope the Commission doesn't ultimately regulate receivers. I suspect that the standards bodies and trade associations are in a better position than the Commission to project likely problems and anticipate them without fear of a heckler's veto from the most marginal actors. I'm sure the Commission staff would not thank the 8th floor for handing them the massive headache of writing regulations covering innumerable, highly disparate device models and use cases. Our best bet is to serve as a clearinghouse to encourage industry coordination and autoregulation. But I do think that the specter of regulation, from time to time, must loom in order to help industry act; eventually, either this issue will be solved, or the Commission's hand will be forced by public opinion, which is not the best way to get nuanced, thoughtful, capacious regulation. And so, for the good of the American people and to deliver on the promise of our wireless future, we must raise the question with industry.

Thank you again to Randy for the kind invitation to attend today.