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For Immediate Release

## FCC STREAMLINES APPROVAL PROCESS FOR NETWORK TECHNOLGY TRANSITIONS

## New Framework Will Expedite Transitions While Ensuring Crucial Features Remain

WASHINGTON, July 14, 2016 – Landline phone network technology is changing rapidly, and today, the Federal Communications Commission further updated its rules to help ensure that consumers, industry and the economy reap the benefits of this ongoing, innovative transformation.

Today's action will eliminate outdated, unnecessary regulations and establish clear criteria that can expedite the review process required when providers update service from legacy to modern voice technologies. The new framework will give carriers the clarity they need to transition quickly to innovative services and at the same time ensure continued protections for consumers, competition, public safety and universal service, all important values that must endure even as technology changes.

Voice service providers are transitioning from legacy network technology – known as time-division multiplexing or TDM – to service using internet protocol (IP) technology and wireless. The FCC has authority under Section 214 of the Communications Act to protect consumers when service is discontinued, but a review processes without clear standards could needlessly slow beneficial technology transitions.

Under the new rules, a company's application to discontinue legacy TDM-based voice service in a technology transition can be automatically granted in 30 days if the applicant meets a clear, objective, three-pronged test. This test recognizes that while many consumers have welcomed new services, legacy technologies remain relevant for others.

The test expedites transitions in which:

- Network performance, reliability and coverage is substantially unchanged for customers
- Access to 911, cybersecurity and access for people with disabilities meets current rules and standards
- Compatibility with a defined list of legacy services still popular with consumers and small businesses, including home security systems, medical monitoring devices, credit card readers and fax machines, subject to sunset in 2025, is assured.

While the test sets clear, achievable benchmarks, it also provides flexibility by recognizing that a shift from traditional networks to new technologies will never be a purely apples-to-apples comparison. The test is voluntary for carriers. Requests for discontinuance can also be reviewed through the FCC's normal adjudicatory channels.

A Declaratory Ruling section of the item grants a petition by the United States Telecom Association that reduces regulatory burdens for traditional local voice providers by finding that they are no longer dominant in the market for connecting local callers to long-distance networks. The increasing popularity of mobile wireless, cable Voice over IP services and regulatory changes combined to erode the dominant position of local carriers in the market for interstate switched access.

Finally, the item includes an Order on a Petition for Reconsideration addressing a technical correction suggested by TelePacific regarding the timing of service discontinuance for competitive service providers when the local phone company transitions away from copper networks.

Action by the Commission July 14, 2016 by Declaratory Ruling, Second Report and Order, and Order on Reconsideration (FCC 16-90). Chairman Wheeler, Commissioners Clyburn and Rosenworcel approving. Commissioner Pai approving in part and concurring in part. Commissioner O'Rielly approving in part and dissenting in part. Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai and O'Rielly issuing separate statements.

GN Docket No. 13-5; WC Docket No. 13-3

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