

# GAO Highlights

Highlights of [GAO-17-135](#), a report to congressional requesters

## Why GAO Did This Study

In 2012, Congress authorized FCC to conduct an incentive auction of broadcast television spectrum whereby eligible broadcasters can voluntarily relinquish their spectrum usage rights in return for compensation. This auction will make spectrum available for new uses such as mobile broadband and will also potentially affect LPTV and translator stations. In addition to conducting the auction, FCC proposed preserving at least one vacant television channel in all areas that could be used by unlicensed devices to ensure the public continues to have access to the benefits associated with these devices.

GAO was asked to review the possible effects of the auction on LPTV and translator stations and their viewers. This report examines: (1) LPTV and translator stations and how FCC's incentive auction might affect their viewers, (2) selected stakeholders' views on actions FCC has proposed to mitigate the possible effects of the auction on such stations, and (3) selected stakeholders' views on the expected outcomes of preserving a vacant television channel for unlicensed use. GAO reviewed relevant FCC proceedings and comments associated with those proceedings; surveyed a non-generalizable sample of 330 LPTV and translator station representatives with available e-mail addresses; and interviewed officials from FCC and industry stakeholders selected to represent various types of organizations, such as broadcast industry associations and technology companies. GAO provided FCC with a draft of this report. FCC's technical comments have been incorporated.

View [GAO-17-135](#). For more information, contact Mark Goldstein at (202) 512-2834 or [goldsteinm@gao.gov](mailto:goldsteinm@gao.gov).

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## TELECOMMUNICATIONS

### Information on Low Power Television, FCC's Spectrum Incentive Auction, and Unlicensed Spectrum Use

## What GAO Found

As of May 2016, there were 2,063 low power television (LPTV) stations and 3,660 translator stations in the United States and its territories, serving diverse communities. However, some LPTV and translator stations may be displaced and need to find a new channel or discontinue operation after the Federal Communications Commission's (FCC) ongoing incentive auction of broadcast television spectrum. By statute, these stations were not designated as eligible to participate in the auction; consequently, they cannot voluntarily relinquish their spectrum usage rights in return for compensation. LPTV stations may serve rural communities with limited access to full-power stations and niche communities in urban areas, whereas translator stations retransmit the programming of other stations, mostly to viewers in rural areas who cannot otherwise receive television signals. After the auction, FCC intends to reorganize the television stations remaining on the air so that they will occupy a smaller range of channels, thus freeing up spectrum for other uses. LPTV and translator stations are not guaranteed a channel during the reorganization. FCC has acknowledged that the auction and channel reorganization may negatively affect an unknown number of LPTV and translator stations and that some viewers will lose service, and concluded the success of the auction outweighs these concerns. Broadcast industry associations and others have raised concerns about viewers' losing access to programming and emergency alert information these stations provide.

Selected stakeholders viewed FCC's actions to mitigate the effects of the incentive auction on LPTV and translator stations as helpful in some circumstances, but overall as insufficient. FCC's actions include using its software to identify channels that will be available for displaced stations following the auction and allowing channel sharing. While broadcast industry associations generally supported these measures in comments to FCC, some representatives told GAO that the actions will not do much to mitigate the effects of the incentive auction on LPTV and translator stations. Moreover, in response to GAO's non-generalizable survey, representatives of LPTV and translator stations generally indicated FCC's actions have limited usefulness.

According to selected stakeholders, FCC's proposal to preserve a vacant television channel in all areas throughout the country for unlicensed use, such as Wi-Fi Internet, could result in the loss of some existing broadcast service, but could have various benefits. Of the stakeholders GAO contacted, the broadcast industry associations generally opposed the proposal, while the technology companies supported it. According to a broadcast industry association, the proposal will force some LPTV and translator stations off the air because there will be one less channel where a displaced station can relocate, and many rural and underserved communities will likely lose access to the broadcast stations on which they rely. On the other hand, technology companies and other supporters of the vacant channel proposal maintain that preserving at least one vacant channel for unlicensed use will contribute to innovation and the development of new technologies. Proponents also said that preserving a vacant channel could help expand Wi-Fi more thoroughly giving people and businesses greater connectivity and could help extend coverage to people who might not have affordable access to the Internet.