

Promoting Spectrum Policies that Serve the Public

Issue

Wireless companies and others claim that current amounts of spectrum, or airwaves, allocated for high-speed wireless Internet service are not sufficient to meet the expected increase in consumer demand over the next few years. These companies have urged the federal government to reallocate spectrum for future wireless use.

When the Federal Communications Commission (FCC) staff released its National Broadband Plan last year, it reflected these arguments, calling for the reallocation of spectrum, including airwaves currently used by local television broadcasters. The FCC is seeking authority from Congress to hold spectrum incentive auctions to accomplish this goal.

The National Association of Broadcasters (NAB) is working to ensure spectrum incentive auctions are entirely voluntary and do not harm the viewers who rely on local television by threatening their existing services and impeding new ones, such as local news, high definition programming, multicast channels or free, mobile TV.

History

On March 16, 2010, the FCC presented the National Broadband Plan to Congress. The plan recommends the reallocation of 500 MHz of spectrum for wireless broadband use, with 120 MHz, or 20 channels, coming from the spectrum currently allocated to local television broadcasting. In late 2010, the FCC released a rulemaking notice that represented the first major step in efforts to implement recommendations made in the National Broadband Plan.

The FCC has not yet released details or analysis of how a spectrum incentive auction would be conducted, and more importantly, how a subsequent repacking of the TV band would affect local stations and viewers.

According to a thorough analysis by NAB's chief engineers, to clear 20 TV channels as called for in the National Broadband Plan, **40 percent of full power local television stations in the U.S. would have to vacate their current TV channel assignment, and a minimum of 210 of those stations would go off the air permanently.**

The NAB analysis found that 672 of the nation's 1,735 full-power TV stations must be "cleared" from channels 31-51 to accommodate the FCC's goal of reclaiming an additional 120 MHz of spectrum from broadcasters. During the analog-to-digital TV transition completed in 2009, only 174 stations had to be cleared from channels 52-69 and forced to move to a new channel.

If the FCC's National Broadband Plan is implemented without the proper viewer protections, service disruption, confusion and inconvenience for local television viewers could dwarf the consumer impact of the recent DTV transition.

Congress is currently considering legislation that would provide the FCC with authority to conduct incentive auctions of currently licensed spectrum, including some TV airwaves. Incentive auctions, if approved, may involve bidders, such as wireless companies, bidding for spectrum that is voluntarily relinquished by existing licensees. Those licensees then potentially would receive a portion of the auction revenue.

On June 8, the Senate Commerce Committee passed S. 911, a measure introduced by Chairman Jay Rockefeller (WV) and Ranking Member Kay Bailey Hutchison (TX), which seeks to allocate D-Block spectrum outright to the public safety community and provide the FCC with "voluntary incentive auction" authority. While this legislation

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addresses many concerns broadcasters raised with regard to holding stations harmless in a voluntary incentive auction, NAB continues to work with interested stakeholders to preserve signal coverage areas, oppose spectrum taxes and maintain broadcasters' ability to innovate with multicast programming and mobile TV.S. 911 remains pending in the Senate.

On December 1, the Subcommittee on Communications and the Internet of the House Energy and Commerce Committee marked up the "Jumpstarting Opportunity with Broadband Spectrum Act of 2011" (JOBS Act). This legislation includes language providing for voluntary incentive auctions of broadcast spectrum.

This bill, drafted by Chairman Greg Walden (OR-02), contains each of the four protections requested by television broadcasters, namely signal contour protections, promised future innovation for television stations, only a one-time incentive auction and a relocation reimbursement fund of \$3 billion.

The spectrum auction issue will continue to be a major priority for NAB for the remainder of the year.

NAB Position

NAB supports truly voluntary spectrum incentive auctions. Truly voluntary auctions include provisions to ensure viewers retain access to the local news, emergency information and quality programming on which they rely and safeguard their ability to take advantage of broadcast innovations on the horizon.

To protect our viewers, we believe the following items must be included in any spectrum legislation:

1. Preserve viewers' access to broadcast signals by directing the FCC to replicate stations' existing service areas in the event of relocating channels within the television band;
2. Enable television broadcasters to continue to innovate and offer new services to viewers by preventing the FCC from involuntarily moving stations from the UHF to the VHF band;
3. Provide certainty to viewers, broadcasters and investors for the future by permitting only one incentive auction for broadcast spectrum; and
4. Reimburse stations for costs associated with relocating to new channels.

Action Needed

In considering legislation to authorize voluntary spectrum incentive auctions, Congress should ensure the appropriate viewer protections sought by broadcasters are included so that stations choosing not to participate in an auction are still able to provide their viewers with current services and future innovations.

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