

July 19, 2017

Mr. Ajit Pai  
Chairman  
Federal Communications Commission  
445 12th Street, SW, Room 8-C453  
Washington, DC 20554

Dear Chairman Pai:

During a speech at the Hudson Institute on April 5, 2017, and a subsequent hearing before the Senate Financial Services and General Government Appropriations Subcommittee on June 20, 2017, you discussed your plans to form an Office of Economics and Data (OED) within the Chairman's office at the Federal Communications Commission (FCC). I am writing you today to request answers to questions I have regarding your consideration to create such an office inside the FCC. While I support the use of economic analysis and metrics in the decision making process, I would like additional information on your plans for this office to ensure that this office's information does not have negative impacts on consumers and the broader economy as a whole.

I appreciate your offer to provide Congressional appropriators with your plan to create the OED, and ask that you respectfully provide the plan to members of the Senate Commerce, Science, and Transportation Committee for review. Given that oversight of the FCC falls under the jurisdiction of the Commerce Committee, my colleagues and I have a vested interest in the details of your proposal. As you have indicated, the Office will be staffed by existing full-time employees and will not require additional personnel. Given the potential breadth and scope of an OED, this could amount to a very significant reorganization of the FCC as a whole. I would appreciate your response addressing:

1. Which employees will be staffing the OED and what responsibilities do these employees currently hold;
2. How will these employees' current responsibilities be adequately covered with no additional staffing;
3. What quality controls will you provide to ensure that the OED produces balanced, non-partisan research within the FCC's purview;
4. The process by which OED analysis will be made publicly available;
5. How this OED will work in coordination with the public interest standard statutorily required of the FCC that reviews transactions on a basis beyond "purely economic outcomes";<sup>[1]</sup>

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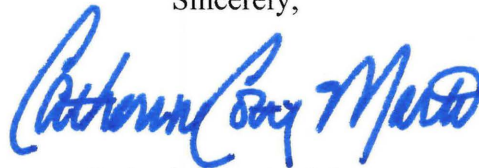
[1] Jon Sallet, FCC General Counsel, "FCC Transaction Review: Competition and the Public Interest," (August 12, 2014) online at: <https://www.fcc.gov/news-events/blog/2014/08/12/fcc-transaction-review-competition-and-public-interest>)

6. What effect these shifts in staff will have on current initiatives such as the expansion of rural broadband, which is critically important to the state of Nevada;
7. What improvements this proposal would make to oversight and efficiency of Universal Service Fund (USF) programs; and
8. What effect this reorganization will have on the resources dedicated to the oversight and approval of mergers and acquisitions, which continue to be an area of growing importance for a well-functioning economy?

As Commissioner Clyburn noted in her testimony before the same Senate Appropriations Subcommittee hearing in June, the FCC is tackling increasingly complex issues, sometimes requiring employees to double up on responsibilities with little or no pay increase, while operating with no additional staff.<sup>[2]</sup> While I greatly appreciate your attention to streamlined staffing and efficiency, I also believe that reorganization of the FCC must be done with the proper oversight with particular attention to how to best serve consumers and promoting economic growth.

I appreciate your interest in this important issue and look forward to reviewing the details of your proposal for the creation of the OED, as well as confirmed specifics on the impact that this entity's creation has on the larger mission at the FCC. Please feel free to reach out to me directly, or make contact with Trevor Dean ([trevor\\_dean@cortezmasto.senate.gov](mailto:trevor_dean@cortezmasto.senate.gov)) on my staff, regarding these matters.

Sincerely,



Catherine Cortez Masto  
United States Senator

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<sup>[2]</sup> S&P Global Market Intelligence, "FCC shrinking further to smallest size in decades," (June 21, 2017) (online at: <http://marketintelligence.spglobal.com/our-thinking/news/fcc-shrinking-further-to-smallest-size-in-decades>)