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## **Senators Worried About Cost of Public Safety Broadband Network**

Several members of the Senate Commerce, Science, and Transportation Committee expressed concern today about whether enough funding will be available to construct a nationwide public safety broadband network - particularly in rural areas.

The lawmakers raised questions about the funding component of legislation (S 28) introduced by committee Chairman John D. (Jay) Rockefeller IV (D., W.Va.), as well as funds the Obama administration said it would push to construct a network, at a hearing held by the committee this morning. Key lawmakers, meanwhile, pledged to work together to resolve differences between S 28 and other bills that would reallocate the 700 megahertz band D block to public safety and provide funding streams to construct a system.

S 28 would require the D block to be reallocated to public safety while authorizing \$11 billion in appropriations for the construction and maintenance of a nationwide public safety broadband network (TRDaily, Jan. 25). Required matching funds would total up to an additional \$7.7 billion. The bill would also authorize the FCC to hold incentive auctions.

Reps. Peter T. King (R., N.Y) and Bennie G. Thompson (D., Miss.), the respective chairman and ranking member of the House Homeland Security Committee, introduced legislation (HR 607) last week that would also direct reallocation of the D block and also reserve \$11 billion for construction and maintenance grants, with the same match required (TRDaily, Feb. 10). The bill, however, would not authorize incentive auctions and would authorize the Department of Homeland Security to oversee the grants, rather than the National Telecommunications and Information Administration and the FCC, as Sen. Rockefeller's bill does. Sens. Joseph I. Lieberman (I., Conn.), chairman of the Senate Homeland Security and Governmental Affairs Committee, and John McCain (R., Ariz.) plan to introduce D-block legislation similar to the House bill after next week's congressional recess.

Meanwhile, Sen. Kay Bailey Hutchison (R., Texas), ranking member of the Senate Commerce Committee, today confirmed that she plans to introduce legislation that would reallocate the D block to public safety and provide a mix of grants and zero-interest loans to construct the public safety network. In particular, \$4 billion in grants would be targeted to rural and high-cost areas, Senate GOP staffers have said. The bill also would authorize incentives auctions, and it also is designed to spur more efficient use of government spectrum so that some channels can be repurposed. The measure also isn't expected to be introduced until after next week's recess, according to an aide.

"Mr. Chairman, I hope that we can combine your priority and your approach with mine, and do something that I think would be a win all the way around," Sen. Hutchison said to Sen. Rockefeller at today's hearing. "We always do," Sen. Rockefeller replied.

Rep. King, who spoke briefly at today's hearing, echoed Sen. Hutchison's statement on the need to collaborate to combine bills. "Whatever differences there are I hope can be resolved as we go forward," he said.

But several senators expressed concern about the cost of building out the network - and whether rural areas might get left out in the cold if not enough funding is allocated.

"I do have some serious concerns about the true cost of building a new network, particularly given that some are advocating for a stand-alone network, which dramatically increases the costs," Sen. Mark R. Warner (D., Va.) said in his prepared remarks. "There are many tough choices ahead for our country, given the fiscal realities we face today. I have a hard time saying we have to make tough choices everywhere in the budget, except for building a new communications network."

He noted FCC estimates to construct a shared or stand-alone network. The FCC projected that it would cost \$12 billion to \$16 billion to construct and operate a leveraged network for a decade, while expenses for a stand-alone network would run between \$41.3 billion and \$47.5 billion.

Mr. Warner noted that the Obama administration is pushing for \$7 billion for the public safety network, although it wants another \$5 billion to support commercial-public safety deployment in rural areas. He said the government should focus on deploying broadband services where they currently don't exist - rural areas. In other regions, tower collocation and infrastructure sharing should be the focus, he said.

The senator also suggested that "Congress must do the hard work of insisting on multiple cost saving measures, including a complete transition of narrowband systems to the new broadband network within 10 years." HR 607 would require a migration from narrowband channels and the auctioning of spectrum now used for narrowband communications.

Mr. Warner said state and local entities must "all have skin in the game," including by easing construction and deployment by making it easier to site antennas on public facilities and through collocation.

He asked state and local witnesses if they would be willing to give up revenues to allow antennas to be sited more easily or would be willing to return narrowband channels once a migration to the broadband spectrum is completed. In general responses, they said yes.

Mr. Warner also urged the FCC to move ahead with a notice of proposed rulemaking on auctioning the D block. "Congress operates best with a deadline," he said. "Let's move the NPRM on the auction so that if we can't reach consensus in a year, we're not stuck in the same place we are today."

The senator, who was in the wireless business earlier in his career, also said he and Sen. Roger F. Wicker (R., Miss.) are working on the Next-Generation Public Safety Devices Act that would require interoperability standards for public safety devices and call for funding for research and development.

Sen. Tom Udall (D., N.M.) called S 28 "a good, solid piece of legislation," but he said he's concerned about interoperability in rural areas.

Sen. Amy Klobuchar (D., Minn.) echoed a similar concern. "It is more than just New York City," she said. She also said she plans to reintroduce, with Sen. Richard Burr (R., N.C.), the Next-Generation 911 Preservation Act "to make sure that we're updating the 911 system."

Sen. Roy Blunt (R., Mo.) expressed concern about whether funds will be available to actually construct a network in all areas. "I'm concerned that we don't allocate a lot of spectrum that no one can afford to develop," he said.

In his opening remarks, Sen. Rockefeller said passing public safety broadband legislation is a top priority for this year, and he said he hopes Congress will do so by the 10th anniversary of the 2011 terrorist attacks.

“There are some people who argue that we should simply sell this valuable resource to the highest bidder. I forcefully reject that - though I have said repeatedly that I will work with anyone who seeks to make sure that our public safety officials have the resources they need to communicate, to do their jobs, and to protect our people,” the senator said. “But let me also clarify one thing. This effort is about saving lives. And to those who say we cannot afford this now, I say we cannot afford not to. But if this is not compelling enough, it is important you know this: This legislation pays for itself. According to the Administration and industry, incentive auctions will bring in revenue well above what funding public safety requires, leaving billions over for deficit reduction. This is win-win-win.”

In testimony, several public safety officials spoke out in favor of Sen. Rockefeller’s legislation, stressing that public safety agencies must have control over their spectrum and that billions of dollars in funding are needed to construct a network. But a former public safety official who is now a consultant for industry endorsed the FCC national broadband plan’s (NBP) recommendation that the D block be reauctoned and that public safety agencies rely on priority roaming on commercial networks to meet excess capacity needs.

Speaking for reallocation were New York City Police Commissioner Raymond Kelly; Delaware Gov. Jack Markell (D.), testifying on behalf of the National Governors Association; and Al Gillespie, chief of the North Las Vegas Fire Department and first vice president of the International Association of Fire Chiefs. On the other side of the issue was Joe Hanna, president of Directions, Inc., a consulting firm, and former president of the Association of Public-Safety Communications Officials-International. Mr. Hanna’s clients include T-Mobile, USA, Inc., which is pushing for a reauction of the D block, but he said he was speaking only for himself.

Mr. Kelly stressed the benefits of an interoperable broadband network, including being able to match video images of people at crime scenes to mug shots. “But we can’t get there without a safe, secure, and effective broadband network over which to deliver this information, one that is built and run to public safety specifications, and one that we can control,” Mr. Kelly said. “We know from past experience that we can’t depend on systems run by the private sector. They are too susceptible to failure in a crisis.”

Mr. Gillespie also emphasized the importance of local control of the network, saying, “We cannot have commercial providers deciding what is or is not an emergency and what is the priority.” Gov. Markell praised S 28, saying it addresses the three key issues of (1) D-block reallocation, (2) funding, and (3) governance.

“Everyone in this room agrees that our first responders should have the tools they need to serve the public, including access to state-of-the-art communications systems,” Mr. Hanna testified. “We differ on the most effective path to get to that result. Congress provided public safety with 24 megahertz of spectrum in the 700 MHz band. If prudently utilized, this allocation can provide public safety entities with the capacity they require for day-to-day needs. Using that capacity in connection with commercial spectrum in the 700 MHz band, as proposed in the FCC’s National Broadband Plan, will give public safety the bandwidth necessary for disaster situations. Equally as important, partnering with commercial entities will allow first responders to take advantage of the benefits of commercial networks and handsets that consumers have come to enjoy.”

Mr. Hanna stressed that fourth-generation LTE (long term evolution) technology can allow an “automatic, seamless” handoff of public safety traffic to commercial networks on a priority basis. He also said S 28 fails to adequately address critical governance issues.

But in response to Mr. Hanna, Sen. Warner, and others, the witnesses that favor D-block reallocation stressed that public safety plans to forge public-private partnerships.

Such partnerships are ideal for the \$5 billion the Obama administration wants to spend to build out broadband services in rural areas, Gov. Markell said. Chief Gillespie said that while public safety agencies can't rely on commercial entities to run their network, S 28 would enable "creative partnerships between the public and private sectors," both for sharing spectrum and building out the network.

"We're open to working with the private sector," Mr. Kelly said. "We need the private sector."