

TV channel squeeze proposed to pay for tax cuts

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(AP) -- Call it the Great Channel Squeeze.

Congress is considering letting cellphone companies pay television stations to give up their frequencies so they can be put to better use for [wireless broadband](#).

The idea is to squeeze over-the-air television, which has few viewers, into a smaller slice of the airwaves. The government would be the broker in the deal and would use some proceeds to fund tax cuts and [unemployment benefits](#).

In years to come, you might see Channel 17 cease to broadcast and Channel 49 take its place, for instance. The empty slot at Channel 49 would then become available for a range of wireless services. That could mean faster downloads for smartphones and [tablet computers](#).

Although vast swaths of broadcast spectrum were freed when television signals converted from [analog to digital](#) in 2009, much of that has already been claimed. Technology companies have been clamoring for even more airwaves to satisfy growing consumer appetite for movies, books and websites on mobile devices.

The [Federal Communications Commission](#) sees more spectrum as a way to extend high-speed Internet access to places where phone and cable TV companies don't have enough customers to offer landline [broadband connections](#).

"Unless we free up new spectrum for [mobile broadband](#), the looming spectrum crunch risks throttling our mobile economy and frustrating mobile consumers," [FCC Chairman](#) Julius Genachowski said in a statement this week.

In a sense, this proposal is a reflection of the times. In the U.S., there are more wireless devices in use than there are people. Meanwhile, various studies show that fewer than 10 percent of households get their [TV signals](#) over the air - the rest have cable or [satellite service](#).

The FCC's national broadband plan envisions freeing up 500 [megahertz](#) of spectrum over the next 10 years. As much as a quarter of that could come from television.

But many things need to happen first.

For starters, Congress needs to give the FCC authority to do this.

The House included that authority in a bill it passed Tuesday to extend Social Security payroll tax reductions and unemployment coverage. Congress estimates that \$16.5 billion could be generated over 10 years by auctioning the broadcast channels and another slice now used for public safety. But President Barack Obama opposes the bill for reasons unrelated to spectrum, and the Senate is working on its own version of the package.

Once the FCC gets authority, it needs to find broadcasters willing to cede their frequencies. Station owners would share in auction proceeds if they turn in their broadcasting licenses and either cease operations or become cable-only channels. They would be compensated to build new towers and make other adjustments if they need to switch frequencies. Congressional revenue estimates already factor that in.

The National Association of Broadcasters isn't sure how many stations would go along.

"Local TV stations are doing pretty well in terms of advertising sales," NAB spokesman Dennis Wharton said. "It would surprise me if there would be the sort of stampede to go out of business."

That said, the NAB supports the proposal as long as stations aren't forced or pressured to give up their frequencies. If stations must move, the NAB wants to make sure they aren't the ones paying for it and won't face more interference or any reduction in how far their signals go. Wharton says the House bill includes good protections for broadcasters, but a similar measure in the Senate does not.

Television stations once had Channels 2 to 83, except for 37, which is used for astronomy. Channels 70 to 83, mostly used to retransmit signals from other channels, disappeared in the 1980s and have been reassigned to other uses. Stations gave up Channels 52 to 69 in 2009 as part of a transition to digital broadcasts, and much of that has already been reassigned.

The House-passed bill would allocate some of what's left from the digital transition to build a broadband network for public safety. It would also auction off spectrum that police, firefighters and emergency workers now use for voice communications.

Depending on how many stations want to participate, Channels 31 to 51, excluding 37, could be freed up under the proposed program.

The changes could ultimately take several years and won't be easy. The NAB says nearly 40 percent of the nation's 1,735 full-powered stations now use one of the 20 channels targeted. Broadcasters would have to upgrade equipment, and viewers using antennas would have to find the

station's new home.

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