

**Testimony of**

**THE HONORABLE STEVE LARGENT**

**PRESIDENT AND CEO**

**CTIA – THE WIRELESS ASSOCIATION®**

**Thursday, February 8, 2007**

**Senate Committee on  
Commerce, Science & Transportation  
253 Russell Senate Office Building  
Washington, D.C.**

Chairman Inouye, Co-Chairman Stevens and members of the Committee, thank you for the opportunity to testify this morning on an issue that is of great significance to the wireless industry, but more importantly, critical to the security and safety of this country – the present and future of public safety communications.

As someone who was a Member of Congress on September 11<sup>th</sup>, 2001 and now as President of CTIA, I am keenly aware of the need for a national, interoperable wireless broadband public safety network. I am proud to say that the wireless industry has a long and proven track record of working with public safety agencies throughout the country to develop public safety and interoperability solutions. One only has to look at the collaborative efforts between the wireless industry and public safety on E911, Wireless Priority Service, Wireless Amber Alerts and, most recently, the WARN Act and emergency alerts to know that this industry is committed to developing a world class 21<sup>st</sup> century communications network. It is imperative that our nation's first responders have access to the latest technology, such as broadband data and video capabilities that are now currently available in wireless handsets used by American consumers.

This Committee and Congress got it right a year ago when it passed The Digital Television Transition and Public Safety Act (DTV Act) setting a firm date for the full conversion from analog to digital television. The DTV Act represents years of careful consideration on the part of Congress, the FCC, NTIA, public safety, television broadcasters, and the wireless and technology industries. As a result of this landmark legislation, public safety agencies will have access to an additional 24 MHz of spectrum in the prime 700 MHz band doubling public safety's spectrum inventory as compared to pre-9-11 levels.

Additionally, this Committee was instrumental in providing \$1 billion in funding for interoperable communications from the auction proceeds of commercial spectrum.

As Chairman Martin and Commissioner Adelstein said last week before the Committee, the reallocation of the 700 MHz band is one of the most important undertakings before the Commission. I commend the FCC on taking the next crucial step with its notice of proposed rule making which solicits input from the best and the brightest as to how best to deploy an interoperable network utilizing the 24 MHz of prime spectrum.

Congress has made prudent decisions by setting a hard date for the DTV transition and by making funding available to public safety for interoperability grants. It is therefore crucial that the auction for this spectrum occur expeditiously. A timely auction will raise much needed funds for interoperability and make the promise of wireless broadband a reality for the U.S. economy, consumers, and importantly, the millions of non-first responder government officials who rely on commercial networks to keep their cell phones and PDAs functioning during a crisis.

There is no dispute regarding the need to improve interoperability and the broadband capabilities of our nation's public safety communications system; however, the Cyren Call plan or other proposals that stray from the path set by the DTV Act only serve to hinder and delay the transition.

It is the firm belief of CTIA and the wireless industry that now is not the time to alter the procedures set in place by the DTV Act. Congress and the FCC must remain committed to the current course, which promises an expedient transition to digital television, advanced wireless broadband services, and most importantly, enhanced interoperability for our first responders.

I would like to emphasize that the current interoperability challenges faced by first responders is not based on a lack of spectrum. Upon completion of the DTV transition as currently configured, public safety will have 49.7 MHz of spectrum (not including the 50 MHz that they have been allocated in the 4.9 GHz band) to use for voice and data services to serve approximately 3 million first responders. Cyren Call would have you believe that public safety networks will use that 49.7 MHz to provide only voice service to the 3 million first responders, and that more spectrum is needed for data. In comparison, three of our largest carriers use, on average, the same amount of spectrum, yet provide both voice AND broadband data services to over 50 million customers each, with two of them serving over 60 million. Commercial operators, using the same 50 MHz of spectrum, can provide voice and data service to 60 million Americans. The commercial wireless industry provides interoperable voice and data services to twenty times the number of customers as are served by public safety. This is not about spectrum.

Professor Jon Peha of Carnegie Mellon has studied the current fragmented approach to public safety communications, and has come to the conclusion that the current approach consumes more spectrum than it should. To date, the United States has assigned approximately 200 MHz of spectrum to the commercial wireless industry, and there currently are over 230 million subscribers. National wireless carriers in the U.S., on average, use 1 MHz of spectrum to provide service to one million customers. After the 700 MHz auction, public safety will have almost 50 MHz of spectrum to serve 3 million first responder subscribers. Public safety will have 16 times more spectrum, per user, than the average nationwide carrier does now, and again, this figure does not include the 50 MHz of spectrum that public safety has been allocated in the 4.9 GHz band. Even before the DTV transition,

public safety currently has 8 MHz per million users. If spectrum is not the problem inhibiting a coordinated and cohesive interoperable public safety network, then what is the problem?

If the Committee is looking for an answer to this question, I would suggest the Committee should examine effort of New York City.

Last September, New York City announced it had awarded a five-year, \$500 million dollar contract to Northrup Grumman to develop a public safety broadband wireless network. The proposed network will utilize 10 MHz of spectrum in the 2.5 GHz band, and is designed to enhance public safety by facilitating communication between first responders. The network will utilize Universal Mobile Telecommunications System (UMTS) technology from IP Wireless because of its inherent spectral efficiency, which reduces the network's need for spectrum while providing New York with a technology sufficient for its public safety wireless broadband requirements. According to IP Wireless, the system can deliver download data rates of 8 to 10 megabits with future versions capable of 30 megabits of download speed. These speeds can easily accommodate applications that first responders require.

Examples such as this illustrate that through the use of modern wireless technologies, the 24 MHz of 700 MHz spectrum that already is allocated to public safety is more than sufficient to meet the data rates and bandwidth requirements for an interoperable broadband service.

\* \* \* \* \*

As I mentioned earlier, the DTV Act represents ten years of painstaking deliberation on the part of policymakers and stakeholders. Mr. O'Brien had ample opportunity during those 10 years to put forth his Cyren Call proposal and have its merits debated before the DTV legislation was enacted. Instead, Cyren Call offered its proposed alternative approach in April 2006 – two months **after** the legislation was signed into law.

In April of last year, Cyren Call filed a petition with the FCC requesting that an additional 30 MHz of commercial spectrum in the 700 MHz band be reallocated to construct a nationwide broadband emergency communications system to be used by first responders. Cyren Call's business plan, and to be clear, Cyren Call is a for-profit business venture, proposes that the spectrum be deeded to a "Public Safety Broadband Trust" which would in turn lease the spectrum to commercial operators in exchange for their commitment to construct a national broadband network.

On November 3, 2006, the FCC dismissed Cyren Call's petition, noting that the venture is inconsistent with the DTV Act. Unwilling to take "no" for an answer, Mr. O'Brien and his team of lobbyists have begun seeking legislation based on the proposal the FCC rejected.

The Cyren Call proposal shortchanges the U.S. Treasury, and thus the taxpayers – potentially by billions of dollars. Under the terms of Cyren Call's proposal, the corporation is entitled to purchase a chunk of the valuable 700 MHz band on a no-bid, non-compete basis, for an amount "not to exceed" \$5 billion. Many recent estimates suggest this is likely to be far less than the spectrum would fetch at auction. Additionally, the bill requires taxpayers to subsidize the corporation's below-market purchase of the spectrum by guaranteeing up to \$10 billion of loans to the corporation, half of which can be used by the

corporation to buy the public safety broadband license. The rest could be paid to the private sector entities selected by the corporation to lease the spectrum, in essence requiring the taxpayers to subsidize those entities as well. Despite a decidedly mixed track record in administering complex indebtedness issues in the NextWave case, the FCC would provide the loan guarantees.

Another concern the Committee should examine is the rural component, or lack thereof, associated with the Cyren Call proposal. This plan offers little for those who live in the more sparsely populated areas of our country. Since coming on board at CTIA three years ago, one of the issues about which I hear most frequently from Members of Congress is the need for more wireless services in rural America. The DTV Act, as enacted, promises to remedy this problem by enabling CTIA member companies to bring wireless broadband service in America's rural communities more quickly.

\* \* \* \* \*

This Committee and Congress should be justifiably proud of its accomplishment of enacting the DTV Act, which allocates 24 MHz of spectrum for public safety; provides an estimated \$7 billion for deficit reduction; and sets aside \$1 billion for interoperability grants. The quicker these grants are dispersed, the quicker public safety can address their interoperability needs. Unfortunately, Cyren Call's proposal puts all the aforementioned at risk.

Now, just 12 months before the DTV conversion is to be completed, is not the time for Congress to be changing the rules of the game, particularly since Mr. O'Brien had ample opportunity before the DTV bill was enacted to come forward with his proposal.

What is needed by this Committee and Congress is a continued commitment to see this through. Mr. O'Brien offers you the false choice that one must be for his plan to be for public safety. I am here to tell you that is not the case, and to pledge that the wireless industry stands ready to work with public safety to construct efficient, interoperable networks for the health and welfare of our citizens.

Thank you and I look forward to your questions.