

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *Section 43.62 Reporting Requirements for U.S. Providers of International Services*, IB Docket No. 17-55; *2016 Biennial Review of Telecommunications Regulations*, IB Docket No. 16-131.

Section 11 of the Communications Act requires the FCC to review every telecommunications regulation on the books every two years and to “determine whether [it] is no longer necessary in the public interest as the result of meaningful economic competition between providers of such service.” For many years, the FCC treated this “biennial review” obligation like a check-the-box assignment. Agency staff spent many hours compiling outdated regulations that were ripe for repeal, and the FCC did . . . nothing. I know this because I used to be one of those staffers.

But times are changing. Today, the Commission takes steps to eliminate and streamline two categories of outdated reporting requirements. In response to matters teed up during the 2016 biennial review process, we propose today to eliminate the annual Traffic and Revenue Report and streamline the Circuit Capacity Report, each of which places filing burdens on U.S. providers of international services. And we do this because competition has obviated the original need for these reports, and the cost of these ongoing data collections exceed the benefits to the Commission and companies alike.

For instance, over 1,800 entities had to file information for the 2016 international Traffic and Revenue Report. And countless employees spent thousands of hours to prepare, submit, and analyze this data. Yet the Commission doesn’t need this information in order to discharge its duties. That’s because the marketplace for international communications services is by all accounts competitive. Indeed, that’s why the FCC ended its International Settlements Policy in 2012. It unanimously concluded, based in part on a 2010 traffic report, that the “market has seen significant competitive growth,” making the policy not only superfluous but counterproductive.

And I believe this is now true of the Report itself. It is our hope that the resources currently devoted to complying with these unnecessary reporting requirements will be applied to more productive use—namely, connecting American consumers now and in the future. This is another step toward modernizing our rules and enabling the private sector to deploy infrastructure rather than teams of lawyers and accountants. I hope these proposals will be adopted in the near future.

This doesn’t end our work in this vineyard, though. In this *Notice*, we also seek comment on ways to streamline and improve the reporting requirements related to the Circuit Capacity Reports. For example, we seek input in the *Notice* on the costs of preparing and submitting these reports; whether we should consider changing the information we collect; and whether we can get any necessary data from publicly available commercial sources. Here too we should ensure that reporting requirements are functions of actual need, not agency inertia, and that the benefits of this information collection outweigh the costs.

I’d like to thank the staff of the International Bureau for its hard work on this item, particularly Denise Coca, Kate Collins, Kim Cook, Jerry Duvall, Francis Gutierrez, Gabrielle Kim, David Krech, Heidi Kroll, Arthur Lechtman, Daniel Shiman, Walt Strack, Tom Sullivan, Troy Tanner, Lindsay Tello, and Irene Wu.