

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *Amendment of Parts 1, 21, 73, 74 and 101 of the Commission's Rules to Facilitate the Provision of Fixed and Mobile Broadband Access, Educational and Other Advanced Services in the 2150-2162 and 2500-2690 MHz Bands*, WT Docket No. 03-66 (Terminated); *Transforming the 2.5 GHz Band*, WT Docket No. 18-120

In 1963, the FCC designated the 2.5 GHz band for the Instructional Television Fixed Service, or ITFS. In that pre-broadband age, the idea was that schools could broadcast educational video from one antenna to multiple schools, and those institutions in turn could distribute the video to classrooms through closed-circuit television.

Two decades later, nearly half of all states had zero ITFS licensees, even though we were essentially giving away licenses for free. Many educational institutions simply didn't have the resources or technical knowledge to use the spectrum.

So in the 1980s the FCC tried to determine the band's best use again—it allowed educational institutions to lease excess capacity to commercial broadcasters. Pay-TV operators used the spectrum for a few years with limited success. The FCC's predictive judgment once again failed to produce an optimal result and use of the band declined.

In the mid-2000s, the FCC took yet another shot at re-designating the spectrum—this time for mobile broadband, which we named the Educational Broadband Service, or EBS. EBS was a half-step towards liberalizing the band's use. We allowed educational institutions to lease the spectrum to entities that specialize in mobile broadband, such as wireless providers. But we kept requirements that limited the band's value and made little sense given trends in technology. For example, to this day, we require that licensees use each of the four channels of spectrum for educational purposes for 20 hours per week. That might have made sense when the 2.5 GHz band was used for TV, but what does the 20-hour mandate mean when the spectrum is being used for broadband?

And so, predictably, we continue to see mixed results today. The 2.5 GHz band lies fallow in about half of the country. And we estimate that more than 90 percent of the EBS licenses held by educational institutions are leased to other entities. On the upside, this demonstrates that there's a market for the spectrum among wireless providers. And it shows that many educational institutions have contracted with those providers so that each can focus on what it does best: the former can educate students, and the latter can build wireless networks.

But it also shows that the overwhelming majority of EBS spectrum is not being used for educational broadband. Instead, because of the Commission's outdated or incorrect judgments about the band's best use, schools and wireless providers have had to devote a lot of resources to work around our rules. There are many ways to advance our public policy goal of expanding network access in schools and enhancing online learning opportunities, including through our E-rate program. But, as the tortured history of the 2.5 GHz band shows, command and control set-asides and restrictions on spectrum use are not the most effective way to serve students.

Through this Notice, the Commission begins to step away from central planning and towards letting the market determine the band's highest and best use. It builds on our modern approach to spectrum policy, which favors flexible use, rather than the FCC dictating eligibility and use cases.

For the first time, we propose to allow the full transfer of EBS licenses from educational institutions to providers, benefiting both parties. We propose to get rid of lease restrictions that devalue the band. And we seek to reform the geographic boundaries of licenses to encourage the full use of the spectrum.

I am glad to see that we are also going beyond the Notice's original proposals and priority filing windows. We now seek comment on additional options for rationalizing our approach to the band. For example, the Notice now asks whether we should consider an incentive auction or other mechanisms to allow the market to determine the band's highest and best use. After all, this band represents a potentially large, contiguous block of spectrum below 3 GHz that could be used for next generation mobile operations, including 5G. So we should recognize the significant investments that have already been made in the band while looking to remove regulatory barriers to expanding deployments. I want to thank my colleagues for agreeing to add this new section to the item. I look forward to reviewing the record as it develops.

And I want to thank the staff of the Wireless Telecommunications Bureau for their work on this item. It has my support.