REPORT CARD ON IMPLEMENTATION

DRAFT STRATEGIC PLAN

A NEW FCC FOR THE 21ST CENTURY

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FEDERAL COMMUNICATIONS COMMISSION

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The Federal Communications Commission’s primary goals are to promote competition in communications, protect consumers, and support access for every American to existing and advanced communications services.

Mission Statement Articulated by Chairman William E. Kennard in “A New FCC for the 21st Century”

INTRODUCTION

In August of 1999, Chairman Kennard submitted a draft strategic plan (hereinafter, the “report” or the “plan”), to Congress articulating goals and objectives for the agency as it transitions from an industry regulator to a market facilitator. This report provides an update on the Commission’s strategic planning process and the status of implementation.

NEED FOR STRATEGIC PLAN

In five years, we expect U.S. communications markets to be characterized predominately by vigorous competition that will greatly reduce the need for direct regulation. The advent of Internet-based and other new technology-driven communications will continue to erode the traditional regulatory distinctions between different sectors of the communications industry. As a result, over the next five years, the FCC must wisely manage the transition from an industry regulator to a market facilitator. In order to intelligently manage this challenging transition and to best serve consumers, Chairman William Kennard issued a draft strategic plan to provide a blueprint for the next five years.

TODAY’S COMMUNICATIONS MARKETPLACE

The new direction that the FCC has embarked upon is working. The American telecommunications consumer today has more choices of providers and services, at faster speeds and at lower prices, than ever before. This is truly the beginning of a new era in which high-speed, broadband access will be as ubiquitous as the dial tone is today. Competition in the United States is delivering more telecommunications services at lower prices and creating unprecedented investment and job growth in every sector of the communications industry: wireless, wireline, local and long distance, video and, of course, the Internet.

- Competition in wireless communications has exploded across the country. The FCC’s market-based auctions program has been a driving force in spurring competition. Wireless technology will carry more than 10% of all U.S. voice traffic this year, as
cellular phones migrate from the executive suite to the home and the shopping mall and the teenager’s pocket. In 1993, there were 15 million wireless phones in America. Today, there are over 80 million. Since 1994, the average wireless bill has dropped 40%, and subscribership has increased four-fold. 75% of Americans have a choice of five or more wireless carriers.

- **In the long distance market**, competition has been growing steadily since divestiture of AT&T in 1984. The FCC’s deregulatory efforts have contributed significantly to increased competition. Domestic long-distance rates dropped nearly 56% in real terms since 1984, saving consumers about $200 billion. Some companies are offering services for as low as five cents a minute.

- Competition in the local phone market is growing in large part due to the FCC’s aggressive implementation of the Telecommunications Act Of 1996 (1996 Act). Our biggest challenges in the coming months are to accelerate competition in this sector and to ensure the provision of service to underserved areas. Too many Americans still have only one choice in local residential phone service. But the data show encouraging trends.

- Internet traffic is doubling every 100 days. The FCC’s “hands-off” policy towards the Internet has helped fuel this tremendous growth. Over 40% of American households have Internet access. In 1998, the U.S. Internet economy was a $633 billion market, accounting for nearly 8% of the nation's economy and 4.8 million jobs. And electronic commerce, which will be 90% business-to-business, is projected to be a trillion-dollar activity in the next three to five years.

- Already, directly or indirectly, through our information and telecommunications sectors, the Internet is linked to one-third of our nation's economic growth, decreasing costs, and contributing to the lowest level of inflation in many years.

**OVERVIEW OF STRATEGIC PLANNING PROCESS**

In March and May of 1999, Chairman Kennard testified, along with the other FCC Commissioners, before our Congressional oversight committees. As part of his testimony, Chairman Kennard submitted a report to Congress, “A New FCC for the 21st Century.” This report served as the conceptual framework for the Commission’s senior managers to meet and discuss the implications of the changing communications marketplace for the FCC and for the American people. From these discussions, the framework for the draft strategic plan was developed, including goals, objectives, key initiatives, and performance measures. In addition, while the Commissioners did not formally adopt the strategic plan, their work played an important role in its development. In particular, work by Commissioner Ness on spectrum and international issues, Commissioner Powell in his role as Defense Commissioner and on Year 2000 conversion issues, Commissioner Tristani on rural and consumer issues, and Commissioner Fuchtgott-Roth on issues related to the Biennial Review all helped identify the critical issues which needed to be addressed in the strategic planning process.
Extensive input from our stakeholders was used to develop the draft strategic plan. Three public forums were held seeking the views of industry, academia, consumers, and state and local government officials. A public e-mail address, NewFCC@FCC.GOV, was created so other interested individuals could also provide input. These efforts culminated in the August 1999 release of the Chairman’s draft strategic plan. This plan sets forth four primary goals, each with several objectives as identified in Figure 1.

Following the release of the plan, the Commission held a follow-up public forum seeking reactions from our stakeholders. Meetings were held with numerous congressional staffers on their reactions to the plan. The press reported on the plan as well. These discussions have helped validate and ensure that the plan reflects the interests of our stakeholders. As the Commission moves forward on the transition from industry regulator to market facilitator, this plan will be continually revised and updated to reflect the changing marketplace.
IMPLEMENTATION PROCESS

In order to carry out the objectives of the plan effectively and to ensure that progress and performance could be monitored, an implementation process was initiated. Discussions were held with the FCC’s Senior Management on how best to manage implementation of the plan. The group decided that the entire Senior Management Team would provide oversight. Senior Management was assigned to Steering Committees reflecting each of the four goals, as shown in Figure 3.

These Steering Committees, under the direction of a Committee Chair, are responsible for carrying out the objectives articulated for each goal. The Senior Management team also identified priority, crosscutting initiatives that the steering committees would directly oversee with the help of a team leader for each initiative. The Steering Committees provide regular updates to the Senior Management Team.
A critical part of implementation is stakeholder evaluation of our progress. As a result, this report has been prepared to document our progress. This evaluation comes one year after Chairman Kennard’s initial report to Congress, “A New FCC for the 21st Century,” and six months after transmittal of the draft strategic plan. It is intended to update those we serve. Input is encouraged and can be sent electronically to NewFCC@FCC.GOV.

Additional outreach sessions are planned. The first will be with Commission employees followed by a session with the general public (including representatives from industry, consumer groups, academia, and state and local governments) to brief interested parties and solicit feedback on the implementation process and progress. A session is also scheduled with the Federal Communications Bar Association to solicit feedback on both the plan and our progress.

In addition, included in our annual budget submission to Congress is an annual performance plan, which ties our draft strategic plan to our budget submission. This document articulates the linkage between programs, resources, and performance.

ACCOMPLISHMENTS / IMPLEMENTATION PROGRESS

The past year has demonstrated that the commitments made in this plan are real. We have delivered on our promises and the marketplace is responding – consumers have more choice, prices are declining, new players are entering the market, new investment is available, and technology is converging.

Provided below is a detailed list of the major activities accomplished since the release of the initial report in March of 1999. Accomplishments are provided in the context of the goals and objectives articulated in the draft strategic plan.

Goal 1: Create a Model Agency for the Digital Age.

Objective 1A: Lead the Way in the Information Age.

- Developed the Electronic Comment Filing System (ECFS) which is available to the public for the filing, searching, and viewing of comments and documents pertaining to notice and comment rulemaking proceedings. The system also covers a number of docketed proceedings that are adjudicatory in nature. The ECFS gives access to Commission rulemakings and docketed proceedings via the World Wide Web. The system includes data and images from 1992 onward.

- Implemented electronic filing capabilities including systems in the Common Carrier, International, and Wireless Telecommunications Bureaus, and the Office of Engineering and Technology. The Mass Media Bureau is in the final stages of implementing of electronic filing capabilities for all but two of its services and electronic licensing capability for 9 of its 13 licensing systems. All routine common carriers’ Local Access
Transport Area modifications are now immediately placed on public notice and are accessible electronically through the Commission’s Digital Index. The FCC implemented an electronic tariff filing system (ETFS) that permits incumbent ILECs to submit federal tariffs and associated documents via the Internet. The International Bureau designed and implemented the International Bureau Electronic Filing System (IBFS), which is accessible through any computer with Internet access.

✔ Near completion of implementation of a Universal Licensing System that provides streamlined electronic filing capabilities for most wireless services, provides application and tracking status information and reduces the number of wireless applications forms from 40 to 4.

✔ Provided timely and accurate industry information to the public, including a comprehensive report detailing the state of the communications industry. We also issued detailed reports assessing the status of competition in both the Wireless and Cable sectors (see Appendix A).

✔ Began work on an information management tracking system intended to provide the public with easy access to Commission information.

Objective 1B: Reorganize to Create an Agency Infrastructure Conducive to Convergence.

✔ Redesigned the Commission to establish two new “one-stop shopping” bureaus for Enforcement and Consumer Information rather than having their responsibilities dispersed throughout the Commission.

✔ Established a Task Force to develop options for streamlining and consolidating licensing processes.

Objective 1C: Create a Faster, Flatter, More Functional Agency.

✔ Eliminated our backlog of wireless applications and proceedings while also substantially reducing the backlog of cable rate cases.

✔ Established an inter-bureau team led by our General Counsel’s office to streamline review of major transactions while ensuring that the public interest is met in an era of consolidation and convergence. Consulted with both the American and Federal Communications Bar Associations and held a public forum seeking comments on a proposed timeline and procedural changes. Established a web page as a point of contact for information on the procedures and status of Commission reviews relating to major mergers and related transactions.

✔ Established a Technological Advisory Council (TAC) as a means by which a diverse array of recognized technical experts selected from a variety of interests across industry, academia, government, and consumer groups can provide advice to the FCC on
innovation in the communications industry. The TAC has already begun to provide input and information to the Commission on spectrum issues such as Software-Defined Radio and Ultrawideband technology and concerns regarding the status of the electromagnetic noise floor.

✔ Revised Part 63 rules eliminating the requirement to file applications for entry authority. This order also stipulated that applications for discontinuance would be granted automatically. Since these rules were implemented, no entry applications have been filed, and all but two applications for discontinuance have been allowed to become effective automatically.

✔ Immediately placed all routine common carrier Local Access Transport Area (LATA) modifications on public notice and made them accessible electronically through the Commission’s Digital Index. Eliminated entry certification requirements for common carrier matters under Section 214 of the Communications Act and approved a streamlined authorization process that will qualify approximately 99% of applications for 14-day processing.

✔ Adopted sweeping reforms of the longstanding international settlements policy, deregulating inter-carrier settlement arrangements between U.S. carriers and foreign non-dominant carriers and between U.S. carriers and all foreign carriers on competitive routes. The reforms reflect the new realities that exist in the international telecommunications market; in particular, the increased competition brought about by the 1997 WTO Agreement on Basic Telecommunications. The revisions will give greater opportunities to smaller carriers and will allow the market, rather than government regulations, to govern settlement arrangements between carriers in competitive markets.

✔ Streamlined 214 licensing procedures, saving thousands of hours of processing time and increasing the categories of applications eligible for streamlined processing. As part of this streamlining, a series of measures were adopted that remove unnecessary obstacles to the expansion of service by authorized carriers and give carriers more flexibility to organize their operations more efficiently. Under the new streamlined rules, 99% of international Section 214 applications will qualify for streamlined processing.

✔ Streamlined radio technical rules to facilitate service improvements by commercial AM and FM, noncommercial educational FM (NCE FM), and FM translator stations. The new procedures have made application processing in these services simpler, faster and more efficient.
Objective 1D: Preserve and Increase the Wealth of Knowledge and Expertise of FCC staff.

✓ Established a cross-bureau task force to develop training modules to improve our ability to serve the public. In addition, the new Enforcement and Consumer Information Bureaus have each established training programs to improve service to the public.

✓ Converted the majority of term employees to permanent status. Expect all positions to be converted by mid-2000.

✓ Negotiated alternative work schedule arrangements, including telecommuting, in cooperation with our Union.

✓ Began work on the development of a knowledge management strategy to capture, share, and preserve employee knowledge. As an initial step, a random survey has been conducted among FCC staff in an effort to identify approaches to capture and preserve employee knowledge.

Goal 2: Promote Competition in all Communications Markets.

Objective 2A: Eliminate Barriers to Entry in Domestic Markets.

✓ Adopted rules implementing the local competition provisions of the 1996 Act including: revised unbundling rules in response to the Supreme Court remand in Iowa Utilities Board; strengthened collocation rules; and pricing flexibility which also included a Notice of Proposed Rulemaking (NPRM) on whether competitive local exchange carrier access rates should be regulated. Additionally, significant progress was made on two access reform proceedings (X-factor Remand and CALLS Petition). Completion of these two proceedings is planned for the second quarter of 2000.

✓ Approved Bell Atlantic’s application pursuant to Section 271 of the 1996 Act to provide long distance service in New York after determining that New York’s local service markets are open to competition.

✓ Initiated proceedings to gather information on (1) the status of deployment of advanced telecommunications capabilities and (2) the deployment of broadband facilities and the development of local competition. Completed rulemakings on advanced services in the areas of loops, LATAs, DSL resale, and line sharing.

✓ Formed a cooperative federal-state joint conference to encourage the deployment of advanced telecommunications services to all Americans. Announced six regional field hearing to gather information on the status of deployment of advanced telecommunications capabilities and examples of "best practices" of successful broadband deployment, and held the initial field hearing, which focused on inner city broadband deployment.
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✓ Preempted state laws in Arkansas, Tennessee, and Wyoming that created barriers to entry for new competitors.

✓ At the urging of the Chairman, industry reached agreement on digital television technical standards, which will jump-start the digital revolution. Consumers will be able to receive the benefits of digital programming on their digital television sets from both over-the-air broadcast stations and cable systems.

✓ Reviewed applications to transfer lines and licenses in connection with mergers and other corporate transactions, finding that they would benefit the public interest, including MCI Telecommunication Corporation / Echostar; Frontier / Global Crossing; Airtouch / Vodafone; AT&T / British Telecommunications; SBC / Ameritech; Nextel / Geotek; Voicestream / Omnipoint; and U.S. West / Qwest.

**Objective 2B: Deregulate as Competition Develops.**

✓ Initiated a comprehensive review of the Part 32 accounting requirements and the Automated Reporting Management Information System (ARMIS) reporting requirements in order to keep pace with changing conditions as the telecommunications industry becomes increasingly competitive.

✓ Began the process of accrediting private sector organizations to certify equipment for compliance with FCC technical requirements as an alternative to the FCC, which will reduce delays in introducing equipment into the marketplace.

✓ Launched an aggressive 2000 Biennial Review to eliminate, consolidate, and/or revise rules that are obsolete or outdated.

✓ Declined to unbundle equipment used by incumbent telephone companies to provide advanced communications except in very limited circumstances.

**Objective 2C: Enforce the Rules so that Businesses Compete Fairly.**

✓ Through the FCC’s new “rocket docket” and other procedures, increased efforts to mediate and encourage settlements of disputes between telecommunications carriers, both before formal complaints are filed and while they are pending. Such FCC staff efforts often lead to speedy resolution of disputes without the need for lengthy and contentious litigation.

✓ Entered into a Consent Decree with Bell Atlantic-New York in connection with Bell Atlantic's loss or mishandling of orders electronically submitted to Bell Atlantic by local service competitors. The FCC's enforcement action promotes local competition in New
York by ensuring that consumers will have additional choices and lower rates through expanded local competition.

- Imposed over $4 million in forfeitures thus far in 2000 on companies for violation of the FCC's rules against slamming, which is the illegal practice of switching consumers' preferred telephone carrier without their consent.
- Entered into a consent decree with MCIWorldcom to ensure that its advertisements for “dial-around” services are clear and not misleading.
- Continue to shut down “pirate” radio stations at a rate of about 150 per year.

**Objective 2D: Promote Competition in International Communications Markets.**

- Authorized direct access to the INTELSAT satellite system for the first time, an action that will benefit U.S. consumers and industry. By authorizing direct access to INTELSAT, the Commission enabled U.S. companies to compete on a level playing field with companies in 94 other countries that already allow direct access. Competitive pressure will give firms the incentive to pass on much of these savings to consumers. This in turn will lower the cost to end users of INTELSAT service from between 10 to 71%, meaning substantial savings to consumers who use those services.
- Took the first step towards privatization of INTELSAT by participating in international negotiations to form New Skies, the first commercial affiliate authorizing service into the U.S.
- Coordinated with industry, government, and other countries in preparations leading up to the 2000 World Radio Conference.
- Made great progress in implementing mutual recognition agreements for telecommunications equipment approvals with Asia, Europe, and the Americas.
- Proposed rules to implement the international arrangements governing Global Mobile Personal Communications by Satellite (GMPCS) adopted by the International Telecommunications Union. The NPRM outlines a comprehensive procedure for licensing, of marketing, certification, and customs treatment of GMPCS terminals. It also proposes safeguards against potential interference to existing aeronautical radiation services.
- Streamlined the process by which non-U.S. licensed fixed satellites may obtain authority to serve the U.S. market by (1) permitting the operators of in-orbit non-U.S. satellites to request authority to provide space segment capacity service to licensed earth stations in the United States and (2) enabling U.S. earth station operators to access certain non-U.S. satellites without further regulatory approval.
✓ Issued a Report on International Telecommunications Markets for 1999 as part the FCC’s ongoing effort to promote competition and liberalization in the international telecommunications services market.

Goal 3: Promote Opportunities for all Americans to Benefit from the Communications Revolution.

Objective 3A: Ensure Access for all Americans to Existing and Future Communication Services.

✓ Adopted a framework to ensure that telephone customers in non-rural high cost areas are provided telephone service at a reasonable price.

✓ Established a framework and funding mechanism for ensuring that all of our country’s schools and libraries are connected to the Internet and that rural health care has access to information technology.

✓ Initiated proceedings to ensure that the benefits of the communications revolution are available to everyone. The Commission particularly focused on lack of telecommunications facilities in tribal lands. In addition, the FCC has taken numerous steps to bring improved and advanced services to rural areas.

✓ Adopted rules implementing Section 255 of the Telecommunications Act to ensure access to telecommunications products and services for persons with disabilities. Established a Disability Rights Office to ensure that the communications revolution is accessible and usable to the 54 million Americans with disabilities.

✓ Amended the Commission’s rules to expand and improve the kinds of telecommunications relay services available to consumers. Proposed rules requiring commercial television broadcasters in the top 25 television markets, and the largest national video programming distributors, to introduce video descriptions in their transmissions to allow Americans with visual disabilities to better follow the visual action in television programs.

Objective 3B: Promote Opportunities to Expand Direct Participation in Existing and Future Communications Businesses.

✓ Adopted new Equal Employment Opportunity rules, which reaffirm the Commission’s long-standing anti-discrimination policy and emphasize broad outreach to all qualified job candidates for positions at radio, television and cable companies.
Created a class of radio stations designed to serve very localized communities or underrepresented groups within communities by authorizing two new classes of noncommercial low power FM radio services (LPFM).

Issued a “Regulator’s Guide” which sets out in great detail the way the United States’ telecommunications system is regulated and made this available to other countries that are in the process of establishing independent telecommunications systems.

Launched several proceedings to implement the Satellite Home Viewer Improvement Act, which permits satellite carriers to transmit local television broadcast signals into local markets. Adopted retransmission consent rules pursuant to this Act nine months ahead of the statutory deadline.

Revised the Commission’s local market television ownership rules - the "TV duopoly" rule and the radio-television cross ownership (or "one-to-a-market") rule to reflect changes in the media marketplace. These revised rules reflect the growth in the number and variety of media outlets in local markets, including cable and direct broadcast satellite, and the Commission’s desire to permit broadcasters to realize the efficiencies of common ownership where consistent with its ongoing concern for diversity and competition in broadcast markets. The changes are intended to strengthen the potential of free over-the-air broadcast services to compete, particularly failed and failing broadcast stations, and to continue to provide public service benefits in the video marketplace.

Revised broadcast and cable/MDS ownership attribution rules to improve the precision of the attribution rules and makes them more clear to financial markets. Regulatory certainty for the attribution rules is necessary to prevent disruptions in the flow of capital into broadcasting. Through these changes, the FCC and the industry will be better able to identify the real interests that companies hold in broadcast properties.

Objective 3C: Foster a More Consumer Friendly Marketplace.

Issued a joint Policy Statement in partnership with the Federal Trade Commission on Truth in Advertising to protect consumers from unfair and deceptive advertising and marketing of long distance services, including dial-around services -- often called "10-10" numbers. The Policy Statement offers guidance to carriers to ensure their advertising is truthful, complete and non-misleading.

Adopted "truth-in-billing" guidelines to improve consumer understanding of their telephone bills that require telephone bills (1) to be clearly organized and highlight any new charges or changes to consumers' services since the last bill; (2) to contain full and non-misleading descriptions of all charges and clear identification of the service provider responsible for each charge; and (3) to clearly and conspicuously specify who consumers should contact regarding inquiries and complaints about charges and services listed on their telephone bills.
Completed the implementation of a National Call Center at Gettysburg, Pennsylvania. In Fiscal Year 1999. Completed all planning for consolidation of the FCC’s public information service activities early in Fiscal Year 2000. As part of this consolidation initiative, a second Call Center (renaming these centers the Consumer Information Centers) will be opened at the Commission’s new Portals location to expand and improve “one stop shopping” for public information inquiries.

Created a State and National Action Plan (SNAP) in conjunction with state regulators. SNAP features a joint database allowing us to share information on consumer complaints against carriers with states. This shared database will offer a greater ability to coordinate enforcement actions and consumer education and outreach plans with state partners.

Established a Consumer Education Office to educate the public and conduct consumer outreach on Commission programs, as well as solicit input on Commission proceedings.

Adopted rules to examine a variety of measures intended to increase the efficiency with which telecommunications carriers use telephone numbering resources. The purpose of this effort is three-fold: (1) to minimize customer inconvenience, cost and confusion associated with frequent area code changes; (2) to create a framework that enables the industry, the states and the numbering administrator to better manage finite numbering resources to prolong the life of the numbering system and (3) to make the system of allocation and use of numbers more compatible with the increasingly competitive telecommunications environment.

Established a Public Safety National Coordination Committee (NCC) to obtain the public safety community’s recommendations for use of the 24 MHz of spectrum allocated by Congress for exclusive public safety use. Recently, the NCC presented the Commission with its first recommendations for technical and operational interoperability standards that will allow use of the new spectrum until final rules are developed. The FCC will continue to work with the NCC to ensure that the public safety community’s needs are met.

Established rules implementing the Communications Law Enforcement Act (CALEA), which requires telecommunications carriers to modify their equipment, facilities, and services to ensure that they are able to comply with authorized electronic surveillance. Issued rules identifying which entities and what technical requirements for wireline, cellular, and broadband PCS carriers are subject to CALEA implementation.

Initiated efforts with the Local and State Government Advisory Council to prepare a local government official’s guide to transmitting antenna radiofrequency emission safety rules, procedures and practical guidance.
Goal 4: Manage the Electromagnetic Spectrum in the Public Interest.

Objective 4A: Create More Efficient Spectrum Markets.

- Created a Spectrum Policy Executive Committee (SPEC) comprised of senior management from all parts of the agency to coordinate spectrum policy.

- Adopted a policy statement outlining principles for spectrum management activities as we enter the new millennium. These principles are designed to enhance competition and to encourage the development of emerging telecommunications technologies.

- Initiated efforts to improve sharing of spectrum both between government and non-government users to help maximize the capacity of scarce spectrum resources.

Objective 4B: Increase the Amount of Spectrum Available, Particularly for New Services.

- Initiated work fostering secondary market trading for spectrum to mitigate spectrum scarcity as a roadblock to broadband deployment. A public forum will be held in 2000 to obtain the views of industry and academic experts on how best to facilitate more efficient spectrum markets including identification of regulatory impediments.

- Identified over 200 MHz of spectrum for new services including advanced mobile and fixed communications and private land mobile services.

- Consideration of rules is underway for emerging new technologies that offer innovative ways to use scarce spectrum more efficiently, including Ultrawideband and Software Defined Radio technology.

- Reached a pivotal agreement with industry and other government entities on the U.S. position on third generation (3G) wireless spectrum requirements going into the World Radio Conference. This agreement will facilitate a level playing field where market forces decide what technologies will best serve consumers.

- Provided 75 MHz of spectrum for new Intelligent Transportation Systems that will help improve safety and reduce traffic congestion on our Nation’s highways.

- Conducted spectrum auctions for several services, including paging, PCS, and 220 MHz. In the near future, auctions will take place for spectrum at 39 GHz, 700 Mhz, and available C and F block broadband PCS licenses, as part of the Commission’s ongoing auction program.
✓ Issued service rules for 36 Megahertz of prime spectrum formerly allocated to television channels 60-69. This spectrum offers vast potential to provide broadband service to residential users. Auction of this spectrum will take place in 2000.

✓ Proposed rules to license an innovative new generation of mobile satellite service (MSS) at 2 GHz in the United States. This action promotes competition by creating opportunities for new entrants, expedites the authorization of state-of-the-art global and regional mobile satellite systems, and provides additional spectrum for MSS.

LOOKING AHEAD

The FCC has spent much of the past four years writing the rules to implement the 1996 Act, defending them in the courts, and working to make local competition a reality. And our work is paying off. In almost every sector, new industries have sprouted, and competition is driving down rates, spurring innovations, and bringing consumers more choices and better services.

However, our work is not done. We must continue to open local markets by enforcing market-opening rules while at the same time evaluating Regional Bell Operating Company (RBOC) 271 applications to provide entry into the long distance market. Advanced services must be deployed swiftly across the country. We must ensure that all Americans have affordable access to telecommunications. We must seek new ways to use spectrum and increase efficiency. We must also constantly seek to improve agency functions to better serve the public and protect consumers.

In order to meet the challenges of the 21st century, we must continue to have constructive dialogues with our stakeholders so that our work reflects their needs. We must also have adequate resources to carry out our mission. Even as the marketplace continues to change so rapidly, the FCC will remain committed to the goals set forth in our authorizing statute of promoting competition in communications, protecting consumers, and supporting access for every American to existing and advanced communications services.
APPENDIX A

The following reports have been referenced in this document and may provide additional useful information to readers. All of the reports can be found on the FCC website at WWW.FCC.GOV.

- Fourth Annual Report On State Of Wireless Competition [June 1999]
- Second 1999 Trends in Telephone Service Report [September 1999]
- Cable Services Bureau Staff Report on the State of the Broadband Industry [October 1999]
- 1998 Statistics of Communications Common Carriers [December 1999]
- Sixth Annual Report on Competition in Markets for the Delivery of Video Programming [January 2000]
- Telecommunications @ the Millennium: The Telecom Act Turns Four [February 2000]
- Connecting the Globe: The Africa Initiative [February 2000]