



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE:
May 14, 2008

NEWS MEDIA CONTACTS:
Robert Kenny: (202) 418-2668 (PSHSB)
Chelsea Fallon: (202) 418-7991 (WTB)

FCC SEEKS COMMENT ON HOW TO PROCEED WITH THE REAUCION OF THE 700 MHz D BLOCK SPECTRUM AND CREATION OF A NATIONWIDE, INTEROPERABLE PUBLIC SAFETY BROADBAND NETWORK

Washington, D.C. – In a sustained commitment to address the nation's public safety communications challenges, the Federal Communications Commission (FCC) today adopted a Second Further Notice of Proposed Rulemaking (Notice) that seeks public comment on how the Commission should proceed with the reauction and licensing of the 700 MHz D Block spectrum while maximizing the public safety and commercial benefits of a nationwide, interoperable broadband network.

In July 2007, the FCC adopted rules for the 700 MHz Band spectrum that included the creation of a 10-megahertz license in the D Block to be part of a 700 MHz Public/Private Partnership with the adjacent 10 megahertz of spectrum dedicated to a Public Safety Broadband License. The 700 MHz Public/Private Partnership was designed to achieve the important public policy goal of promoting public safety interoperability, allowing police, fire and other first responders to better communicate with one another in times of emergency. Because the D Block did not meet its \$1.3 billion reserve price in the 700 MHz Auction, the FCC intends to re-auction this spectrum under revised rules.

Today's Notice asks for comment, ideas, and recommendations on how to revise the rules for the D Block. First, the Notice asks whether it remains in the public interest, following the 700 MHz Auction, to retain a Public/Private Partnership between the D Block licensee and the Public Safety Broadband Licensee. The Notice also seeks comment on various potential modifications to the current rules governing the Public/Private Partnership. For instance, the FCC asks whether only entities that provide public safety services, as defined in the Communications Act, are eligible to use the public safety spectrum portion of the shared network established by the Partnership.

Comments are also sought on the technical requirements of the shared wireless broadband network. In this regard, the Notice includes information on a possible technical framework that identifies in greater detail parameters for the shared wireless broadband network.

-more-

In addition, commenters may provide input on the following issues raised in the Notice:

- the rules governing public safety priority access to the network during emergencies;
- the performance requirements and license term;
- whether to license the D Block and public safety broadband spectrum on a nationwide or regional basis;
- the various fees associated with the shared network;
- whether or not it would be appropriate for the Public Safety Broadband Licensee or any of its agents, advisors, or service providers to serve as a mobile virtual network operator to manage access and use of the 700 MHz D Block of spectrum by first responders;
- the process for the D Block licensee and the Public Safety Broadband Licensee to negotiate a Network Sharing Agreement;
- the potential for requirements that the Public Safety Broadband Licensee be a non-profit organization and that no for-profit entities, apart from certain outside advisors or counsel, be involved; and
- auction-related issues, such as whether to restrict auction participation and how to determine a reserve price.

The Notice also seeks comment on how the D Block should be auctioned and licensed for commercial use if it were not required to be part of a Public/Private Partnership. The FCC requests input on other ways to facilitate the deployment of a public safety broadband network if it found such a partnership were no longer in the public interest. The FCC notes that, if the D Block no longer contained the Public/Private Partnership condition, additional actions by Congress may be necessary to support the cost and build-out of a nationwide, interoperable broadband network for America's first responders.

Action by the Commission, May 14, 2008, by Second Further Notice of Proposed Rulemaking (FCC 08-128). Chairman Martin, Commissioners, Copps, Adelstein, Tate, and McDowell. Separate statements issued by Chairman Martin, Commissioners Copps, Adelstein, Tate, and McDowell.

For additional information on the commercial services portion of the 700 MHz Band, contact Peter Trachtenberg at (202) 418-7369 or Peter.Trachtenberg@fcc.gov. For additional information on the public safety portion of the 700 MHz Band, contact Jeff Cohen at (202) 418-0799 or Jeff.Cohen@fcc.gov.

WT Docket Nos. 06-150

PS Docket No. 06-229

– FCC –

News about the Federal Communications Commission can also be found on the Commission's web site www.fcc.gov.

STATEMENT OF
COMMISSIONER ROBERT M. McDOWELL

Re: Service Rules for the 698-746, 747-762 and 777-792 MHz Bands, WT Docket No. 06-150; Implementing a Nationwide, Broadband, Interoperable Public Safety Network in the 700 MHz Band, PS Docket No. 06-229, *Second Further Notice of Proposed Rulemaking*, FCC 08-128

President Franklin D. Roosevelt once said, "It is common sense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something." Today, all five of us are admitting that we tried something and failed at it. Now we're back to the drawing board and calling upon the public and interested parties for guidance on how to move forward and successfully auction the D Block.

To put today's *FNPRM* in context, let's review some recent history. Last summer's 700 MHz Order included a plan to spark the construction of a state-of-the-art, nationwide, interoperable network for America's public safety users through a public/private partnership. We allocated 10 megahertz of spectrum for public safety use, known as the "D Block," on top of the 24 megahertz Congress allocated to public safety in 1997. The Commission created this framework after working closely with the public safety community, and I supported it. Hopes were high that this additional spectrum would provide an incentive for a private entity to construct the nationwide, interoperable, broadband network all of us have been discussing since the attacks of 9-11.

Even though public safety already has at its disposal 97 megahertz of spectrum in total to serve America's approximately two million public safety users, roughly half of that spectrum lies fallow due to a lack of funds and coordination. The Commission allocated an additional 10 megahertz, above and beyond what Congress gave, to try to create an incentive for the private side of the public/private partnership to invest risk capital to build a nationwide public safety network suitable for 21st century challenges. In the absence of congressionally-appropriated funding for this network, the Commission concluded that this type of public/private partnership was the best way to jump-start funding and construction.

In the wake of the D Block's failure, I have met with a number of parties to analyze what went wrong. Apparently potential bidders were deterred by onerous build-out and service requirements that required the eventual licensee to incur massive costs in an atmosphere of extreme uncertainty regarding how many, if any, public safety entities might actually sign up as paying customers. Today's further notice offers an open-ended opportunity for all interested parties to tell us what we did wrong, what our new goals should be, and how we can accomplish those goals.

Even though the D Block auction was unsuccessful, I am fully committed to examining all options that may lead to the construction, and continued operations, of this vision. Yes, the comment periods we adopt today are fairly tight; however, it is important that we continue to

move forward and increase our momentum. We are well-positioned to build upon our already robust record. I am confident that we can and will proceed in a thorough and thoughtful manner.

What we don't want is the type of situation Samuel Beckett was referring to when he wrote, "Go on failing. Go on. Only next time, try to fail better." In contrast, Thomas Edison once said about failure, "I am not discouraged because every wrong attempt discarded is another step forward." Today we are taking that next step forward. Accordingly, I support this further notice.

**STATEMENT OF
COMMISSIONER DEBORAH TAYLOR TATE**

Re: Service Rules for the 698-746, 747-762 and 777-792 MHz Bands, WT Docket No. 06-150; Implementing a Nationwide, Broadband, Interoperable Public Safety Network in the 700 MHz Band, PS Docket No. 06-229, Second Further Notice of Proposed Rulemaking, FCC 08-128

The Commission's July 31, 2007 Report and Order on the 700 MHz band was clear in its intent - to make available spectrum for new commercial uses and for the benefit of public safety, to include a nationwide, interoperable, broadband public safety communications capability. The recently completed 700 MHz auction was a grand success with regard to this first goal. It made available 52 megahertz of highly valued spectrum for new commercial uses, including advanced services such as broadband. So highly valued is this spectrum that this historic auction set the record for most receipts for any U.S. spectrum auction – \$19 billion. Moreover, the auction was conducted flawlessly, despite including more than 1,000 licenses and incorporating anonymous bidding in addition to allowances for combinatorial bidding on certain licenses. We too often gloss over “good news” when something runs flawlessly, so I especially want to thank the many FCC staff who spent months in preparation and execution of this auction, and congratulate them on being part of history.

Nonetheless, as we all know, there was one very disappointing outcome of this auction. Congressman Pickering may have most eloquently described the situation as “a blessing in disguise.” No party offered a bid sufficient to meet the reserve price for the D Block, which was designated for a public/private partnership that would establish an interoperable broadband network for the benefit of public safety users. Today, we have an opportunity to learn from our mistakes and set the course for a path forward. To that end, in this Second Further Notice, we seek comment on the policy that will best advance this goal.

From Silicon Valley to MIT to the Oak Ridge National Laboratory in my home state of Tennessee, to other centers of excellence across this country, I am firmly convinced that we have the intellect, ingenuity and collaborative skills to solve the problem of interoperability once and for all in this country. Some areas of the nation already are interoperable; others are well on their way. Some have initiatives that have been years in the planning and many have already expended State, local and private resources. We should not disrupt those who have begun and in some cases already created their own public/private partnerships, and we should keep in mind that the D Block will not even be available until some period after the DTV transition. As a former State official, I have worked hard to ensure that the Commission's rules work with, not against, the best efforts of State and local governments. I hope that the rules that we will adopt for this spectrum will be consistent with that goal.

For this reason, we should encourage States and localities to continue to make interoperability a top priority and a reality; not wait on the Federal government to go through another auction process. Those systems must assuredly be integrated into a national network, but I continue to hear that this is feasible given the intelligence of today's devices and architectures. At the same time, we should encourage them to share their successes and challenges as we attempt, again, to provide the only solution that we, the FCC, have at our fingertips – that is, spectrum – so that our public safety entities can truly be part of a nationwide interoperable communications network.

With regard to the choices before us, in this item we seek comment on whether the Commission should auction the ten megahertz of spectrum comprising the D Block with a modified version of the public/private partnership that was previously adopted, or auction this spectrum with no such requirement. The choice between these two options is one of the key decisions we will make in this proceeding.

It is important to clearly understand the strengths and weaknesses of both approaches. For example, auctioning the D Block with no public/private partnership and minimal service rules might maximize the funds raised at auction, funds that then would be available for Congress – if it so chooses – to appropriate for public safety communications. On the other hand, requiring the D Block winner to participate in a public/private partnership would ensure a dedicated provider that then may be well-positioned to coordinate interoperable services and take advantage of economies of scale. There are other potential costs and benefits that should be addressed. For this reason, I strongly encourage comments in this regard from the public safety community, from potential service providers, and from other experts and interested parties. I especially encourage the comments of parties that already have developed interoperable broadband communications capabilities for public safety operations, including State agencies, large and small municipal agencies, as well as the commercial entities that service those initiatives. We need and value your input.

Also, to the extent the Commission adopts a public/private partnership, we must be clear about the capabilities our public safety providers will need, and exactly what will be required of their commercial partner(s) in terms of coverage, reliability, functionality, network hardening, quality of service, and more. Establishing those specifications is a complicated process, one that frequently is handled elsewhere in government – by Federal agencies such as the Department of Defense and Department of Homeland Security, by State agencies, and by municipalities – often through the use of RFPs (requests for proposal). While the Commission does not have experience conducting RFPs, it could, through an additional round of comments or other process, seek input from the public safety community so as to ascertain their needs, as well as input from potential providers so as to ascertain what specifications can be provided, and at what cost.

Today, I call on this nation's best and brightest – engineers, members of the public safety community who are already engaged in establishing these networks, other federal agencies with similar needs, commercial enterprise, network operators, providers, new entrants and yes, even successful investors and entrepreneurs – to respond to this call from your country. I ask you to give of your brainpower, your time, your efforts and your money to ensure that every emergency situation – whether a natural disaster or a terrorist attack – will receive the immediate response it deserves from public safety providers with fully equipped, truly interoperable communications capabilities. All of America will truly be safer and more secure because of your efforts.

I thank the dedicated staff of the Public Safety and Homeland Security Bureau, the Wireless Telecommunications Bureau, the Office of Engineering and Technology, and the Office of Strategic Plans and Policy for their long hours and valuable contributions to an extremely complex, yet extremely important, public policy item.

**STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

Re: Service Rules for the 698-746, 747-762 and 777-792 MHz Bands, WT Docket No. 06-150; Implementing a Nationwide, Broadband, Interoperable Public Safety Network in the 700 MHz Band, PS Docket No. 06-229, *Second Further Notice of Proposed Rulemaking*, FCC 08-128

We need only tune in to any news channel, particularly in recent months, to find constant reminders of the important role communications plays during emergencies. Despite these alarm bells, we are still without a network that allows our first responders to communicate with each other across agencies and beyond state borders quickly and easily. The ability to respond to an emergency event directly correlates to the ability of a first responder to save a life, protect people from harm or mitigate property damage. Quite simply, the longer we delay the implementation of an interoperable broadband network for public safety, the more lives we put at risk.

One of the Commission's core directives under the Act is to promote the safety of life and property through communications. We can and we must play a key role in improving our nation's disaster preparedness, network reliability, and communications among first responders. Were we working on a blank canvas, I would have preferred direct federal funding for building a national public safety broadband network. Nevertheless, I am aware that the public-private partnership framework itself presents the only option available to us. Members of Congress on a bipartisan basis have endorsed such an approach.

I do believe that the public/private partnership framework can be a successful model for bringing about this desperately needed network, but only if appropriate checks and balances are in place. A true public-private partnership must meet the needs of both partners. If public safety's needs are not met, the basic objective is not met. If a private partner's need for a return on capital and regulatory certainty are not met, then that partner will not be in a position to attract the capital necessary to meet public safety's objectives. A partnership is just that, and both sides must win to make it work.

With these concerns in mind, I extend my support for this Second Further Notice of Proposed Rulemaking because it represents our collective efforts to remedy the interoperability problem that has long plagued our nation's public safety community. The open-ended nature of this inquiry reflects a good-faith effort to start from scratch after a disappointing failure. I certainly hope we will make every attempt to find a solution that works for public safety, and not simply throw up our hands in frustration and go the commercial auction route.

True interoperability has been an elusive goal for the public safety community. Despite our best efforts, the Commission's policies to date have not provided the results we had hoped. And while there have been some gains towards interoperability with the creation of certain state-wide and metropolitan area networks, most public safety communications systems remain localized, and interoperability between local, state, and federal agencies continues to be limited. This is unacceptable. As we become a country increasingly immersed in the digital broadband world, it is critical that our first responders have access to the same first-rate communications systems that many consumers already have.

Our proposal today lays out a myriad of complex and critical elements that must be closely evaluated in order to address the end goal of bringing our public safety community an interoperable network that keeps pace with our digital advancements. I am pleased that we have put forth for comment a broad set of possible revisions to the public/private partnership structure as well as a framework for technical requirements. While we have carefully attempted to include as comprehensive a set of proposals and options as possible, we look to commenters to address many important details and specifics

and to elucidate any stones we have left unturned.

One of our greatest failings last time was that the expectations were not made clear upfront as to how the network would look and what would be asked of a private sector partner. We have since learned that potential private partners did not have the certainty they needed to raise or commit capital to the project. Our hope this time, in the end, is to generate a set of rules that provide a real incentive for building the most advanced and interoperable nationwide network possible through a careful balance of flexibility and conditions that are laid out clearly and explicitly upfront.

Finally, while I wholeheartedly support the launch of this proceeding today, I do want to counsel for taking a cautious and deliberate approach to an ultimate resolution. I am pleased that my colleagues have agreed to put forth a Further Notice of Proposed Rulemaking that details a more specific and complete proposal. This allows commenters to “kick the tires” on any proposed rules, and I thank Commissioner Copps for his wise insistence on this approach. It is important that we get the specifics nailed down as clearly as possible this time around, since it may be our last shot. I look forward to a full and detailed record on these issues, and commend the Bureau staff and my colleagues for working diligently to draft a comprehensive and detailed proposal.

**SEPARATE STATEMENT OF
COMMISSIONER MICHAEL J. COPPS**

Re: Service Rules for the 698-746, 747-762 and 777-792 MHz Bands, WT Docket No. 06-150; Implementing a Nationwide, Broadband, Interoperable Public Safety Network in the 700 MHz Band, PS Docket No. 06-229, *Second Further Notice of Proposed Rulemaking*, FCC 08-128

In the seven years since 9/11, three years since Hurricane Katrina, and one year since we began the most recent auction of the 700 MHz spectrum band, we have learned two hard and disappointing lessons. First, that America desperately needs to improve the communications tools available to its heroic first responders. And, second, that achieving this task is not going to be easy.

As I have stated before, I believe the nation's most prudent response in the terrifying days following 9/11 would have been to build a dedicated, federally-funded, interoperable national broadband network for first responders. However, as I explained last month in testimony before the Telecommunications and Internet Subcommittee of the House Energy and Commerce Committee, that option is no longer on the table. So I believe the FCC is left with the sobering conclusion that a public-private shared model represents the last, best chance we have at using the 700 MHz spectrum band to improve communications for state and local public safety users. I still believe that today.

Nevertheless, I think we need to begin the process of trying to create such a network with a healthy dose of realism. Even if we roll up our sleeves and dedicate ourselves this summer to coming up with realistic network specifications, the truth is that we still are not assured of coming up with a workable solution. What we are trying to do here is conduct the most difficult FCC auction ever in an extraordinarily difficult economic environment. At the same time, I *do* know with 100% certainty that if we give any less than the full measure of our efforts, the result will assuredly be that the needs of public safety will continue to go unmet. I, for one, am eager to begin this challenge—and will give the process nothing less than my best.

I approve today's item—kicking off the process of considering a new public-private sharing model—with great hope that we can improve public safety in the way that I believe all my colleagues seek. I hope that public safety will devote its best engineers and wisest minds to the task. We need the best thinking and the best experts they are capable of providing to this process. I hope that the wireless industry—which has profited handsomely from use of the public airwaves—will participate in this process with the full measure of its talent, ingenuity, and public spiritedness. And—most of all—I hope that the Commission will probe far and wide for the finest and most visionary engineers, technologists, economists, and financial experts to inform our decision-making. It is going to take all that—and then some—to get this done.

I understand that we need to move as quickly as possible here, because the need for improved communications grows more pressing with each day. I am not afraid to push hard, work long hours on this process and make difficult decisions. But at the same time, the ultimate acid test here has to be whether we are developing a set of rules that will create a network that meets public safety's broadband and interoperability needs. To me, this means that the time for deferring uncertainty to a post-auction negotiation process is over. Now that we are not facing a hard-and-fast auction deadline, the right course is to work out the difficult questions in advance—thus providing much needed certainty and predictability to public safety, potential bidders, their investors, the public, the FCC and Congress. And make no mistake about it, if I do not think that we have developed workable and specific network specifications before a future auction, I will not hesitate to say that we need to go back to the drawing board and get it right before proceeding any further.

Judged against this set of aspirations, today's item has encouraging aspects as well as some causes for concern. On the happy side of the ledger, we have given interested parties 30 days for comments and 15 days for reply comments on this Second Notice—more than was initially contemplated when this item was circulated. We have also committed in today's item to an additional further notice of proposed rulemaking that will tee up very specific, proposed rules for the public-private sharing concept, which will allow the parties to aim at a specific proposal and help us assess whether it will actually produce the outcome we need. Given the uncertainties of the financial markets today, it is certainly essential that we take every precaution to make sure that there are no unnecessary specifications in our rules that would discourage investment.

My concern stems from the fact that our plans to bring the best engineering and economics talent to the Commission to aid it in its deliberations are still far from finalized, long after Congress in its oversight capacity and many leading experts have warned us that technical and financial sophistication is essential to making this process work. I am disappointed that we cannot make use of the Commission's Technical Advisory Council—a body of distinguished engineers that is supposed to provide the Commission with unbiased, expert technical guidance, but which, over a year and half after having its charter renewed, still has no members and no Chair. I also wish that the Commission had already finalized consulting or other arrangements for leading engineers to provide us with their best thoughts and guidance, but I am encouraged by the Chairman's willingness to bring this to a speedy resolution. I also appreciate that the Chairman and my colleagues have shown willingness to hold one en banc hearing this summer to inform the process—though I would have preferred more such hearings wherein the experts could come before us and put their thoughts to the test of expert public discussion. I also think it is good news that we are establishing a working group here at the FCC that will put our best experts on public safety directly on the task at hand.

I want to thank the Wireless and Public Safety and Homeland Security Bureaus for their hard work in drafting this lengthy item on a very tight timeframe, and our Office of Engineering and Technology for their work in developing a short technical appendix to today's item. I hope the item we release today will jumpstart a detailed and substantive

discussion of the issues before us. I believe the item tees up the important questions, and I appreciate the willingness of my colleagues to allow certain additions from my office as well as to offer their own. I also urge interested parties to raise any important issues that they feel the item does not expressly address. We have written the item broadly, to solicit *any* useful comment—and I hope that the responses we receive will be thoughtful, detailed and cover the waterfront of issues.

In particular, I hope that parties will be extremely specific in discussing what functions they believe this public safety network needs to fulfill and what network specifications are necessary to meet these needs. After all, the network that a highway patrol officer needs when cruising along at 100 mph with a high-gain antenna on the roof is quite different than the network required by a firefighter about to plunge into a 40-story glass and steel building. Similarly, a network that is used for everyday voice communications is quite different from one suitable for mission-critical functions, and different still than one which sends still pictures and even streaming video. Which of these different needs are we attempting to meet? We also need to understand how the network we build will be interoperable with existing public safety networks. A network that does not solve the broader problem of inter-agency and inter-service interoperability would, by any measure, be a tragic opportunity missed.

Even beyond the daunting technical issues, we also need to resolve difficult problems of governance and economic incentives. For example, how can we ensure that the public safety broadband licensee has adequate funding to engage in planning and support its ongoing operations? Is USF funding a possible answer? Or the Telecommunications Development Fund? And we need to look at how to ensure that public safety entities can actually afford to use this system. What pricing plans are consistent with the needs of local jurisdictions to meet fixed budgets? What rules for use of the network by public safety, either for free or at a discounted rate, will the economics of this arrangement permit? After all, the elephant in the room is that we need to make sure that our rules allow the commercial partner a reasonable opportunity to turn a profit in the long-term, or else we will never find a bidder and the network will go unbuilt. We also need to understand if innovative technologies—like multi-mode satellite handsets, or dividing the commercial block into two or more blocks with varying degrees of population density—can improve the ability of commercial licensees to serve their public safety partners.

These governance and economic questions go way beyond discrete issues like reserve price and default penalty (which are important in their own right). What the Commission needs to do is examine the full package of incentives we create, taken as a whole. Unless we are capable of this broad-ranging and complex inquiry, we simply cannot be assured of a better result than the last time around. This simply underscores to me the importance of issuing proposed rules and allowing for comment before issuing final rules. So I am pleased that we now have a commitment to proceed with a Third Notice which will be altogether specific in laying out what the proposed rules are. I would have liked more time for comment on those, but this is the best that could be achieved.

I also have to register some discomfort over the portions of the item that solicit comment on the possibility of stating, up-front, that if this auction does not yield a bidder it will be re-auctioned for commercial purposes. This proceeding is about establishing a viable public-private partnership to enhance public safety. It would be unfortunate if anyone was able to conclude that by simply torpedoing the partnership concept, they can move quickly to a purely commercial auction. This item could inadvertently send the message that a commercial outcome is the likely outcome of this process. The commercial scenario raises other and important questions for another day—one that hopefully doesn't ensue. While I accept that we need to consider different perspectives on this issue, I also believe that, speaking practically, our public safety mission is best served if commenters in this process and bidders in the auction are focused with laser-like precision on trying to make the public-private model work. As I stated earlier, it's going to take 100 percent focus and dedication to get this right. Any provisions that encourage gaming of the system or distract from this key objective are highly counterproductive in my view. I also think we will need to look long and hard at some point in the process about how much time potential bidders need to develop business plans for this unique public-private proposition—as I've mentioned before, investors assure me that the financial markets are as bad as they have been in a long time right now, that their recovery is not imminent, and we certainly should not add to these problems by holding an auction too quickly.

Again, I thank everyone who helped develop today's item and who is willing to dedicate the next few months to contributing to the pressing and unbelievably important task we find before us. We're going to need all the help we can get.

**STATEMENT OF
CHAIRMAN KEVIN J. MARTIN**

Re: Service Rules for the 698-746, 747-762 and 777-792 MHz Bands, WT Docket No. 06-150; Implementing a Nationwide, Broadband, Interoperable Public Safety Network in the 700 MHz Band, PS Docket No. 06-229, *Second Further Notice of Proposed Rulemaking*, FCC 08-128

The recent auction of the 700 MHz band commercial spectrum was a success. Auction 73 achieved a number of significant milestones, including: being the largest auction in FCC history, raising a record \$19.6 billion in bids; advancing new open platform policies; affirming aggressive build-out obligations; creating what will be a new wireless broadband provider to compete with the incumbent telephone and cable companies in nearly every home in the U.S.; and providing small businesses, new entrants, rural providers and existing nationwide wireless providers with access to additional spectrum needed to deploy the next generation of wireless networks. In one area, however, we still have work to do.

In July 2007, this Commission, both Republicans and Democrats alike, made a unanimous commitment to fulfilling the needs of the public safety community for a nationwide, interoperable public safety broadband network. The Public/Private Partnership was designed to address this crucial issue, as the only tool reasonably available to the Commission. Auction 73, however, did not yield a successful bidder for the “D Block” of commercial spectrum, which would have fulfilled the commercial role in this partnership. While the results of the last auction will help inform our decision with respect to the D Block going forward, our decision must also be informed by the continuing need for a truly nationwide interoperable broadband network for public safety agencies to use during times of emergency. In the absence of the financial resources for public safety to build out their own network, however, I believe we should continue to try to explore ways in which we can help facilitate a tool to achieve a nationwide interoperable public safety network.

Today’s *Second Further Notice of Proposed Rulemaking* is the first step in a renewed effort to provide our Nation’s first responders with the broadband network they need and deserve. And while I continue to support the concept of a Public Safety/Private Partnership as a viable tool to achieve this goal, I am pleased that this *Further Notice* turns a critical eye on the specific parameters of the partnership, and ways to ensure the commercial viability of this endeavor by providing greater certainty to all parties involved. In this respect, the *Further Notice* appropriately looks at both sides of the ledger. For example, it examines ways to more clearly define the role of the Public Safety Broadband Licensee, asking questions about the scope of who would constitute a public safety user, the appropriate role of advisors, and whether increased oversight is necessary.

With respect to the commercial side, it seeks input on how to clearly define expectations regarding build out, default penalties, and network parameters that will allow potential bidders to construct a positive business case for undertaking this unique opportunity.

Finally, while not required, we will seek additional comment through a Third Further Notice of Proposed Rulemaking, and I have also agreed to hold an en banc hearing on these issues. I also continue to recognize the need to make this spectrum available in the marketplace in a timely fashion, and to provide the public safety community with a clear path forward to achieving a nationwide interoperable broadband network. In this respect, I am committed to moving with deliberate speed to address these issues both thoughtfully and quickly.

I thank my colleagues for their cooperation and commitment to these issues, and look forward to working with them in the coming months.