

117TH CONGRESS
2D SESSION

S. 4820

To auction spectrum and to authorize the Federal Communications Commission to borrow funds from the Treasury, to be repaid out of auction proceeds, to ensure rural communications providers have the resources to replace communications equipment and services to protect their networks from Chinese Communist Party espionage.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 12, 2022

Mr. LEE (for himself and Mrs. BLACKBURN) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To auction spectrum and to authorize the Federal Communications Commission to borrow funds from the Treasury, to be repaid out of auction proceeds, to ensure rural communications providers have the resources to replace communications equipment and services to protect their networks from Chinese Communist Party espionage.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Protecting Commu-
3 nications Networks from Chinese Communist Party Espio-
4 nage Act”.

5 **SEC. 2. SPECTRUM AUCTION.**

6 (a) IDENTIFICATION.—Not later than 21 months
7 after the date of enactment of this Act, the Secretary of
8 Commerce, in consultation with the Secretary of Defense,
9 the Director of the Office of Science and Technology Pol-
10 icy, and the Federal Communications Commission (re-
11 ferred to in this section as the “Commission”) shall sub-
12 mit to the President, the Commission, and the relevant
13 congressional committees (as defined in section 90008(a)
14 of the Infrastructure Investment and Jobs Act (47 U.S.C.
15 921 note; Public Law 117–58)) a report that identifies
16 350 megahertz of electromagnetic spectrum between the
17 frequencies of 3100 megahertz and 3450 megahertz, inclu-
18 sive, to be reallocated by the Commission through a sys-
19 tem of competitive bidding under subsection (b) for non-
20 Federal use or shared Federal and non-Federal use, or
21 a combination thereof.

22 (b) REALLOCATION OF SPECTRUM THROUGH AUC-
23 TION.—

24 (1) IN GENERAL.—Not later than 7 years after
25 the date of enactment of this Act, the Commission
26 shall—

1 (A) notwithstanding paragraph (11) or
2 (15)(A) of section 309(j) of the Communica-
3 tions Act of 1934 (47 U.S.C. 309(j)), in coordi-
4 nation with the Assistant Secretary of Com-
5 merce for Communications and Information,
6 conduct a system of competitive bidding under
7 that section to award licenses for non-Federal
8 use or shared Federal and non-Federal use, or
9 a combination thereof, of the band or bands of
10 electromagnetic spectrum identified under sub-
11 section (a); and

12 (B) promulgate rules for the use of spec-
13 trum reallocated under subparagraph (A).

14 (2) AUCTION PROCEEDS TO COVER 110 PER-
15 CENT OF FEDERAL RELOCATION OR SHARING
16 COSTS.—Nothing in this subsection shall be con-
17 strued to relieve the Commission from the require-
18 ments under section 309(j)(16)(B) of the Commu-
19 nications Act of 1934 (47 U.S.C. 309(j)(16)(B)).

20 (3) EXTENSION OF AUCTION AUTHORITY.—Sec-
21 tion 309(j)(11) of the Communications Act of 1934
22 (47 U.S.C. 309(j)(11)) is amended by striking “sec-
23 tion 90008(b)(2)(A)(ii) of the Infrastructure Invest-
24 ment and Jobs Act” and inserting “section 2(a) of

1 the Protecting Communications Networks from Chi-
2 nese Communist Party Espionage Act”.

3 (c) USE OF AUCTION PROCEEDS.—Notwithstanding
4 subparagraphs (A), (C)(i), and (D) of section 309(j)(8)
5 of the Communications Act of 1934 (47 U.S.C. 309(j)(8)),
6 and except as provided in subparagraph (B) of that para-
7 graph, the proceeds (including deposits and upfront pay-
8 ments from successful bidders) of competitive bidding
9 under subsection (b) of this section (in this subsection re-
10 ferred to as “covered proceeds”) shall be deposited or
11 available as follows:

12 (1) Such amount of the covered proceeds as is
13 necessary to cover 110 percent of the relocation or
14 sharing costs of Federal entities relocated from or
15 sharing the frequencies identified under subsection
16 (a) shall be deposited in the Spectrum Relocation
17 Fund established under section 118 of the National
18 Telecommunications and Information Administration
19 Organization Act (47 U.S.C. 928).

20 (2) After the amount required to be deposited
21 by paragraph (1) of this subsection is so deposited,
22 the Commission shall use such amounts as are nec-
23 essary to reimburse the general fund of the Treasury
24 for any amounts borrowed under section (d) of this
25 section.

1 (3) After compliance with paragraphs (1) and
2 (2) of this subsection, the Commission shall deposit
3 all remaining amounts in the general fund of the
4 Treasury for the sole purpose of deficit reduction.

5 (d) FCC BORROWING AUTHORITY.—The Commis-
6 sion may borrow from the Treasury of the United States
7 an amount not to exceed \$3,700,000,000 to carry out the
8 Secure and Trusted Communications Networks Act of
9 2019 (47 U.S.C. 1601 et seq.), notwithstanding the limi-
10 tation on expenditures under section 4(k) of that Act (47
11 U.S.C. 1603(k)) and provided that the Commission shall
12 not use any funds borrowed under this subsection in a
13 manner that may result in outlays on or after September
14 30, 2031.

15 (e) RELATION TO SPECTRUM AUCTION UNDER IN-
16 FRAStructure INVESTMENT AND JOBS ACT.—Para-
17 graphs (2), (3), and (4) of section 90008(b) of the Infra-
18 structure Investment and Jobs Act (47 U.S.C. 921 note;
19 Public Law 117–58) are repealed.

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