

In Brief: FCC limits resale of auctioned spectrum

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The FCC has restricted the quick resale of the U.S. wireless spectrum that will be auctioned off this summer.

The regulatory agency late Tuesday adopted a rule that bars a company that qualifies for the auction's small-business discount from leasing or resale of more than half of the spectrum it obtains.

A licensee that does so within the first five years of the license will have to repay all or part of the discount with interest.

"With the rule modifications adopted today (Tuesday), the FCC seeks to enhance its ability to ensure that companies that are ineligible for designated entity benefits cannot circumvent the FCC's rules in order to obtain those benefits indirectly," the agency said in a statement.

The commission has expressed concern that small companies that qualify for the discounts would be used as "fronts" by larger telecom firms that would immediately buy or lease the coveted spectrum from the smaller company at a lower price.

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