STATEMENT OF
COMMISSIONER JESSICA ROSENWORCEL

Re: Reallocation of 470-512 MHz (T-Band) Spectrum, PS Docket No. 13-42

With this Notice of Proposed Rulemaking the Federal Communications Commission puts in place a process to auction airwaves used for public safety communications in the T-Band. That’s a bad idea, any way you cut it. For one thing, it would disrupt critical communications for first responders in Boston, Chicago, Dallas, Houston, Los Angeles, Miami, New York, Philadelphia, Pittsburgh, San Francisco, and Washington, DC during a nationwide public health emergency. For another, relocating the communications of these existing public safety authorities would cost billions more than we can reasonably expect to recover in this auction. Finally, the lack of alternative public safety spectrum in many of the affected areas would leave a dangerous gap in emergency communications.

Nonetheless, the Middle Class Tax Relief and Job Creation Act of 2012 requires the FCC to auction this spectrum. The agency does not have the authority to waive this statutory requirement, even if under present circumstances this auction is clearly not in the public interest. That is why I support today’s decision. It is, under present circumstances, necessary to comply with the law. However, I wholeheartedly agree with the Chairman that congressional action that would stop this auction and allow public safety authorities to continue to communicate using the T-Band is the best way forward.

That being said, I don’t think the FCC should simply sit back and wait for Congress to address this problem. This rulemaking contemplates an auction in which the issuance of new licenses is contingent on the winning bids exceeding the estimated relocation costs of public safety. Those costs are expected to be roughly $6 billion. However, last year the Government Accountability Office found that revenue from this auction is not expected to exceed $2 billion. So from the start, this auction is destined to fail. That’s because in order to succeed the auction revenue from roughly 40 megahertz of spectrum in a limited number of metropolitan areas would need to be greater than the revenue raised from the FCC’s previous nationwide auctions of 700 megahertz of spectrum in the 24 GHz band and 850 megahertz of spectrum in the 28 GHz band combined. That’s a tall order. It’s highly unlikely, and will squander significant agency time and resources.

We may also wish to explore in this rulemaking how instead of triggering license grants on winning bids, we can trigger the start of the auction on other indicators of auction success, like upfront payments or short-form applications. This would reduce the administrative expense and time devoted to an auction with no likelihood of success.

In addition, we could take a close look at what conditions we can lawfully place on the bidding eligibility under Section 309(j) of the Communications Act. For instance, if it is possible to limit participation to those who rely on these airwaves today, we might be able to give public safety users a fighting chance to keep their spectrum in the future.

I look forward to reviewing the record that develops in this proceeding. I hope it includes additional ideas about how to move forward under existing law. Because in the end the FCC must find a way to address the T-Band in a manner that advances the public interest, including for our nation’s first responders.