TREY GOWDY

4TH DISTRICT, SOUTH CAROLINA

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

> COMMITTEE ON THE JUDICIARY

SUBCOMMITTEE:

IMMIGRATION AND BORDER SECURITY
CHAIRMAN

Congress of the United States House of Representatives

Washington, DC 20515-4004

May 29, 2013

The Honorable Mignon Clyburn Acting Chairwoman The Federal Communications Commission 445 12th Street SW Washington DC 20554

Dear Madam Chairwoman:

We write to you regarding the Federal Communications Commission's ("the Commission's") upcoming voluntary incentive auction included in the Middle Class Tax Relief and Job Creation Act of 2012. A successful auction is one that opens opportunity for wireless carriers to secure more spectrum, protects broadcast viewers from losing service, and returns auction proceeds to the Federal Treasury. On this final point, we encourage the Commission to go forward with the auction and be mindful of the impact the auction will have on jobs, broadcast television viewers, and wireless users.

Broadcasters are concerned that while participation in the auction is voluntary, the subsequent repacking of the broadcast band at the conclusion of the auction is not. Many television stations that choose to continue serving their local communities will need to adapt to new channels in such a way that balances the need to continue service with costs of relocating to new channels.

The \$1.75 billion set aside for a TV Broadcaster Relocation Fund ("the Fund"), also included in the Act, was meant to cover the costs associated with required relocations, but broadcasters have expressed two key concerns. First, the Commission should use the \$1.75 billion dedicated to the Fund as its repacking budget and work to establish a strategy that stays within that budget. Broadcasters from our districts are concerned the Commission will repack broadcasters without any regard for the costs they will incur despite not participating in the auction. The \$1.75 billion figure should give the Commission all the flexibility it needs to repack hundreds of stations, if necessary, while working with those broadcasters who elect to continue to serve their local communities, especially outlying rural areas.

Second, the incentive auction was presented as a market-based tool allowing the private sector to determine whether spectrum should be reallocated. The Commission's role should focus on connecting buyers and willing sellers. We hope the Commission will do

all it can to limit the number of stations repacked, thereby returning any excess funds to the Federal Treasury.

In conclusion, we agree with the need for this auction and ask the Commission to conduct an open and transparent process that embraces stakeholder input as we embark on this first of its kind auction.

Sincerely,

Lindsey O. Graham

United States Senator

Tim Scott

United States Senator

Ine Wils

Member of Congress

Jeff Duncan

Member of Congress

Trey Gowd

Member of Congress

Mick Mulvane

Member of Congress

Tom Rice

Member of Congress