

long form application or the date on which the Commission designates the Public Safety Broadband Licensee, whichever is later, and must conclude within six months of that date. Parties to this negotiation are required to negotiate in good faith. Two members of the Commission staff, one from the Wireless Telecommunications Bureau and one from the Public Safety and Homeland Security Bureau, shall be present at all stages of the negotiation as neutral observers.

(c) *Reporting requirements.* Beginning three months from the triggering of the six-month negotiation period, the Public Safety Broadband Licensee and the winning bidder for the Upper 700 MHz D Block license must jointly provide detailed reports, on a monthly basis and subject to a request for confidential treatment, on the progress of the negotiations throughout the remainder of the negotiations. These reports must include descriptions of all material issues that the parties have yet to resolve.

(d) *Submission of final agreement.* As soon as the parties have reached an agreement on all the terms of the NSA, related agreements or documents, and such other agreements as the Commission may require or allow but not later than five business days after the six-month period for negotiation has expired, they must submit the NSA together with all agreements and related documents referenced in the NSA, for review and approval by the full Commission. The Commission will act on the NSA within 60 days of receipt. The Commission may approve the NSA in its entirety, approve with modifications, or require the parties to address additional terms or re-draft existing terms within a specified timeframe. After the NSA is approved, the parties must execute the NSA and such other agreements as the Commission may require or allow and submit executed copies to the Commission within 10 business days of approval.

(e) *Submission of disputed issues.* If the parties have not reached agreement on all terms of the NSA and related agreements by the end of the six-month period, they must notify the Commission not later than five business days after the expiration of the six-month period

of the terms on which they have agreed, the nature of the remaining issues, each party's position on each issue, whether additional negotiation is likely to produce an agreement, and, if so, a proposed deadline for reaching agreement on the NSA. Authority is delegated jointly to the Chiefs of the Wireless Telecommunications Bureau and the Public Safety and Homeland Security Bureau to resolve any remaining disputes.

(f) *Resolution of disputes.* Actions to resolve disputes may include, but are not limited to:

(1) Granting additional time for negotiation;

(2) Issuing a decision on the disputed issues and requiring the submission of a draft agreement consistent with the decision;

(3) Directing the parties to further brief the remaining issues in full for immediate Commission decision; and/or

(4) Immediate denial of the long-form application filed by the winning bidder for the Upper 700 MHz D Block license.

(g) *Default by winning bidder for Upper 700 MHz D Block license.* If the winning bidder for the Upper 700 MHz D Block fails to comply with negotiation or dispute resolution requirements or fails to execute a Commission-approved NSA, its long form application will be denied. If the long form application of the winning bidder of the Upper 700 MHz D Block license is denied for any reason, including as a consequence of an action taken pursuant to paragraphs (e) and (f) of this section, it will be deemed to have defaulted under § 1.2109(c) of this chapter and will be liable for the default payment specified in § 1.2104(g) of this chapter.

**§ 90.1420 Failure to comply with the NSA or the Commission's rules.**

(a) Failure to comply with the Commission's rules or the terms of the NSA may warrant cancelling the Public Safety Broadband License. The potential remedies also include, but are not limited to, assigning the license to another entity, directing the Public Safety Broadband Licensee to transfer the assignable right to purchase the assets at fair market value, ordering specific performance, or ordering removal and

## Federal Communications Commission

## § 90.1430

replacement of individual officers, directors or member organizations of the Public Safety Broadband Licensee.

(b) If the Commission cancels or terminates the Upper 700 MHz D Block license, a fair market valuation of the shared wireless broadband network assets shall be performed immediately, pursuant to the fair market valuation methodology set forth in the NSA. In the event that the Upper 700 MHz D Block license is awarded to a new entity, the Public Safety Broadband Licensee's option to purchase the network and all network assets if and whenever the Upper 700 MHz D Block license is cancelled or terminated and its right of first refusal to purchase the network assets if and whenever such assets are otherwise to be sold shall be assigned to the new Upper 700 MHz D Block licensee and the new Network Assets Holder.

### § 90.1425 Resolution of disputes after grant of the upper 700 MHz D block license.

(a) The Public Safety Broadband Licensee, the Operating Company, the Network Assets Holder, and the Upper 700 MHz D Block licensee may at any time bring a complaint to the Commission based on a claim that another party to the NSA has deviated from the terms of the NSA, or a petition for a declaratory ruling to resolve the proper interpretation of an NSA term or provision. The Commission also may at any time, on its own motion, determine to address any material breach or interpret any NSA term or provision.

(b) The Commission shall have primary responsibility and jurisdiction for adjudicating disputes that arise following execution of the NSA. The Commission may, however, require the parties to first seek a settlement to the dispute or authorize the parties to resolve the dispute through litigation or other means. Breach of license terms, the NSA, or the Commission's rules may result in cancellation of the Public Safety Broadband License, the Upper 700 MHz D Block license, or both.

(c) The Chiefs of the Public Safety and Homeland Security Bureau and the Wireless Telecommunications Bureau

are delegated joint responsibility for adjudicating disputes.

### § 90.1430 Local public safety build-out and operation.

(a) The Upper 700 MHz D Block licensee and the Operating Company through its lease arrangements shall, except in the two limited circumstances set forth herein, have the exclusive right to build and operate the Shared Wireless Broadband Network.

(b) *Rights to early build-out in areas with a build-out commitment.* In an area where the Upper 700 MHz D Block licensee has committed, in the NSA, to build out by a certain date, a public safety entity may, with the pre-approval of the Public Safety Broadband Licensee and subject to the requirements set forth herein, construct a broadband network in that area at its own expense so long as the network is capable of operating on the Shared Wireless Broadband Network and meets all the requirements and specifications of the network required under the NSA.

(1) *Options for early build-out in areas with a build-out commitment.* In order to obtain authorization to construct a broadband network as set forth in paragraph (b) of this section, the requesting public safety entity must agree to one of the following:

(i) To, on its own, or through the Public Safety Broadband Licensee acting on its behalf, construct the network at its own expense, and upon completion of construction, transfer the network to the Upper 700 MHz D Block licensee, which shall then integrate that network into the Shared Wireless Broadband Network constructed pursuant to the NSA; or

(ii) To, in agreement with the Upper 700 MHz D Block licensee, provide all funds necessary for the Upper 700 MHz D Block licensee to complete the early construction of the network, including any and all additional resource and personnel costs, allowing the Upper 700 MHz D Block licensee at all times to own, operate, and manage the network as an integrated part of the Shared Wireless Broadband Network.

(2) *Negotiation of amendment to NSA.* Under either early build out option set forth in paragraph (b)(1) of this section,