

**STATEMENT OF  
COMMISSIONER JESSICA ROSENWORCEL**

**Re: *Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, 2155-2180 MHz Bands, GN Docket No. 13-185***

This proceeding is important. We are teeing up for auction spectrum bands that have the potential to change our wireless landscape for years to come.

If we do this right, we can auction 55 megahertz for new mobile broadband uses. This may seem like a little regulatory feat. But it has the power to contribute big things to the economy. The services that are dependent on wireless airwaves are multiplying fast. Consider that mobile data traffic is projected to increase by 13 times in the next five years. Moreover, making more spectrum available can help grow the broader economy. After all, our wireless economy already generates nearly \$200 billion annually and supports directly or indirectly 3.8 million jobs.

But the promise of this proceeding goes further. Because if we get this right, we also will substantially fund a nationwide, interoperable, wireless broadband network for public safety—the First Responders Network Authority—even before we begin our upcoming spectrum incentive auctions. This is important, because it means we can finally deliver on the promise of the 9/11 Commission recommendations. Plus, funding this network through these auctions now will enhance the Commission's flexibility to design more robust incentive auctions later.

Now for details. In this rulemaking, the Commission asks about spectrum that Congress specifically directed the agency to auction in the Middle Class Tax Relief and Job Creation Act. But this rulemaking goes above and beyond. It also seeks comment on spectrum not specifically identified by Congress, notably the 1755-1780 MHz band. There has been a full court press to auction these airwaves paired with the 2155-2180 MHz band identified in the law. There is good reason for this—these bands are internationally harmonized for mobile broadband use. They are a more valuable resource auctioned together. At the same time, it is important for this agency to find a way to respect the existing federal uses in the band, including the national defense.

I am hopeful that we will soon have a path to clear 1755-1780 MHz for commercial mobile broadband use. Nonetheless, I think we need a plan in the event that this spectrum is not fully cleared and ready for pairing with 2155-2180 MHz.

To this end, I am thankful that the Commission is asking about my proposal to auction the 2155-2180 MHz band along with the right to work with the federal incumbents in the 1755-1780 MHz band. This could be an elegant way forward. It could raise the value of the 2155-2180 MHz spectrum—by the amount the winning bidder allocates to purchasing the exclusive right to negotiate with federal incumbents. Moreover, by providing a source of agency, it could create opportunity for direct negotiation with federal users and foster creative ideas for near-term testing, sharing, and long-term clearing and relocation.

Finally, timing matters. The Middle Class Tax Relief and Job Creation Act requires the Commission to license 55 megahertz of spectrum as discussed in this rulemaking and 10 megahertz of spectrum in the 1915-1920 MHz and 1995-2000 MHz bands, known as the H-block, by February 22, 2015. To license it by this date requires that we auction it in 2014. In light of the 18-month long process for repurposing federal spectrum in the Commercial Spectrum Enhancement Act, that means the spectrum currently allocated for federal use must be auctioned in the third quarter of 2014.

I would prefer that we auction all of these spectrum bands in a single auction. That means one simple auction of the 65 megahertz described in the Middle Class Tax Relief and Job Creation Act—combining the 55 megahertz described here with the 10 megahertz from the H-block. A single auction could mean more interest from more bidders. A single auction could mean more ability to consider how these bands can be substitutes or complements for one another. A single auction could be our best shot for funding the First Responder Network Authority now, and providing the agency with more flexibility in the incentive auction down the road. At the same time, I recognize that auctioning the H-block earlier in a separate auction may have benefits for the agency. But we should be careful that administrative convenience does not get in the way of good spectrum policy and the objectives under the law.

In the end, there is a lot to be optimistic about in this proceeding. The auction of spectrum described in this rulemaking, with the incentive auctions to follow, is exciting. It is the kind of activity that is good for the economy, good for consumers, and can help keep the United States at the vanguard of spectrum policy.