



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

December 11, 2013

Dear Members of the House Subcommittee on Communications and Technology,

On behalf of Americans for Tax Reform, I write in Support of HR 3674, To amend the National Telecommunications and Information Administration Organization Act to provide incentives for the reallocation of Federal Government spectrum for commercial use.

The wireless industry is highly constrained and even with the upcoming auctions American consumers are expected to outstrip commercially available spectrum; the FCC projected that in 2014 mobile data traffic will reach level 35 times higher than in 2009, resulting in a deficit of 275 MHz. We applaud the efforts of members of the Energy and Commerce Committee, including bill sponsors, Rep. Matsui and Rep. Guthrie, and co-sponsors, Chairman Walden and Ranking Member Eshoo, to encourage Federal Agencies with unused or under-used spectrum to return this valuable asset to the commercial market.

Considering the commercial needs and the budget stresses experienced by federal agencies, it is wise for Congress to allow agencies to receive budgetary compensation should they choose to offer this asset up for auction. Auctions have already proved incredibly valuable to our economy; for every 10 MHz of additional spectrum introduced to the wireless market from auction, US GDP increased by \$1.73 billion dollars per year.

However, we hope that Congress will seriously consider increasing proceeds from the auctions that are returned to the agencies. We believe that one percent of revenues raised at auction may not be a strong enough incentive for federal agencies to participate, as it will not significantly mitigate current budget cuts or facilitate spending reform.

Please contact Katie McAuliffe by email, kmcauliffe@atr.org, or phone, 202-785-0266, with any questions or comments.

Onward,

Grover G. Norquist

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T:(202)785-0266

F:(202)785-0261

www.atr.org