

A SPECTRUM OF SAVINGS

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The size of the [One Big Beautiful Bill](#) (OB BB) Act means that many worthwhile policy provisions have been largely overlooked. Among the commonsense reforms in the law is the expansion of [spectrum auctions](#) by the Federal Communications Commission (FCC).

Opening scarce airwaves will not only generate deficit-reducing revenue for the federal government but also enable hundreds of billions of dollars in economic activity and give American companies a competitive advantage.

Big Beautiful Bandwidth

Section 40002 of the OB BB authorizes the FCC to offer 800 megahertz (MHz) of electromagnetic spectrum for competitive bidding through 2034. This includes 500 MHz of spectrum currently controlled by the federal government, with an exception for bandwidths pertinent to [national security](#).

Merely authorizing spectrum auctions could have been insufficient to have the desired effect. Without a planning sequence known as a pipeline, the risk of unnecessary delays can discourage the private investments that spectrum auctions are meant to facilitate.

Thankfully, the OB BB also includes a spectrum pipeline to ensure that the FCC sees the process through to its conclusion.

A variety of technological and communication services depend on spectrum wavelengths, including long-distance internet, cell phones, navigation, and more.

Since the 1990s, the federal government has ensured that there is not a conflict over any single wavelength by overseeing auctions for wavelength bands. The demand for spectrum is currently larger than the supply, and demand increases over time.

Thus, boosting the amount of spectrum available for commercial use – especially for a full nine years – will open the door for new services and providers, which will be good news for consumers and the [competitiveness](#) of America's tech sector.

Estimated (and underestimated) Receipts

The Congressional Budget Office (CBO) [analysis](#) of the OBBB estimates that the spectrum provision will generate \$85 billion in receipts to the federal government through 2034, for the cost of \$50 million in administrative spending. This is already as good a return as taxpayers can possibly expect.

Incredibly, \$85 billion could be an underestimation of spectrum proceeds.

Revenues from auctions enacted in 2012 and 2019 exceeded CBO's estimates by 182% and 426%, respectively. The quantity of spectrum authorized by the OBBB is also larger than the combined 2012 and 2019 authorizations (which generated a combined \$124 billion), meaning that there is tremendous upside potential.

Legislators should keep an eye on the result of the new spectrum auctions. If proceeds once again far outpace CBO's estimate, that would signal an urgent need for expanded and extended auction authority.

The spectrum provisions in the OBBB are a win-win-win for consumers, businesses, and the federal budget. Congress should continue seeking out opportunities for putting the federal government's many resources to [better use](#).