

March 10, 2023

The Honorable Bob Latta  
Chairman  
Committee on Energy & Commerce  
Subcommittee on Communications &  
Technology  
U.S. House of Representatives  
2125 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Doris Matsui  
Ranking Member  
Committee on Energy & Commerce  
Subcommittee on Communications &  
Technology  
U.S. House of Representatives  
2322 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Latta and Ranking Member Matsui:

Competitive Carriers Association (“CCA”) respectfully submits this Letter for the Record for today’s Energy and Commerce Subcommittee on Communications and Technology’s hearing “Defending America’s Wireless Leadership.” CCA is the leading trade association for competitive wireless carriers, and represents carrier members ranging from small, rural providers serving fewer than 5,000 customers to regional and nationwide providers serving millions of customers, as well as vendors and suppliers that provide products and services throughout the wireless communications ecosystem. Spectrum is the lifeblood of wireless networks, and access to spectrum is fundamental for advancing ubiquitous connectivity and U.S. competitiveness regardless of where Americans live, work, or travel. Today’s hearing comes on the heels of the Federal Communication Commission’s (FCC) spectrum auction authority expiring for the first time in three decades. Continued U.S. leadership in the wireless industry and ongoing efforts to expand ubiquitous wireless connectivity depend on swift action from Congress to reinstate auction authority as rapidly as possible.

CCA appreciates the Subcommittee’s historic leadership and commitment to wireless issues, which has spurred innovation, connectivity, and opportunity in the United States. Spectrum access is vitally important for continued operations and growth for all carriers, including CCA’s members. Equitable and reasonable opportunities to access spectrum are a cornerstone of achieving ubiquitous connectivity. Congress, and especially this Committee, can advance ubiquitous connectivity and U.S. global competitiveness through proactive spectrum policy by re-establishing and re-affirming the Federal Communications Commission’s (“FCC”) spectrum auction authority, ensuring additional spectrum bands are made available for licensed, terrestrial use in ways that support greater competition and expanded access to wireless broadband services, and protecting U.S. networks and consumers by fully funding the Secure and Trusted Communications Networks Reimbursement Program (“Program”).

***Reinstating Federal Spectrum Auction Authority***

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CCA strongly supports efforts to reinstate the FCC's auction authority. The expiration of the FCC's spectrum auction authority is detrimental not only to wireless providers, but also to consumers and small businesses that rely on wireless connectivity. A prolonged lapse could have serious consequences to U.S. wireless competitiveness.


Spectrum auctions have been a resounding success and have provided significant benefits to our country, generating \$230 billion in revenue since 1993 and fueling American competitiveness. FCC-led spectrum auctions give all carriers meaningful opportunities to access spectrum, including opportunities for smaller and rural carriers to secure licenses to provide the latest wireless services in communities that may otherwise be left behind. Smaller carriers can compete with larger, nationwide carriers through appropriately structured spectrum auctions, in turn allowing them to serve their communities, create jobs, and innovate. Expiration of the FCC's spectrum auction authority injects uncertainty into a critical process and undermines America's authority as a technological leader in the world. Extending the FCC's auction authority without delay restores certainty in the auction process and supports continued wireless deployments throughout America.

Further, Congress has helped to facilitate participation in spectrum auctions by carriers of all sizes by requiring disseminating licenses to a wide variety of applicants, including rural providers and small businesses. By directing the FCC to create auction rules and frameworks promoting competition, smaller carriers and consumers directly benefit from policies such as rural bidding credits, appropriately sized geographic license areas, interoperability, reasonable spectrum aggregation limits, and opportunities for secondary market spectrum transactions. FCC-led spectrum auctions, along with Congressional guidance and oversight, can ensure all carriers have meaningful opportunities to compete for this valuable resource.

### ***Meeting Future Spectrum Needs***

All carriers depend on access to spectrum to maintain, expand, and strengthen networks across America. To meet those needs and best ensure America's continued wireless leadership, additional spectrum must be made available for licensed, terrestrial use. Wireless carriers need visibility into potential spectrum opportunities as they plan for the future of their networks. This means knowing which spectrum frequencies will become available, and when they will be auctioned and available for use, to manage networks and plan for consumer demands and continued expansion.

To keep up with insatiable demands for increased wireless coverage, use cases, and speeds, Congress should continue to explore options for freeing up additional spectrum for commercial terrestrial wireless services or otherwise provide additional flexibility within existing spectrum bands where appropriate. This includes directing federal agencies to expeditiously explore new opportunities to reallocate spectrum for terrestrial wireless use. To ensure that rural and regional carriers can access spectrum, Congress should particularly ensure that additional spectrum is made available in ways that support services in rural America.



Prioritizing consideration of spectrum with characteristics suitable for rural areas, policies that support equitable opportunities for smaller or regional carriers to access and use spectrum, and programs that expand competitive 5G across the nation will advance U.S. wireless competitiveness. Care should also be paid to frequencies with existing equipment ecosystems or global harmonization to promote U.S. competitiveness internationally and continue to lead in new technology developments.

### ***Securing Wireless Networks***

Spectrum access is essential to expanding broadband and closing the digital divide. Another key element to America's wireless leadership is ensuring that networks operating throughout the nation are secure. CCA urges Congress to act immediately to address a national security mandate created by Congress that leaves wireless networks vulnerable. Congress must immediately provide full funding for the Secure and Trusted Communications Networks Reimbursement Program to remove, replace, and destroy untrusted communications equipment from our domestic networks.

Members of this Committee were instrumental in passing the Secure and Trusted Communications Networks Act (P.L. 116-124) and providing funding for the "Rip & Replace" program. The Program funds the removal of Chinese-made equipment and services deemed to pose a national security risk from U.S. telecommunications networks and the replacement of that equipment with equipment and services from trusted vendors. At the direction and advice of Congress and the FCC, carriers began the process of removing such equipment with the understanding that they would be fully reimbursed. However, many are now stranded mid-effort.

Congress provided approximately \$1.9 billion to fund the program in late 2020, but there is a shortfall of approximately \$3.08 billion based on approved applications from the FCC. The FCC allocated funding proportionately, providing approximately 40 percent of needed funds to each applicant. Partial funding is insufficient to complete the removal, replacement, and destruction of untrusted equipment. Furthermore, because the FCC's timeline to complete this work began in July 2022, the window is closing on this high-priority and accelerated Program. The FCC cannot provide additional resources for this Program – only Congress can provide funding to resolve the shortfall. Every day that passes without addressing this national security threat is another day that American networks remain at risk.

Failure to fund the Program leaves a Congressionally-mandated national security directive incomplete, with untrusted equipment still in service today, threatening the security and availability of advanced communications services to primarily rural residents, visitors, workers, military bases, and strategic national security installations. Further, without immediate funding, some impacted carriers may be forced to shutter their businesses entirely, threatening the availability of advanced communications in their service areas. Impacted carriers have been largely prohibited from servicing or upgrading their networks for years, increasing chances for network degradation or even failure, and leaving their communities behind as technology

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evolves to 5G and beyond. Failure to fully fund the Program threatens the availability of advanced communications across the country, particularly in rural America, where ubiquitous connectivity challenges already abound.

CCA appreciates this Subcommittee's efforts to fully fund the Program through future spectrum auction revenues. Congress must make this a top priority to ensure the continuity of connectivity in communities across America as well as the security of American networks. America's wireless leadership depends on it.

CCA thanks the Subcommittee for its leadership on spectrum policy. Congress must continue pressing these issues forward to maintain America's ability to compete and lead on wireless issues on a global scale. 5G and successor generations of wireless technologies hold vast potential for American leadership and life changing opportunities in rural America. CCA looks forward to working with Congress to advance spectrum policies needed to advance coemption and connectivity.

Sincerely,



Tim Donovan  
President and CEO  
Competitive Carriers Association

cc:

The Honorable Cathy McMorris Rodgers, Chair, House Committee on Energy & Commerce  
The Honorable Frank Pallone, Jr., Ranking Member, House Committee on Energy & Commerce