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**For Immediate Release**

**FCC REFORMS COMPETITIVE BIDDING RULES FOR SPECTRUM AUCTIONS**

*Modernizes rules to prevent gaming and provide flexibility for eligible small businesses and rural service providers*

WASHINGTON, July 16, 2015 – The Federal Communications Commission adopted a Report and Order today that modernizes and reforms policies designed to facilitate small business’ ability to participate in spectrum auctions and the wireless marketplace. These policies are commonly known as the Designated Entity Rules.

The Report and Order adopts common sense reforms to ensure that eligible small businesses and rural service providers are the true recipients of bidding credits. In addition, the Order provides greater flexibility to smaller companies and rural service providers to build wireless businesses that can spur additional investment in, and bring greater choice to, consumers and businesses across the country.

With today’s action, the Commission is taking the following steps to provide small businesses—including enterprises owned by women and minorities—with a better on-ramp into the wireless industry, to increase the participation of rural service providers in future auctions and to eliminate outdated rules that no longer reflect the developments in today’s wireless marketplace:

- Elimination of the attributable material relationship rule that limited the amount of spectrum a small business could lease in order to provide small businesses the flexibility to leverage leasing and other spectrum use agreements to gain access to capital and operational experience.
- Adoption of a first ever 15 percent bidding credit for qualifying service providers that provide commercial communications services to a customer base of fewer than 250,000 combined wireless, wireline, broadband, and cable subscribers and serve predominantly rural areas.
- Establishment of a first ever cap on the total amount of bidding credits that a small business or rural service provider can receive in any particular auction. The cap will vary on a service-by-service and auction-by-auction basis. For the Incentive Auction, the Report and Order adopts a cap of \$150 million for small businesses and a \$10 million ceiling on the overall amount that any entity—either a small business or rural service provider—can receive in smaller markets.
- Modifications to the Commission’s attribution rules to guard against unjust enrichment.

- Amendment of the competitive bidding rules to prohibit joint bidding and multiple applications by one party as well as parties with common controlling interests except in limited circumstances.

Action by the Commission July 16, 2015 by Report and Order, Order on Reconsideration, Third Order on Reconsideration and a Third Report and Order (FCC 15-80). Chairman Wheeler, Commissioners Clyburn, and Rosenworcel. Commissioner O’Rielly and Pai dissenting. Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai and O’Rielly issuing statements.

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*This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).*