



March 26, 2025

Transmitted Electronically

The Honorable Ted Cruz
Chairman, Senate Committee on Commerce, Science, and Transportation
United States Senate
Washington, DC 20510

Dear Chairman Cruz and Members of the Senate Commerce Committee:

The Club for Growth supports this Committee's efforts to free up wireless spectrum for commercial use. We believe that the wireless innovation and investment enabled by access to spectrum can generate economic growth. However, we write with concern regarding the Spectrum Pipeline Act of 2024, which was introduced in the last Congress and is under consideration for reintroduction.¹

This bill would require the National Telecommunications and Information Administration (NTIA) to redesignate broad swaths of heavily used federal spectrum bands to be cleared and auctioned for full-power, exclusive commercial use. By setting the power levels and terms of use in this manner, the legislation would effectively only enable participation in the auction by the big three wireless carriers: AT&T, T-Mobile, and Verizon. Far from a free-market approach, the Spectrum Pipeline Act amounts to central planning—picking the winners of the auction before it even starts, while excluding all other market participants who use different spectrum technologies than Big Wireless.²

Let's set the record straight about Big, *Woke*, Wireless. For years, these companies have funneled their profits into diversity, equity, and inclusion (DEI) programs that promoted radical viewpoints to employees, including advocacy for defunding the police³ and deriding the United States and capitalism as "systems of racism."⁴

If that weren't bad enough, these companies have shown little regard for President Trump's base when it comes to their investments and deployments.⁵ As the government has consistently given Big Woke

¹ Spectrum Pipeline Act, S.3909, 118th Congress (2024). <https://www.congress.gov/bill/118th-congress/senate-bill/3909>

² "Recent proposals from the nation's largest mobile cellular carriers would result in only a handful of companies gaining access to limited spectrum. Without access to additional usable spectrum, like that in the lower 3 GHz band, small and medium-sized businesses like ours may be precluded from expanding our offerings to the millions of truly unserved Americans desperately in need of connectivity" Fierce Network, (Dec. 7, 2022), <https://www.fierce-network.com/5g/wisps-defend-cbrs-model-amid-ctia-attempts-quash-it>

³ Dorman, Samuel. "Verizon promotes defunding the police and idea America is fundamentally racist: report." Fox News, Aug. 26, 2021, <https://www.foxbusiness.com/politics/verizon-defund-police-america-racist>

⁴ @RealChrisRufo. "As part of the company's 'antiracism' education series, Verizon VP David Hubbard interviewed Khalil Muhammad, great-grandson of former Nation of Islam leader Elijah Muhammad, who denounced America and capitalism as 'systems of racism.'" X, Aug. 25, 2021, 1:16PM (<https://x.com/realchrisrufo/status/1430625219647967233>)

⁵ "Opensignal analysis reveals that smartphone users in rural areas spend more than twice as much time with no signal (1.3%) than those in the cities (0.6%)." Wyrzykowski, Robert, "The U.S. rural-urban gap has narrowed for 5G speeds but widened for 5G Availability" Opensignal, (Sept. 14, 2023), <https://www.opensignal.com/2023/09/14/the-us-rural-urban-gap-has-narrowed-for-5g-speeds-but-widened-for-5g-availability>

Wireless more and more spectrum and on favorable terms, these firms have left rural America with spotty, subpar, or non-existent service.⁶ Another spectrum giveaway will continue to leave Trump’s voters on the wrong side of the digital divide.

There’s a better way. Recently, in another letter to Chairman Cruz and House Energy and Commerce Committee Chairman Brett Guthrie, Club for Growth outlined a dual-track auction that would protect taxpayers and get federal bureaucrats out of the business of picking winners and losers.⁷

In particular, we urge you to champion a new method of auctioning spectrum—a dual-track approach that allows two simultaneous auctions, one for exclusive use and the other for shared use. The auction that generates the best net revenue for taxpayers would win. As Congress eyes commercial spectrum auctions to deliver as much as \$70 billion in offsets in the reconciliation bill, a dual-track approach can help guarantee the largest possible net revenue toward that goal. More importantly, ensuring the availability of valuable spectrum for commercial use will promote economic growth, job creation and higher wages for American workers.

We understand that some stakeholders may not agree with our recommended path forward, but this novel and innovative approach would maximize taxpayer benefit and let the free market—rather than central planners’ preferences—drive spectrum policy.

If this committee is not willing to consider our dual-track proposal, this Committee needs to take a very careful look at the alternatives. However, the Spectrum Pipeline Act represents a complete giveaway to three, giant, woke corporations who consistently neglect to serve rural Americans. If this Committee is adamant about pursuing less efficient ways of freeing up spectrum, then we strongly urge you to do it in a way that doesn’t enrich woke special interests.

Sincerely,



David McIntosh
President
Club for Growth

CC:

Sen. John Thune
Sen. Roger Wicker
Sen. Deb Fischer
Sen. Jerry Moran
Sen. Dan Sullivan
Sen. Marsha Blackburn

⁶ “If you plot a 2 or 3-mile circle around the existing cell towers in many counties, it becomes quickly obvious that cell coverage is non-existent in many places. The real cellular coverage in rural areas is drastically different than the national coverage maps that cellular carriers have been advertising for years.” Dawson, Doug, “Rural Cellular Coverage,” POTs and PANs, (May 8, 2023), <https://potsandpansbyccg.com/2023/05/08/rural-cellular-coverage-3/>

⁷ McIntosh, David. (Jan. 21, 2025) [Club for Growth Letter to Sen. Ted Cruz and Rep. Brett Guthrie re spectrum]. <https://www.clubforgrowth.org/wp-content/uploads/2025/01/club-for-growth-letter-on-spectrum.pdf>

Sen. Todd Young
Sen. Ted Budd
Sen. Eric Schmitt
Sen. John Curtis
Sen. Bernie Moreno
Sen. Tim Sheehy
Sen. Shelley Moore Capito
Sen. Cynthia Lummis