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Computer & Communications Industry Association

December 13, 2011

The Honorable Jay Rockefeller
United States Senate
Senate Commerce Committee

The Honorable Kay Bailey Hutchison
United States Senate
Senate Commerce Committee

The Honorable Fred Upton
U.S. House of Representatives
House Energy & Commerce Committee

The Honorable Henry Waxman
U.S. House of Representatives
House Energy & Commerce Committee

Dear Chairmen Rockefeller and Upton and Ranking Members Hutchison and Waxman,

The Computer & Communications Industry Association urges Congress to extend the FCC's licensing authority to conduct spectrum auctions in order to spur deployment of next-generation wireless broadband throughout the nation. However, to achieve maximum auction revenue for taxpayers and promote the most efficient and innovative uses of limited spectrum resources, Congress must allow the FCC to structure spectrum auctions to guarantee maximum participation from the broadest array of bidders.

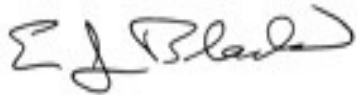
Under its authority in the Communications Act, the FCC has created and implemented auction rules that foster competition in the wireless industry, as well as investment in and deployment of new technologies, services, and business models. Historically, FCC eligibility and license conditions in spectrum auctions have served to limit anticompetitive spectrum concentration while promoting economic opportunity, competition, innovation, and removing barriers to entry. Congress must not stand in the way of such future benefits by restricting the FCC's authority to set auction rules that encourage greater competition in the wireless market.

The FCC's auction rules have proved economically successful, raising over \$50 billion for American taxpayers. And the FCC's rules have actually increased auction receipts by increasing the number of auction bidders, as increasing the number of bidders from two or three to five or more leads to an over 90% increase in auction revenues. To maximize revenue, Congress should not interfere with the FCC's authority to design and structure spectrum auctions to ensure maximum participation from a broad array of bidders.

Spectrum auctions have the potential to leverage our nation's limited spectrum resources to foster revenue generation for taxpayers, and more importantly, to achieve the aims of

encouraging continued private sector investment, job creation, and deploying advanced mobile broadband services to all Americans. As the expert agency charged with licensing and managing this taxpayer-owned resource, the FCC must maintain the authority to ensure this potential is realized. Unfortunately, Section 4105 of the current version of the Middle Class Tax Relief and Job Creation Act of 2011 may restrict the FCC's existing authority to the detriment of wireless service competition and revenue generation. CCIA opposes this language and urges Congress to extend the FCC's licensing authority without this restriction.

Sincerely,

A handwritten signature in black ink, appearing to read "Ed Black". The signature is written in a cursive style with a large initial "E" and a long, sweeping underline.

Ed Black
President & CEO