Summary: Demand for wireless data and usage continues to grow. With the growth in demand for wireless data, there is a growing need for the government to make available additional commercial spectrum. This model resolution urges Congress, the Federal Communications Commission, and the National Telecommunications and Information Administration to use market-based mechanisms to free up spectrum.

A RESOLUTION SUPPORTING ADDITIONAL COMMERCIAL SPECTRUM

For the purpose of urging Congress to continue to deploy commercial spectrum on a predictable, expedient basis through auctions, with no government intervention in the form of excessive regulation, fees or taxes and allowing free market principles of consumer demand to dictate the efficient use of all commercial spectrum.

WHEREAS for the first time in United States history, at the end of 2011, the number of total wireless subscriber connections (316 million) has surpassed the population (315.3 million) of the United States and its territories (Puerto Rico, Guam and the U.S. Virgin Islands);

WHEREAS since 2001, wireless providers have invested more than $258 billion in capital expenditures to accommodate U.S. wireless demand;

WHEREAS 2011 was the largest annual increase of operational cell sites with 283,385 at year-end, which was 30,299 more than 2010;

WHEREAS the wireless industry is responsible for indirectly and directly supporting 3.8 million jobs, or 2.6% of all U.S. employment;

WHEREAS the burgeoning app economy, beginning in 2007, has created 519,000 jobs in the United States, nearly $19 billion in revenue, and is expected to generate $46 billion by 2016;

WHEREAS the wireless industry contributes $195.5 billion annually to U.S. GDP;

WHEREAS the demand for wireless data and usage is exploding, doubling in each of the last three years, amounting to more than 1.1 trillion megabytes in the last 12 months;

WHEREAS by mid-year 2012, voice and text traffic showed year-over-year increases, to total more than 2.3 trillion minutes of use (MOU) and 2.3 trillion SMS messages for the last 12 months;

WHEREAS by mid-year 2012, wireless carriers reported 300.4 million wireless data-capable devices, where more than 130.8 million of these devices are smartphones and more than 21.6 million are wireless-enabled laptops, tablets, or wireless broadband modems;

WHEREAS in the past 10 years, the FCC’s commercial spectrum auctions have raised more than $34 billion from the wireless industry;
WHEREAS across 26 member countries of the Organisation for Economic Co-operation and
Development ("OECD"), as of year-end 2011, wireless customers in the U.S. used the most voice
minutes, and paid the lowest average revenue per minute among these countries;\textsuperscript{xii}

WHEREAS the United States is one of only three OECD countries with five or more mobile wireless
carriers competing in its wireless market;\textsuperscript{xiii}

WHEREAS the United States is an efficient user of commercial spectrum with only 504 MHz of spectrum
available or in the pipeline for mobile broadband use, when compared with other OECD countries, such
as: Japan with 755 MHz, Germany with 615 MHz, the United Kingdom with 603 MHz, and Spain with 600
MHz of spectrum allocated or in the pipeline for mobile broadband use;\textsuperscript{xiv}

WHEREAS the explosion of wireless usage highlights why the search for more spectrum is imperative
and important to all types of consumers, individual and businesses alike;

WHEREAS the FCC’s National Broadband Plan provides that an additional 500 MHz of spectrum should
be made available for commercial use by 2020, and calls for at least 300 MHz of that spectrum to be
made available by 2015;

WHEREAS this additional spectrum has the potential to create an additional 550,000 new U.S. jobs,
increase of $166 billion in U.S. GDP, boost of $23.4 billion in government revenues, and increase of
$13.1 billion in wireless applications and content sales;\textsuperscript{xv}

WHEREAS the Administration, Congress on a bi-partisan basis, and the Federal Communications
Commission support the fact the United States faces a spectrum shortage in the immediate future;\textsuperscript{xvi}

WHEREAS it has historically taken between six to thirteen years to identify, clear, auction and deploy
commercial spectrum;

NOW THEREFORE BE IT RESOLVED that all state delegations to the United States Congress,
Commissioners of the Federal Communications Commission and the National Telecommunications and
Information Administration are urged to vigorously support all appropriate legislative and regulatory
actions that would further the availability and deployment of spectrum for commercial wireless use;

BE IT FURTHER RESOLVED that any such federal legislative or regulatory action should focus upon, or
contain, the intent of the following guidelines:

- Implement market-based mechanisms, such as competitive bidding and auctions for commercial
  spectrum assignments, which would greatly reduce or eliminate speculation;

- Implement a process that expedites and streamlines the process of bringing spectrum to the
  commercial market;

- Reduce regulation and rules to encourage flexible use of all assigned frequencies, while
  maintaining broad requirements, thereby encouraging development of new innovations in services and
  ensuring more efficient use of all assigned commercial spectrum.
2 Ibid.
8 Ibid.
9 Ibid.

“Even with the conservative set of assumptions used in this model, it is apparent that the nation faces the prospect of a spectrum shortage within the next five years.”