

April 10, 2019

Chairman Ajit Pai  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Commissioner Jessica Rosenworcel  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Commissioner Michael O’Rielly  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Commissioner Brendan Carr  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Commissioner Geoffrey Starks  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Dear Chairman Pai, and Commissioners O’Rielly, Rosenworcel, Carr, and Starks:

The undersigned taxpayer and free market groups applaud your efforts to free up the 3.7 to 4.2 GHz Band (mid-band, or “C-band”) for internet services. Repurposing C-band spectrum for mobile broadband deployment will help America win the race to 5G, as other countries study repurposing their own mid-band spectrum for internet use. A number of groups, including the C-band Alliance (CBA), claim that the FCC should allow for a “private-sale” of this critical segment of spectrum, instead of having the FCC repurpose the spectrum to help close the digital divide.

While the CBA claims this is a market-based approach, this could not be further from the truth. In reality, the CBA wants the FCC to allow foreign interests to monetize taxpayer-owned C-band spectrum through private sales that won’t benefit taxpayers. Not only would the CBA’s scheme deny billions – perhaps *tens* of billions of dollars – in proceeds owed to the U.S. Treasury, but it would also inevitably result in years of litigation and endless delays in 5G deployment. We are alarmed by this proposal and unified in our opposition to the CBA’s egregious private sale plan.

The C-band spectrum is a public asset of enormous value. On the open market, it would command top dollar and interest from many parties. But the companies that comprise the CBA were given permission to use it free of charge, provided they would do so in the interest of the American public. And now, the CBA is trying to convince the government to abandon this obligation to taxpayers and the public, by allowing the monetization of the publicly-owned C-band spectrum through private sales.

The C-band spectrum is not just a valuable American asset, it is a valuable *strategic* American asset with national security implications that transcend even its commercial application. Given recent concerns and allegations of spying by the Chinese government via telecommunications equipment, the FCC should be especially careful in its considerations.

Finally, the FCC’s recent deregulations and market-based reforms to close the digital divide show that agency leadership is well-aware of the challenges faced by rural American communities. These citizens should not be left behind, and that’s exactly what the CBA’s scheme would do by removing FCC oversight of spectrum allocation.

We, as free market organizations, are committed to letting markets and incentives work in this space. Free markets, private investment, and innovation are essential.

We urge you to reject the CBA's self-serving scheme, and instead, oversee a public auction that would allow for the most competitive allocation of licenses to best enable 5G deployment. This policy would result in billions of dollars for the U.S. Treasury – and the U.S taxpayer – maximizing its value for America, and facilitating a rapid, nationwide deployment of 5G that would serve everyone, especially rural Americans.

Respectfully,  
David Williams  
President  
Taxpayers Protection Alliance

Matthew Kandrach  
President  
Consumer Action for a Strong Economy

Tim Andrews  
Executive Director  
Taxpayers Protection Alliance Foundation

Katie McAuliffe  
Executive Director  
Digital Liberty

Steve Pociask  
President / CEO  
The American Consumer Institute

Andrew Langer  
President  
Institute for Liberty

Grover Norquist  
President  
Americans for Tax Reform

Charles Sauer  
President  
Market Institute

Tom Schatz  
President  
Citizens Against Government Waste

Karen Kerrigan  
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Small Business & Entrepreneurship Council

Jeff Mazzella  
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James L. Martin  
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Saulius "Saul" Anuzis  
President  
60 Plus Association