

ALERT

# "One Big Beautiful Bill Act" Passes, Restoring FCC Auction Authority and Establishing Spectrum Pipeline

July 7, 2025

The Federal Communications Commission's (FCC) general authority to conduct spectrum auctions lapsed on March 9, 2023, leaving a core pillar of agency responsibility subject to ad-hoc, band-specific authorizations as comprehensive spectrum legislation struggled to advance in Congress. That changed on July 4, 2025, when President Trump signed the "One Big Beautiful Bill Act" (OBBBA) into law. The OBBBA:

- Restores the FCC's general auction authority, subject to several limitations that steer U.S. spectrum policy away from some of the most heavily contested federal frequencies.
- Establishes an ambitious – but "light-touch" – spectrum pipeline by directing the FCC and the National Telecommunications and Information Administration (NTIA) to repurpose minimum quantities of spectrum on a specified timetable while leaving key details to the agencies themselves. In total, the bill directs the auction of no less than 800 megahertz but only expressly mandates an auction in one band in particular: the Upper C-band (3.98-4.2 GHz).
- Between carve-outs and the ambitious 800-megahertz topline, creates challenging math that may increase pressure to revisit bands that were not previously a priority for repurposing.
- Funds NTIA's evaluation of promising reallocation opportunities.
- Solidifies NTIA's role in determining the feasibility of repurposing federal spectrum, while creating a more explicit role for the President to evaluate the national security impacts

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of proposed reallocations.

- Funds federal aviation safety advancements that could also advance commercial spectrum opportunity, while paring back federal investments in Open RAN.

With the bill's enactment, the action now shifts to the FCC, NTIA, and Executive branch processes to determine how much of which bands are repurposed, in what way, and by what deadlines. Read more below for a summary of OBBBA's spectrum accomplishments and a preview of what lies ahead.

### ***General Auction Authority Restored (Well, Almost)***

OBBA restores the FCC's general authority to auction spectrum through September 30, 2034. From that authorization, however, it carves out key frequency bands used by the U.S. Department of Defense (DoD) and other federal users:

- The bill excludes the Lower 3 GHz band (3.1-3.45 GHz) in its entirety, marking a pivot away from this deeply controversial swath of federal spectrum for full-power commercial deployments. Among other agencies and applications, DoD uses the band for fixed, mobile, ground-based, shipborne, and airborne radar systems supporting ballistic missile defense, airborne early warning and control, aerial surveillance, and counterfire, among other functions. The band had previously been studied for sharing with commercial users pursuant to the 2021 Infrastructure Investment and Jobs Act, and had been the subject of follow-on analyses exploring both co-channel sharing and a band reconfiguration pursuant to the National Spectrum Strategy and the 2025 "Spectrum Sprint."
- The bill also excludes all frequencies within the 7.4-8.4 GHz segment of the 7/8 GHz band (7.125-8.4 GHz), narrowing the range of focus in a key 6G candidate band subject to ongoing – and again, hotly contested – domestic and international study. The exempt frequencies support X-band military satellite communications in the United States and allied nations, among other government uses. Some of the excluded bandwidth also supports commercial applications, like backhaul for earth observation systems and ultra-wideband (UWB) communications.

### ***Fueling the Pipeline with Upper C-band – and Gobs of Bandwidth to Be Named Later***

The OBBBA uses three mechanisms to establish a spectrum pipeline totaling at least 800 megahertz:

1. Requiring NTIA and the FCC to repurpose at least 500 megahertz of federal spectrum within the 1.3-10.5 GHz range, excluding Lower 3 GHz and 7.4-8.4 GHz, for full-power commercial use cases on the following timetable: Within two years of enactment, NTIA must identify at least 200 megahertz of federal spectrum for repurposing, which the FCC must auction within four years of enactment. Within four years of enactment, NTIA must identify any remaining frequencies to reach the 500-megahertz topline, which the FCC must auction within eight years of enactment.<sup>[1]</sup>
2. Requiring the FCC to auction at least 300 megahertz, on top of the 500 megahertz described above, before its authority expires in 2034 – including by auctioning at least 100 megahertz in the Upper C-band (3.98-4.2 GHz) within two years of enactment. Spectrum contributing to the 300-megahertz target

can be federal, non-federal, or both. It cannot include any frequencies from Lower 3 GHz or 7.4-8.4 GHz.

3. A \$50 million appropriation (through FY2034) to fund NTIA's analysis of the 2.7-2.9 GHz, 4.4-4.9 GHz, and 7.25-7.4 GHz bands.

The OBBBA thus creates more of a math problem than a road map, and the 800-megahertz total – up from 600 megahertz in the House's original text – is aggressive enough to mean there is no unique solution to the equation. Agencies now must figure out which bands to piece together to reach the 500- and 300-megahertz targets, and how to prioritize work on those bands to comply with the bill's tranches approach to identification and auction deadlines. As they do so, they no doubt will remain mindful of the bands Congress carved out – Lower 3 GHz and 7.4-8.4 GHz – and the bands it chose not to. While the three bands (2.7-2.9 GHz, 4.4-4.9 GHz, and 7.25-7.4 GHz) covered by NTIA's \$50 million appropriation present an obvious place to start, mission, economic, and technical constraints will prevent auctioning the total combined bandwidth, thus increasing pressure to put other bands on the table.

### **Summary of OBBBA Spectrum Pipeline Targets**

#### ***Target***

#### ***Range***

#### ***Existing Allocation***

#### ***New Allocation***

#### ***New Use***

#### ***Identification Deadline***

#### ***Auction Deadline***

#### ***300 MHz***

Tranche 1 (100 MHz+)

3.98-4.2 GHz

Non-federal

None specified

None specified

None specified

July 2027

Tranche 2 (remaining b/w)

No range specified

None specified

None specified

None specified

None specified

September 2034

**500 MHz**

Tranche 1 (200 MHz+)

1.3-10.5 GHz

Federal

Non-federal, shared federal/non-federal, or a combination

Full-power commercial licensed use

July 2027

July 2029

Tranche 2 (remaining b/w, if any)

1.3-10.5 GHz

Federal

Non-federal, shared federal/non-federal, or a combination

Full-power commercial licensed use

July 2029

July 2033

### ***Roles and Responsibilities***

Notably, no agency receives a "veto" over NTIA identifications nor a statutory co-leadership role in the spectrum analyses leading to those identifications – discussion points that have long complicated spectrum legislation negotiations. Instead, the Act directs NTIA to determine the feasibility of a potential reallocation on its own and to identify spectrum consistent with that determination in consultation with the FCC.

In a change from the House's original text, the Act requires the President to modify or withdraw "any frequency proposed for reallocation" if the President determines that the change is necessary to protect U.S. national security. These provisions differ from standard language in previous spectrum bills requiring the President to modify or withdraw federal frequency assignments to make room for commercial users and implement a reallocation. Some may read them to blur traditional lines of separation between the FCC's and the NTIA's spectrum management authorities, and to invite new Executive branch challenges to agency reallocation decisions.

### ***What About the Rest of the Bill?***

While the auctions language garnered the most attention, other non-tax-related sections of Act will impact the wireless industry as well. OBBBA provides \$3 billion in funding to replace aging air surveillance radars. In addition to improving air traffic control, those investments could facilitate efforts to expand commercial access to federal spectrum. Elsewhere in the Act, Congress rescinded \$850 million in unused funding previously appropriated for the Wireless Innovation Fund, NTIA's grant program directed at Open RAN innovation and commercialization.

### ***What Comes Next?***

Expect FCC Chairman Carr to move quickly to move spectrum to market where he can. The FCC has already initiated a Notice of Inquiry examining the potential reallocation of the Upper C-band – and will have the wind behind its sails as it advances to a Notice of Proposed Rulemaking.

We also would expect significant Executive branch conversations to determine which bands should contribute to each category of spectrum subject to an OBBBA identification and/or auction deadline. Some of these deliberations may occur in the context of an FCC proceeding, while others almost certainly will not. While the precise policy process the Administration will use remains unclear, we would expect NTIA to pursue a quicker and less formal approach than the Biden Administration's band study process.

Though federal agencies and the White House will have the lead on implementation, we do not believe that lawmakers will retreat from their focus on spectrum. As disputes over particular bands emerge, we expect Congress to remain heavily engaged and to defend industry and federal interests as needed.

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Wiley's Telecom, Media & Technology Practice can assist with any questions related to the implications of OBBBA's spectrum provisions. For more information about these issues, please contact the members of the Wiley team listed on this alert.

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[1] The bill's text specifically requires that the FCC "complete 1 or more systems of competitive bidding" to meet the auction deadlines enumerated for both commercial and reallocated federal spectrum.

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