

# All Eyes Turn to Deficit Reduction Committee as Spectrum Debate Resurfaces

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Although it is still possible that a stand-alone spectrum bill could advance in the 112th Congress, the expectation is that the debate over spectrum will be wrapped up into the larger debate on deficit reduction. And that debate will be dominated by the Joint Select Committee on Deficit Reduction, also known colloquially as the Super Committee. That Committee, consisting of 12 Members (six from each Chamber, and six from each political party), has been tasked with developing a proposal to cut at least \$1.2 trillion from the deficit over the next 10 years. Any proposal developed by the Super Committee must be finalized by November 23 and have the support of a majority of its Members. If the Committee is able to meet these milestones, the proposal then will be referred to the House and Senate for consideration, with no amendments and no filibusters permitted.

The revenue potential associated with incentive auctions and other spectrum proposals is expected to be quite attractive to the Super Committee, in particular House Energy and Commerce Committee Chairman Fred Upton (R-MI) and Senate Commerce Communications Subcommittee Chairman John Kerry (D-MA), who are Members of the Super Committee. The Congressional Budget Office has indicated that spectrum auctions could raise more than \$24 billion in the next 10 years, a not insignificant amount of revenue at a time when every penny counts. Senate Commerce Committee Chairman Jay Rockefeller (D-WV) still supports using a portion of that revenue to fund the build-out of a nationwide public safety mobile broadband network, a proposal supported by many Members of the House and Senate (and the Administration). But the House and Senate continue to differ over which spectrum bands should be used for that network, and more specifically, whether the 700 MHz D-Block should be reallocated to public safety.

The American Jobs Act, released by the White House in mid-September, added another set of spectrum issues to the Super Committee's plate. That legislation, which includes a number of reforms meant to promote job creation in the U.S., includes language that would grant the Federal Communications Commission (FCC) the authority to impose spectrum fees on spectrum license holders other than TV broadcasters and public safety entities (who benefit from a statutory exemption from such fees in the bill). The Act also sets revenue targets for the Commission to meet through spectrum fees. Finally, the Act makes certain changes related to the auction of domestic satellite spectrum, including Mobile Satellite Spectrum and use of such spectrum for terrestrial broadband services.