

**STATEMENT OF
CHAIRMAN MICHAEL K. POWELL**

In the Matter of Amendment of Part 22 of the Commission's Rules To Benefit the Consumers of Air-Ground Telecommunications Services; Biennial Regulatory Review—Amendment of Parts 1, 22, and 90 of the Commission's Rules, WT Docket No. 03-103

Amendment of Parts 1 and 22 of the Commission's Rules To Adopt Competitive Bidding Rules for Commercial and General Aviation Air-Ground Radiotelephone Service, WT Docket No. 05-42

Application of Verizon Airfone Inc. for Renewal of 800 MHz Air-Ground Radiotelephone License, Call Sign KNKG804, File No. 0001716212

Report and Order and Notice of Proposed Rulemaking, adopted December 15, 2004.

The world of wireless telecommunications has seen immense technological and marketplace developments in the last decade. During that time, however, the 800 MHz commercial air-ground service has been locked in a narrowly defined technological and regulatory box. With this action today, we take important steps to bring this service up-to-date as both a technical and marketplace matter. We adopt an innovative new licensing approach that will allow the marketplace to help direct the most highly valued use of the commercial air-ground spectrum. We grant future licensees significant flexibility to meet consumer demand for broadband and other wireless services onboard aircraft while providing a reasonable transition period for the single remaining incumbent system. We lift the archaic technical constraints currently imposed on the 800 MHz service, while implementing the requirements and procedures necessary to ensure that public safety and other operations in adjacent bands are protected from harmful interference. We thus bring the 800 MHz commercial air-ground service into the 21st century and lay the groundwork for its continued growth and expansion as well as its participation in the marketplace of air-ground services provided to airplane passengers via multiple modes.