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WASHINGTON, DC 20510-6275

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September 29, 2011

Mr. Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Genachowski:

I am sure you will agree with me that both public funds and public assets should not be used for private benefit. Though private industry is the engine that drives our economy and entrepreneurship is a necessary ingredient in our economic recovery, government should not favor selected private companies. This means that if a private company seeks to benefit at the expense of the federal government, that company should, at the very least, compensate the federal government for its expense.

My concern regarding LightSquared's application to create a terrestrial 4G network is that the Federal Communications Commission (FCC) appears not to have taken sufficient steps to safeguard the American taxpayer and appears to have let LightSquared off the hook regarding the multi-billion cost to retrofit GPS receivers to block out LightSquared's terrestrial network.

On September 15, 2011, United States Air Force Space Command General William Shelton testified before the House Armed Services Subcommittee on Strategic Forces and was asked what the cost would be to the United States military to retrofit its GPS receivers with filter technology to accommodate LightSquared's terrestrial network. He replied, "We have not estimated cost however, I think it would be very safe to say that the cost would in the B's – billions of dollars. We believe that the time would probably be a decade or more to accomplish all this. There are probably a million receivers out there in the military, maybe even more than that."¹

The cost of filters is not only a problem for the Department of Defense, as many federal agencies use GPS technology, as do state and local governments. Despite the readily apparent concerns which were present throughout the waiver process, at no point has the FCC addressed who will pay to retrofit every single federal, state, and local government GPS receiver, which will require a filter as a result of interference caused by LightSquared's terrestrial network.

¹ Inside GNSS, LightSquared Would Jam GPS, Defense Officials Tell Congress, September 15, 2011.

In the interest of balance, LightSquared has vigorously disputed the statements of General Shelton and others who claim that LightSquared is infringing on a "quiet zone" and casts blame on the GPS community. LightSquared also claims that they have created a new plan which will reduce the number of devices suffering harmful interference and has announced that it has created a workable filter, though both the plan and the proposed filter have yet to be independently and comprehensively tested. However, even if LightSquared is correct and General Shelton and others are wrong, the FCC appears to have taken no steps to apportion who will pay to retrofit government GPS receivers in the event that LightSquared is allowed the opportunity to build a terrestrial 4G network.

At a time when our national debt is skyrocketing and state and local budgets are stretched to the breaking point, socking taxpayers with a multi-billion dollar bill and extending large unfunded mandates to state and local governments sends the wrong message to the American people.

To address these concerns, I respectfully request that you answer the following questions:

1. Should the FCC find that LightSquared has fully satisfied all interference concerns, who will pay to retrofit all federal, state, and local government GPS receivers with filters?
2. Should the FCC find that LightSquared has fully satisfied all interference concerns, who will pay to retrofit all privately-owned GPS receivers with filters?
3. Has the FCC sought independent estimates from federal agencies and state and local governments on the cost of retrofitting their GPS devices? If not, why not?

Thank you for your cooperation and attention in this matter. I would appreciate a written response by October 13, 2011. If you have any questions, please do not hesitate to contact Chris Lucas on my Judiciary Committee staff at 224-5225.

Sincerely,



Charles E. Grassley
Ranking Member
Committee on the Judiciary