

[DISCUSSION DRAFT]

116th CONGRESS  
1st Session

H. R. \_\_\_\_\_

To amend the Communications Act of 1934 to provide for a private auction and public auctions of C-Band spectrum, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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A BILL

To amend the Communications Act of 1934 to provide for a private auction and public auctions of C-Band spectrum, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “XXXXXXXX”.

SEC. 2. PRIVATE AUCTION AND PUBLIC AUCTIONS OF C-BAND SPECTRUM

(a) In general.—Title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) is amended by adding at the end the following:

“PART V—C-BAND SPECTRUM

“SEC. 399L. C-BAND TASK FORCE.

“Not later than [90 days] after the date of the enactment of this part, the Commission shall establish within the Commission a task force to be known as the ‘C-Band Task Force’ to gather information from stakeholders about the clearing and auctioning of C-Band spectrum under this part.

“SEC. 399M. PRIVATE AUCTION OF CERTAIN C-BAND SPECTRUM.

“(a) Designation of transition facilitator.—

“(1) IN GENERAL.—Not later than [90 days] after the date of the enactment of this part, the Commission shall—

“(A) designate to serve as the Transition Facilitator for purposes of this section an organization that—

“(i) consists of [a majority of] C-Band satellite operators; and

“(ii) agrees to serve as the Transition Facilitator and to carry out the duties of the Transition Facilitator under this section; or

“(B) if the Commission cannot make a designation under subparagraph (A), begin carrying out subsection (f).

“(2) ELECTION REGARDING PARTICIPATION.—Each C-Band satellite operator shall—

“(A) participate as a member of the Transition Facilitator; or

“(B) certify to the Commission that such operator does not wish to participate as a member of the Transition Facilitator.

“(b) Transition facilitation plan.—

“(1) SUBMISSION BY TRANSITION FACILITATOR.—Not later than [180] days after the date of the enactment of this part, the Transition Facilitator shall submit to the Commission and the appropriate committees of Congress a transition facilitation plan for [at least][200] megahertz of C-Band spectrum, including the following:

“(A) A band plan that—

“(i) specifies an amount of C-Band spectrum to be cleared in each geographic area of [at least][200] megahertz, reserving [20] megahertz as guard band;

“(ii) includes consideration of—

“(I) incentives to encourage bidders to build networks in rural areas, including partitioned or disaggregated licenses for sale or long-term lease;

“(II) bidding credits for entities to be designated by the Commission; and

“(III) ways to expand opportunities for unlicensed operations in the unused portions of the C-Band spectrum in rural areas, either—

“(aa) before a new licensee builds out the network of such licensee in such an area; or

“(bb) in a case in which a new licensee cannot meet the build-out requirements under a plan for shared use of available spectrum, including for fixed wireless services; and

“(iii) includes a C-Band-dependent user protection plan that, with respect to the [80] megahertz of spectrum to be privately auctioned under subsection (c)(1)(B), will ensure that C-Band-dependent users receive equal or better service as before the implementation of the transition facilitation plan.

“(B) A plan for a private auction under subsection (c)(1)(B) of [80] megahertz of C-Band spectrum in each geographic area specified under subparagraph (A)(i) that—

“(i) is open and transparent;

“(ii) is to be completed not later than [September 30, 2022]; and

“(iii) allows for the cleared spectrum to be made available to successful bidders as the Transition Facilitator clears such spectrum.

“(C) A description of how the proceeds of the private auction under subsection (c)(1)(B) will be allocated among C-Band satellite operators that participate as members of the Transition Facilitator.

“(D) Estimates of all clearing costs to be reimbursed under subsection (c)(1)(D).

“(E) A plan for clearing C-Band-dependent users from the spectrum specified under subparagraph (A)(i).

“(F) A description of how the Transition Facilitator will use funds borrowed by the Commission from the Treasury under subsection (d).

“(2) APPROVAL BY COMMISSION.—

“(A) IN GENERAL.—Not later than [270] days after the date of the enactment of this part, the Commission, in consultation with the C-Band Task Force, shall—

“(i) approve (with any modifications the Commission considers appropriate for the plan to meet the requirements of paragraph (1)) the transition facilitation plan submitted under such paragraph and certify to the appropriate committees of Congress that the plan for the private auction included in the transition facilitation plan under subparagraph (B) of such paragraph is open and transparent;

“(ii) decline to approve the transition facilitation plan submitted under such paragraph and begin carrying out subsection (f); or

“(iii) if no transition facilitation plan is submitted under such paragraph, begin carrying out subsection (f).

“(B) CONDITION.—As a condition of approval and certification under subparagraph (A), the Transition Facilitator shall agree to clear and relocate or facilitate the migration to alternative technologies of C-Band-dependent users from [120] megahertz of the spectrum specified under paragraph (1)(A)(i) (exclusive of the [80] megahertz of such spectrum privately auctioned under subsection (c)(1)(B)), including by making any reimbursements to such users of clearing costs required by subsection (c)(1)(D).

“(c) Execution of transition facilitation plan by transition facilitator.—

“(1) IN GENERAL.—Upon approval of the transition facilitation plan by the Commission under subsection (b)(2)(A), the Transition Facilitator shall begin executing the plan, including by—

“(A) clearing the spectrum specified under subsection (b)(1)(A)(i), [100] megahertz of which shall be auctioned by the Commission under section 399N;

“(B) privately auctioning [80] megahertz of the spectrum specified under subsection (b)(1)(A)(i) and, in accordance with subsection (e), providing the proceeds to the Commission to hold in escrow until all of the spectrum specified under subsection (b)(1)(A)(i) has been cleared;

“(C) after privately auctioning the [80] megahertz of spectrum under subparagraph (B), relinquishing such spectrum to the successful bidders as soon as such spectrum has been cleared; and

“(D) from funds borrowed by the Commission from the general fund of the Treasury under subsection (d), reimbursing each C-Band satellite operator and each C-Band-dependent user for an amount that is equal to the costs (if any) reasonably incurred and documented by such operator or user for activities, measures, or equipment necessary to clear the spectrum specified under subsection (b)(1)(A)(i) in accordance with the transition facilitation plan, including costs to migrate services to alternative technologies or to spectrum other than C-Band spectrum.

“(2) LIMITATION ON APPROVAL OF C-BAND SPECTRUM AUTHORIZATION TRANSFERS.—The Commission may only approve the transfer of a C-Band spectrum authorization pursuant to the private auction conducted under paragraph (1)(B).

“(d) Borrowing authority for clearing costs; disbursement to Transition Facilitator.—

“(1) IN GENERAL.—Beginning on the date when the Commission approves the transition facilitation plan under subsection (b)(2)(A) and ending on September 30, 2022, the Commission shall borrow from the general fund of the Treasury and disburse to the Transition Facilitator such sums as are necessary (but not more than [\$\_\_\_\_\_]) to make the reimbursements required by subsection (c)(1)(D).

“(2) DEADLINE FOR INITIAL DISBURSEMENT.—The Commission shall make an initial disbursement under paragraph (1) not later than [ 30 days] after the date when the Commission approves the transition facilitation plan under subsection (b)(2)(A).

“(3) RETURN OF UNUSED FUNDS.—The Transition Facilitator shall return to the Commission any unused portion of the amount disbursed under paragraph (1) before the Commission disburses to the Transition Facilitator the proceeds of the private auction held in escrow under subsection (e). The Commission shall deposit any amount so returned in the general fund of the Treasury for reimbursement of the amount borrowed under paragraph (1).

“(4) REIMBURSEMENT OF TREASURY.—The Commission shall reimburse the general fund of the Treasury, without interest, for the

amount borrowed under paragraph (1) (less any amount reimbursed under paragraph (3)) from the proceeds of—

“(A) the private auction conducted under subsection (c)(1)(B), by making the deposit required by subsection (e)(2)(A); and

“(B) the public auctions conducted under sections 399N, 399P, and 399Q, as the Commission collects such proceeds.

“(e) Treatment of proceeds of private auction.—

“(1) PROCEEDS TO BE HELD IN ESCROW BY COMMISSION.—As a condition of approving the transfer of a C-Band spectrum authorization pursuant to the private auction conducted under subsection (c)(1)(B), the Commission shall require the Transition Facilitator, before such transfer occurs—

“(A) to pay to the Commission an amount equal to the fair market value, as determined by the Commission, of all forms of consideration (except a payment in-kind) being provided with respect to or in association with such transfer between the transferee and the Transition Facilitator, to be held in escrow by the Commission to be disbursed under paragraph (2); and

“(B) in the case of any such consideration in the form of a payment in-kind, to certify to the Commission the fair market value of such payment in-kind, which shall be validated by the Commission.

“(2) DISBURSEMENT TO TRANSITION FACILITATOR; DEPOSIT IN TREASURY.—After the spectrum specified under subsection (b)(1)(A)(i) is cleared and the Transition Facilitator confidentially certifies to the Commission the amounts to be disbursed by the Transition Facilitator and to whom, and after the Transition Facilitator has returned to the Commission any unused portion of the amount disbursed under subsection (d)(1), as required by subsection (d)(3), the Commission shall—

“(A) assess on the amount held in escrow under paragraph (1)(A) with respect to each transfer of a C-Band spectrum authorization a fee equal to the percentage described in paragraph (3) of the sum of the amount paid under paragraph (1)(A) and the fair market value of any payments-in kind as validated by the Commission under paragraph (1)(B), and deposit such fee in the general fund of the Treasury (with so much of such deposit as is

necessary to reimburse the general fund of the Treasury for the amount borrowed under subsection (d)(1) being treated as such a reimbursement); and

“(B) disburse the remainder of the amount held in escrow under paragraph (1)(A) to the Transition Facilitator.

“(3) PERCENTAGE DESCRIBED.—The percentage described in this paragraph is the following:

“(A) If the authorization being transferred is for [80] megahertz of spectrum or more but less than [100] megahertz of spectrum, [xx] percent.

“(B) If the authorization being transferred is for [100] megahertz of spectrum, [xx] percent.

“(4) TREATMENT OF GUARD BAND.—In the case of spectrum that is reserved as guard band in connection with the transfer of a C-Band spectrum authorization pursuant to the private auction conducted under subsection (c)(1)(B), such spectrum shall be treated as having been transferred for purposes of determining the percentage of proceeds under paragraph (3), except that not more than [20] megahertz of spectrum in each geographic area may be so treated.

“(f) Public auction if no transition facilitator designated or no transition facilitation plan approved.—

“(1) IN GENERAL.—If the Commission, in consultation with the C-Band Task Force, cannot designate a Transition Facilitator under subsection (a)(1), if no transition facilitation plan is submitted under subsection (b)(1), or if the Commission declines to approve a transition facilitation plan under subsection (b)(2)(A)(ii), the Commission, in consultation with the C-Band Task Force, shall—

“(A) develop and execute a transition facilitation plan that—

“(i) provides for the clearing of [at least][200] megahertz of C-Band spectrum in each geographic area (reserving [20] megahertz as guard band) and for the assignment of licenses under section 309(j) for the use of [not more than][80] megahertz of such spectrum; and

“(ii) includes consideration (with respect to all of the spectrum designated for clearing under clause (i)) of—

“(I) incentives to encourage bidders to build networks in rural areas, including partitioned or disaggregated licenses for sale or long-term lease;

“(II) bidding credits for entities to be designated by the Commission; and

“(III) ways to expand opportunities for unlicensed operations in the unused portions of the C-Band spectrum in rural areas, either—

“(aa) before a new licensee builds out the network of such licensee in such an area; or

“(bb) in a case in which a new licensee cannot meet the build-out requirements under a plan for shared use of available spectrum, including for fixed wireless services;

“(B) reallocate in accordance with such plan the [not more than][80] megahertz of spectrum designated under subparagraph (A)(i) for the assignment of licenses and the [20] megahertz of spectrum reserved under such subparagraph as guard band; and

“(C) not later than September 30, 2022, through a system of competitive bidding under section 309(j), assign licenses in accordance with such plan for the use of the [not more than][80] megahertz of spectrum designated under subparagraph (A)(i) for the assignment of licenses.

“(2) REIMBURSEMENT OF CLEARING COSTS.—

“(A) REIMBURSEMENT REQUIRED.—From amounts made available under subparagraph (B), the Commission shall reimburse each C-Band satellite operator and each C-Band-dependent user for an amount that is equal to the costs (if any) reasonably incurred and documented by such operator or user for activities, measures, or equipment necessary to clear, in accordance with the transition facilitation plan developed by the Commission under paragraph (1)(A), the [not more than][80] megahertz of spectrum for which licenses are assigned through such system of competitive bidding and the [20] megahertz of spectrum reserved as guard band under such plan, including costs to migrate services to alternative technologies or to spectrum other than C-Band spectrum.



“(B) BORROWING AUTHORITY.—Beginning on the date when the Commission completes the development of the transition facilitation plan under paragraph (1)(A) and ending on September 30, 2022, the Commission shall borrow from the general fund of the Treasury such sums as are necessary (but not more than [ \$ \_\_\_\_\_ ]) to make the reimbursements required by subparagraph (A).

“(C) DEADLINE FOR REIMBURSEMENT OF CLEARING COSTS.—The Commission shall make all reimbursements required by subparagraph (A) not later than the date that is 3 years after the completion of the system of competitive bidding under paragraph (1)(C).

“(D) RETURN OF UNUSED FUNDS.—The Commission shall deposit any unused portion of the amount borrowed under subparagraph (B) in the general fund of the Treasury for reimbursement of such borrowed amount.

“(E) REIMBURSEMENT OF TREASURY.—As the Commission collects proceeds from the public auctions conducted under paragraph (1)(C) and sections 399N, 399P, and 399Q, the Commission shall, from such proceeds, reimburse the general fund of the Treasury, without interest, for any amount borrowed under subparagraph (B), less any amount reimbursed under subparagraph (D).

“(3) TREATMENT OF PROCEEDS.—Notwithstanding subparagraphs (A) and (C)(i) of section 309(j)(8), in the case of the proceeds from the use of a system of competitive bidding under paragraph (1)(C) ( including deposits and upfront payments from successful bidders and excluding the costs retained by the salaries and expenses account of the Commission under subparagraph (B) of such section)—

“(A) such amount of such proceeds (if any) as is necessary for the Commission to reimburse the general fund of the Treasury for the amount borrowed under paragraph (2)(B), as required by paragraph (2)(E), shall be available to the Commission to make such reimbursement; and

“(B) the remainder of such proceeds shall be deposited as provided in section 309(j)(8).

“(g) Applicability.—This section (except subsection (f)) shall apply with respect to any transfer of a C-Band spectrum authorization that occurs during the

period beginning on the date of the enactment of this part and ending on [ September 30, 2022].

“SEC. 399N. PUBLIC AUCTION OF [100] MHZ OF C-BAND SPECTRUM BY SEPTEMBER 30, 2023.

“(a) In general.—Not earlier than October 1, 2022, and not later than September 30, 2023, the Commission shall—

“(1) reallocate the [100] megahertz of C-Band spectrum cleared under section 399M and not auctioned in a public or private auction (or reserved as guard band) under such section; and

“(2) through a system of competitive bidding under section 309(j), assign licenses for the use of the spectrum reallocated under paragraph (1).

“(b) Treatment of proceeds.—Notwithstanding subparagraphs (A) and (C)(i) of section 309(j)(8), in the case of the proceeds from the use of a system of competitive bidding under subsection (a)(2) (including deposits and upfront payments from successful bidders and excluding the costs retained by the salaries and expenses account of the Commission under subparagraph (B) of such section)

—  
“(1) such amount of such proceeds (if any) as is necessary for the Commission to reimburse the general fund of the Treasury for the amount borrowed under subsection (d)(1) or (f)(2)(B) (as the case may be) of section 399M, as required by subsection (d)(4) or (f)(2)(E) (as the case may be) of such section, shall be available to the Commission to make such reimbursement;

“(2) the Commission may make incentive payments of not more than [\$ \_\_\_\_\_] from such proceeds to C-Band satellite operators that are relinquishing the spectrum for which licenses are assigned under subsection (a)(2); and

“(3) the remainder of such proceeds shall be deposited as provided in section 309(j)(8).

“(c) Proceeds to cover 110 percent of amount required to reimburse Treasury.—The Commission shall not conclude a system of competitive bidding under subsection (a)(2) if the proceeds (including deposits and upfront payments from successful bidders) attributable to the licenses assigned through such system of competitive bidding are less than 110 percent of any remaining amount required to reimburse the general fund of the Treasury for the amount borrowed under

subsection (d)(1) or (f)(2)(B) (as the case may be) of section 399M. If the Commission is unable to conclude a system of competitive bidding for the foregoing reason, the Commission—

“(1) shall cancel the system of competitive bidding, return within 45 days after the cancellation date any deposits from participating bidders, and absolve such bidders from any obligation to the United States to bid in any subsequent system of competitive bidding to assign licenses for the spectrum involved; and

“(2) shall not make (or shall reverse, as the case may be) any reallocation of such spectrum under subsection (a)(1).

“SEC. 399O. PREPARATION FOR PUBLIC AUCTIONS OF ADDITIONAL [200] MHZ OF C-BAND SPECTRUM.

“(a) Task force transition plan.—The C-Band Task Force shall develop and seek public comment on a transition plan for the clearing and auctioning under section 309(j) of [200] megahertz of C-Band spectrum, in each geographic area specified under subsection (b)(1)(A)(i) or (f)(1)(A)(i) (as the case may be) of section 399M, in addition to the spectrum cleared (or reserved as guard band) under such section.

“(b) Contents of plan.—

“(1) AUCTION IN TWO TRANCHES.—The plan developed under subsection (a) shall contemplate such spectrum to be auctioned in two tranches, as follows:

“(A) Not more than [100] megahertz to be auctioned on or after October 1, 2023, but not later than September 30, 2025.

“(B) The remainder to be auctioned on or after October 1, 2025, but not later than September 30, 2029.

“(2) CONSIDERATIONS.—The plan developed under subsection (a) shall include, for each tranche of spectrum described in paragraph (1), consideration of—

“(A) incentives to encourage bidders to build networks in rural areas, including partitioned or disaggregated licenses for sale or long-term lease;

“(B) bidding credits for entities to be designated by the Commission; and

“(C) ways to expand opportunities for unlicensed operations in the unused portions of the C-Band spectrum in rural areas, either—

“(i) before a new licensee builds out the network of such licensee in such an area; or

“(ii) in a case in which a new licensee cannot meet the build-out requirements under a plan for shared use of available spectrum, including for fixed wireless services.

“SEC. 399P. PUBLIC AUCTION OF ADDITIONAL C-BAND SPECTRUM BY SEPTEMBER 30, 2025.

“(a) In general.—Not earlier than October 1, 2023, and not later than September 30, 2025, the Commission shall—

“(1) for purposes of making available, in each geographic area specified under subsection (b)(1)(A)(i) or (f)(1)(A)(i) (as the case may be) of section 399M, not more than [150] megahertz of C-Band spectrum to carry out a system of competitive bidding under paragraph (3), evaluate the C-Band spectrum in each such geographic area (other than any portion of such spectrum auctioned in a private auction conducted under section 399M(c)(1)(B) or a public auction conducted under section 399M(f) or 399N or reserved as guard band under section 399M);

“(2) reallocate such portions of the spectrum evaluated under paragraph (1) as the Commission determines are available for reallocation; and

“(3) through a system of competitive bidding under section 309(j), assign licenses for the use of the spectrum reallocated under paragraph (2).

“(b) C-band-dependent user protection.—

“(1) LICENSE CONDITIONS.—In assigning licenses under subsection (a)(3), the Commission shall impose any conditions the Commission considers necessary to ensure that C-Band-dependent users receive equal or better service as before the reallocation of spectrum, assignment of licenses, and modification of rights under subsection (a).

“(2) REIMBURSEMENT OF CLEARING COSTS.—From amounts made available under subsection (c)(2), the Commission shall reimburse each C-Band-dependent user for an amount that is equal to the costs (if any) reasonably incurred and documented by such user for activities, measures, or equipment necessary to clear spectrum in accordance with the reallocation of spectrum, assignment of licenses,

and modification of rights under subsection (a), including costs to migrate services to alternative technologies or to spectrum other than C-Band spectrum.

“(3) DEADLINE.—The Commission shall make all reimbursements required by paragraph (2) not later than the date that is 3 years after the completion of the system of competitive bidding under subsection (a)(3).

“(c) Deposit of proceeds.—Notwithstanding subparagraphs (A) and (C)(i) of section 309(j)(8), in the case of the proceeds from the use of a system of competitive bidding under subsection (a)(3) (including deposits and upfront payments from successful bidders and excluding the costs retained by the salaries and expenses account of the Commission under subparagraph (B) of such section)

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“(1) such amount of such proceeds (if any) as is necessary for the Commission to reimburse the general fund of the Treasury for the amount borrowed under subsection (d)(1) or (f)(2)(B) (as the case may be) of section 399M, as required by subsection (d)(4) or (f)(2)(E) (as the case may be) of such section, shall be available to the Commission to make such reimbursement;

“(2) not more than [\$ \_\_\_\_\_] of such proceeds shall be available to the Commission to make the reimbursements required by subsection (b)(2);

“(3) the Commission may make incentive payments of not more than [\$ \_\_\_\_\_] from such proceeds to C-Band satellite operators that are relinquishing the spectrum for which licenses are assigned under subsection (a)(3); and

“(4) the remainder of such proceeds shall be deposited as provided in section 309(j)(8).

“(d) Prohibition on joint bids.—No persons may join to bid together in the system of competitive bidding under subsection (a)(3).

“(e) Proceeds to cover 110 percent of estimated clearing costs.—The Commission shall not conclude a system of competitive bidding under subsection (a)(3) with respect to a geographic area if the proceeds (including deposits and upfront payments from successful bidders) attributable to the licenses assigned in such area are less than 110 percent of the estimated amount of the costs that the Commission is required to reimburse under subsection (b)(2) to C-Band dependent users in such geographic area. If the Commission is unable to conclude a system of

competitive bidding for the foregoing reason, the Commission—

“(1) shall cancel the system of competitive bidding, return within 45 days after the cancellation date any deposits from participating bidders, and absolve such bidders from any obligation to the United States to bid in any subsequent system of competitive bidding to assign licenses for the spectrum involved; and

“(2) shall not make (or shall reverse, as the case may be) any reallocation of such spectrum or modification of usage rights for such spectrum under subsection (a).

“SEC. 399Q. PUBLIC AUCTION OF ADDITIONAL C-BAND SPECTRUM BY SEPTEMBER 30, 2029.

“(a) In general.—Not earlier than October 1, 2025, and not later than September 30, 2029, the Commission shall—

“(1) for purposes of making available, in each geographic area specified under subsection (b)(1)(A)(i) or (f)(1)(A)(i) (as the case may be) of section 399M, an amount of C-Band spectrum to carry out a system of competitive bidding under paragraph (3) that is sufficient for the total amount of C-Band spectrum auctioned in a private auction conducted under section 399M(c)(1)(B) or a public auction conducted under section 399M(f), 399N, 399P, or this section or reserved as guard band under section 399M to equal [400] megahertz, evaluate the C-Band spectrum in each such geographic area (other than any portion of such spectrum auctioned in a private auction conducted under section 399M(c)(1)(B) or a public auction conducted under section 399M(f), 399N, or 399P or reserved as guard band under section 399M);

“(2) reallocate such portions of the spectrum evaluated under paragraph (1) as the Commission determines are available for reallocation;

“(3) through a system of competitive bidding under section 309(j), assign licenses for the use of the spectrum reallocated under paragraph (2); and

“(4) modify the spectrum usage rights of each C-Band satellite operator, if any, providing service using spectrum reallocated under paragraph (2), so as to remove the co-primary allocation of such spectrum for satellite service.

“(b) C-band-dependent user protection.—

“(1) LICENSE CONDITIONS.—In assigning licenses under subsection (a)(3), the Commission shall impose any conditions the Commission considers necessary to ensure that C-Band-dependent users receive equal or better service as before the reallocation of spectrum, the assignment of licenses, and any modification of rights under subsection (a).

“(2) REIMBURSEMENT OF CLEARING COSTS.—From amounts made available under subsection (c)(2), the Commission shall reimburse each C-Band-dependent user for an amount that is equal to the costs (if any) reasonably incurred and documented by such user for activities, measures, or equipment necessary to clear spectrum in accordance with the reallocation of spectrum, the assignment of licenses, and any modification of rights under subsection (a), including costs to migrate services to alternative technologies or to spectrum other than C-Band spectrum.

“(3) DEADLINE.—The Commission shall make all reimbursements required by paragraph (2) not later than the date that is 3 years after the completion of the system of competitive bidding under subsection (a)(3).

“(c) Deposit of proceeds.—Notwithstanding subparagraphs (A) and (C)(i) of section 309(j)(8), in the case of the proceeds from the use of a system of competitive bidding under subsection (a)(3) (including deposits and upfront payments from successful bidders and excluding the costs retained by the salaries and expenses account of the Commission under subparagraph (B) of such section)

“(1) such amount of such proceeds (if any) as is necessary for the Commission to reimburse the general fund of the Treasury for the amount borrowed under subsection (d)(1) or (f)(2)(B) (as the case may be) of section 399M, as required by subsection (d)(4) or (f)(2)(E) (as the case may be) of such section, shall be available to the Commission to make such reimbursement;

“(2) not more than [ \$ \_\_\_\_\_ ] of such proceeds shall be available to the Commission to make the reimbursements required by subsection (b)(2);

“(3) the Commission may make incentive payments of not more than [ \$ \_\_\_\_\_ ] from such proceeds to C-Band satellite operators that are relinquishing the spectrum for which licenses are assigned under subsection (a)(3); and

“(4) the remainder of such proceeds shall be deposited as provided in section 309(j)(8).

“(d) Prohibition on joint bids.—No persons may join to bid together in the system of competitive bidding under subsection (a)(3).

“(e) Proceeds to cover 110 percent of estimated clearing costs.—The Commission shall not conclude a system of competitive bidding under subsection (a)(3) with respect to a geographic area if the proceeds (including deposits and upfront payments from successful bidders) attributable to the licenses assigned in such area are less than 110 percent of the estimated amount of the costs that the Commission is required to reimburse under subsection (b)(2) to C-Band dependent users in such geographic area. If the Commission is unable to conclude a system of competitive bidding for the foregoing reason, the Commission—

“(1) shall cancel the system of competitive bidding, return within 45 days after the cancellation date any deposits from participating bidders, and absolve such bidders from any obligation to the United States to bid in any subsequent system of competitive bidding to assign licenses for the spectrum involved; and

“(2) shall not make (or shall reverse, as the case may be) any reallocation of such spectrum or modification of usage rights for such spectrum under subsection (a).

#### “SEC. 399R. DEFINITIONS.

“In this part:

“(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term ‘appropriate committees of Congress’ means—

“(A) the Committee on Energy and Commerce of the House of Representatives; and

“(B) the Committee on Commerce, Science, and Transportation of the Senate.

“(2) C-BAND-DEPENDENT USER.—The term ‘C-Band-dependent user’ means a person who—

“(A) is a licensee or registrant of an earth station receiving signals over C-Band spectrum; or

“(B) receives or distributes programming or services using C-Band spectrum.

“(3) C-BAND SATELLITE OPERATOR.—The term ‘C-Band satellite operator’ means a person who, as of July 1, 2019—



“(A) holds a C-Band spectrum authorization; and

“(B) provides and receives payment for service to the continental United States pursuant to such authorization.

“(4) C-BAND SPECTRUM.—The term ‘C-Band spectrum’ means electromagnetic spectrum between the frequencies of 3700 megahertz and 4200 megahertz, inclusive.

“(5) C-BAND SPECTRUM AUTHORIZATION.—The term ‘C-Band spectrum authorization’ means—

“(A) any license or other authorization granted by the Commission to transmit over the C-Band spectrum; or

“(B) any rights under a license or other authorization described in subparagraph (A).

“(6) CLEAR.—The term ‘clear’ means, with respect to C-Band spectrum, to make such spectrum available for—

“(A) transfer pursuant to the private auction conducted under section 399M(c)(1)(B) from the Transition Facilitator to a transferee for terrestrial use (other than the use for which such spectrum is allocated on the date of the enactment of this part); or

“(B) reallocation and the assignment of licenses through a system of competitive bidding under section 399M(f), 399N, 399P, or 399Q.

“(7) FAIR MARKET VALUE.—The term ‘fair market value’ means the price at which buyers and sellers with a reasonable knowledge of pertinent facts and not acting under any compulsion are willing to do business.

“(8) OPEN AND TRANSPARENT.—The term ‘open and transparent’ means, with respect to a private auction, that such private auction follows to the greatest extent practicable the procedures of the Commission under section 309(j), as determined by the Commission.

“(9) TRANSFER.—The term ‘transfer’ means, with respect to a C-Band spectrum authorization, any transfer, assignment, or disposal of such authorization in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation holding such authorization, from one person to another person.

“(10) TRANSFEREE.—The term ‘transferee’ means the person to whom a C-Band spectrum authorization is being transferred.

“(11) TRANSITION FACILITATOR.—The term ‘Transition Facilitator’ means—

“(A) the organization designated under section 399M(a)(1); or

“(B) any successor in interest to such organization.”.

(b) Extension of auction authority.—Section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)) is amended—

(1) by striking the period at the end and inserting “; and”;

(2) by striking “except that, with respect to” and inserting the following: “except that—

“(A) with respect to”; and

(3) by adding at the end the following:

“(B) with respect to the electromagnetic spectrum between the frequencies of 3700 megahertz and 4200 megahertz, inclusive, such authority shall expire on September 30, 2029.”.

(c) Regulations.—The Federal Communications Commission shall promulgate regulations to implement the amendment made by subsection (a) not later than 90 days after the date of the enactment of this Act.