

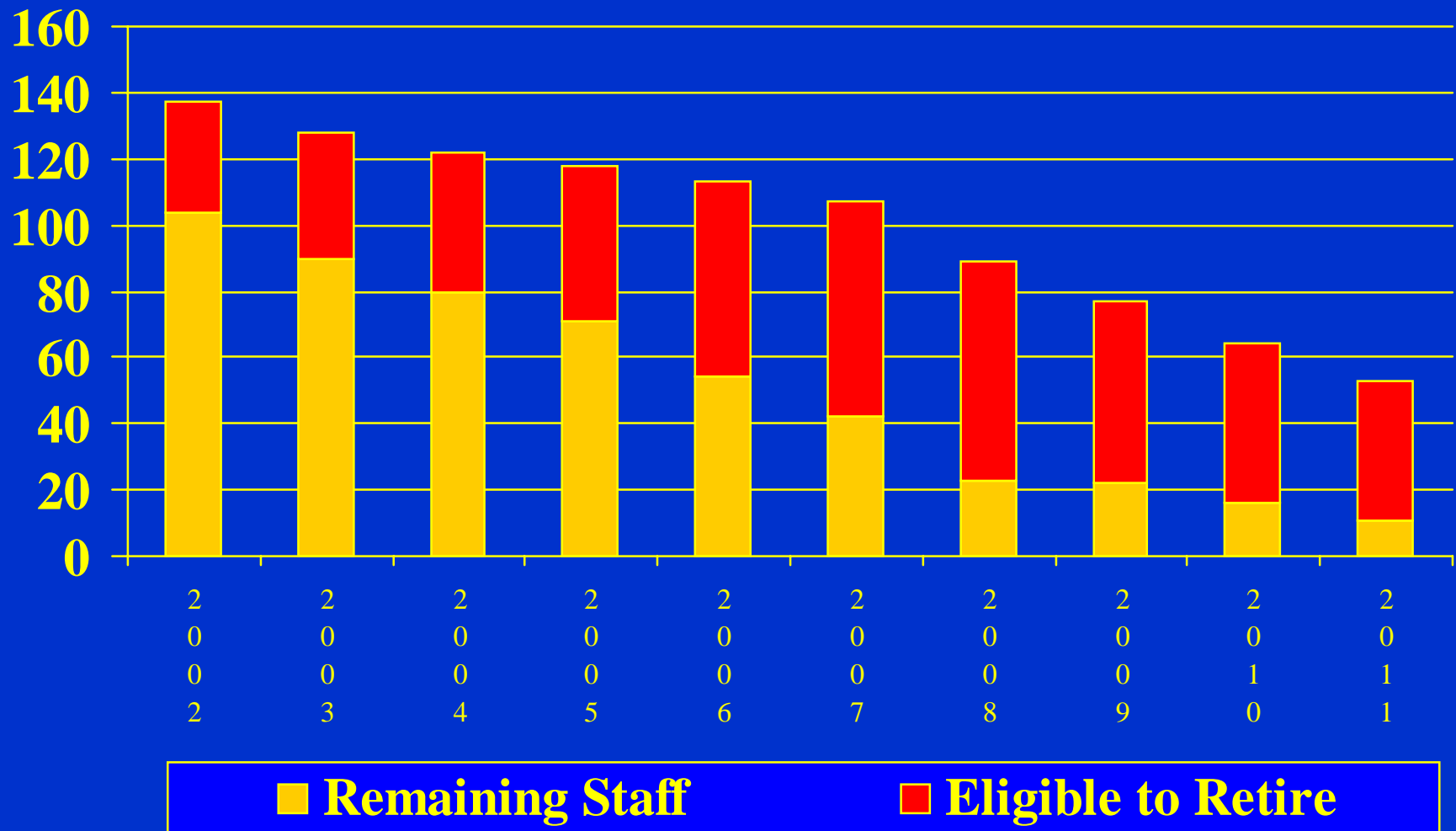
# ***ENFORCEMENT BUREAU***

*January 17, 2002*

# *Management*

- Substantial progress on our overriding goal: establishing the FCC as a strong and professional enforcement agency
  - Broad range of responsibilities: e.g., broadcast, common carrier, wireless, satellite
- The key reason for our success is the quality of our staff.
  - Solidified staff from various Bureaus into a cohesive team
  - Added experienced litigators to strengthen competition enforcement and new Field engineers to strengthen public safety/homeland security enforcement
- Main staffing challenge is the fact that there is an increasing percentage of Field staff eligible to retire

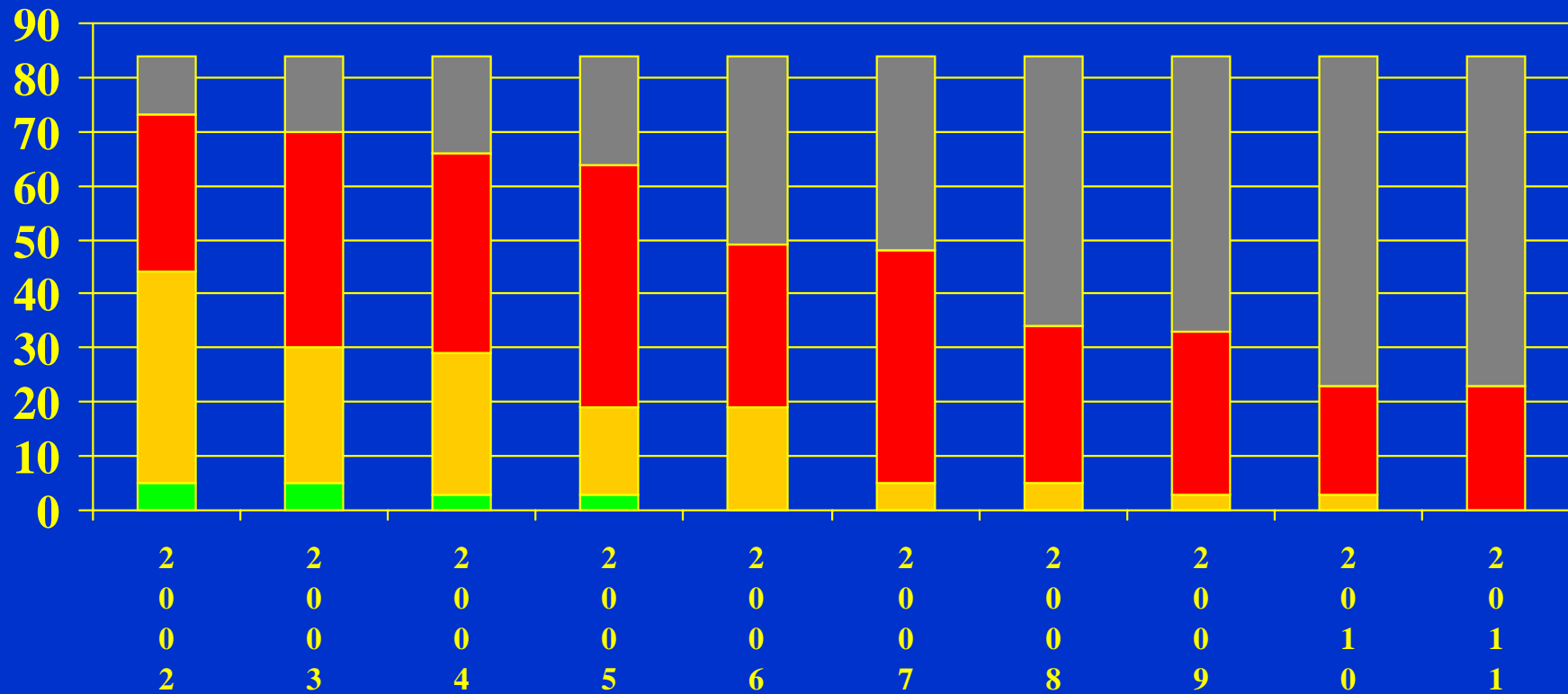
## Projected Number of EB Field Agents Without New Hiring



# *Management*

- Equipment: As technology advances, need to keep our equipment up to date:
  - Spent approximately \$900,000 as first investment in a life-cycle replacement plan to deal with aging and obsolete equipment
  - Spent approximately \$1.3 million for equipment relating to increasingly used higher spectrum bands
  - Need to modernize Field vehicles used for direction-finding (interference detection) activities
    - We build customized direction finding equipment to install in vehicles.

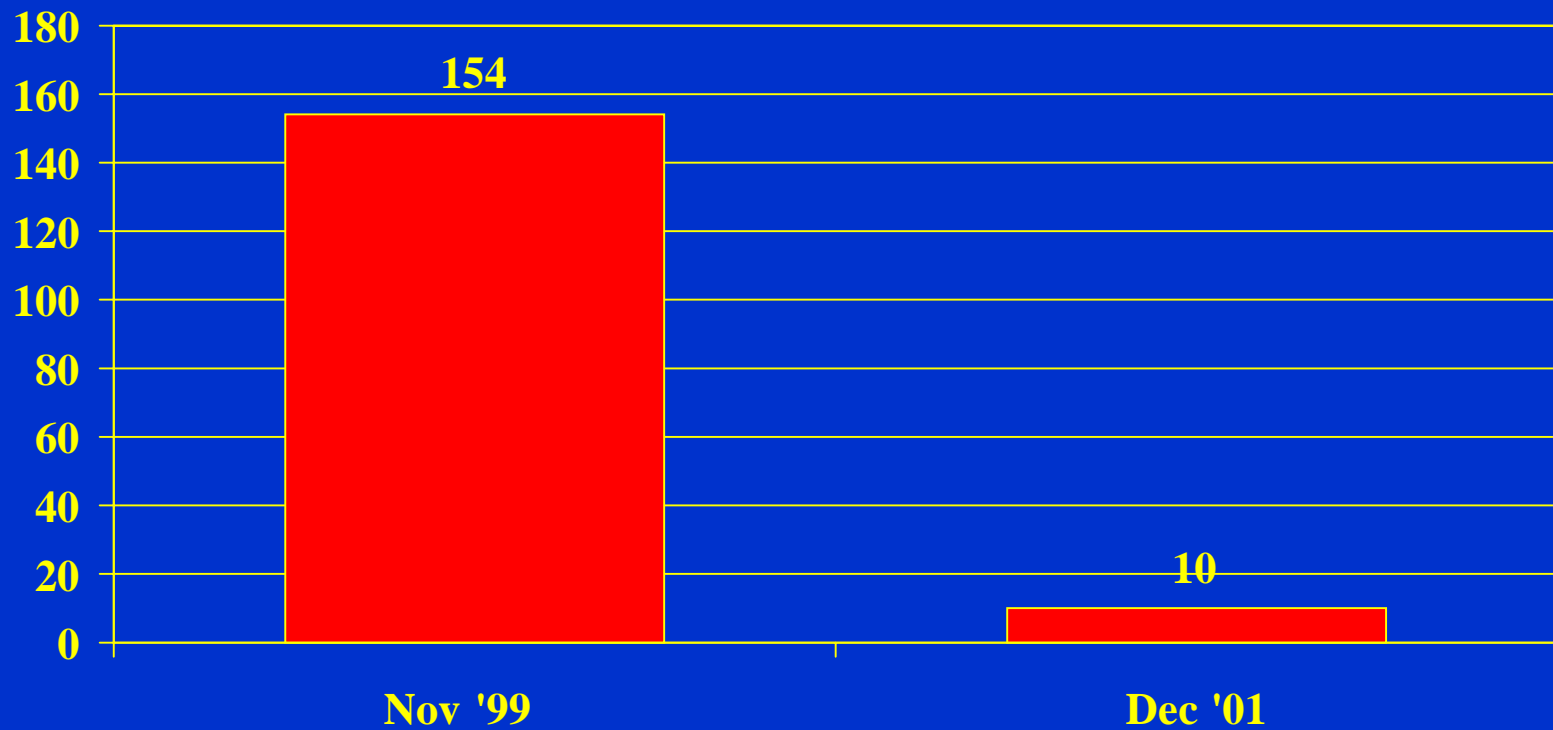
## Age of Field Enforcement Vehicles



■ 5 or Less Years Old   
 ■ 6 to 10 years Old  
■ 11 to 15 Years Old   
 ■ Over 15 Years Old

- Backlog Reduction/Speed of Service:
  - Challenge: Continue to improve speed of service while integrating significant caseload (over 200 cases) proposed to be transferred to EB as part of reorganization:
    - Pole attachment complaint cases
    - Cable rate complaint cases
  - Main area of concern was inherited backlog of formal common carrier complaint cases
    - That backlog virtually eliminated
  - EB web site now tracks new pending formal complaints (350 hits/month)
  - New formal common carrier EB complaint cases now generally decided within a year; in many instances in less than a year
    - Compares well with 20 months for federal district court, which is alternative forum under section 208

# Formal Common Carrier Complaint Matters Pending More Than 12 Months (Market Disputes Resolution Division)



# *Training and Development*

- On-going challenge of staying informed of recent technical, market, legal and other developments
- EB plans to continue to strongly encourage our staff to take advantage of vast array of training opportunities:
  - Excellence in Engineering
  - Excellence in Economics
  - FCC University
  - Distinguished Speakers Program
  - Various other training opportunities



# *Training and Development*

- Virtually every EB Field engineer and compliance specialist participated in EIE and/or other training. Examples:
  - Field agent safety training at Federal Law Enforcement Training Center
  - GWU training on upper spectrum characteristics and new forms of modulation
  - Field training on programming computer controlled measuring equipment
  - “Data Communications: From Basics to Broadband”
  - “Interference Analysis and Suppression Techniques”
  - “Understanding Wireless Technologies”
- Examples of attorney training:
  - LEC Central Office on-site demonstration
  - IXC Point of Presence on-site demonstration
  - Maryland Relay Center on-site demonstration
  - Telecom technology and economics courses

# *Training and Development*

- EB has also offered its own monthly training course (available to all Commission employees). Examples:
  - local competition, inter-carrier compensation, FCC hearing process, dealing with the media
- EB has begun publishing a quarterly internal newsletter to better inform people throughout the agency of the Bureau's activities (over 1,000 Intranet hits).
- Examples of specific initiatives for 2002:
  - Safety training at Federal Law Enforcement Training Center for remainder of Field agents
  - Training in advanced investigative techniques
  - Distance learning equipment to permit Field staff to participate in HQ training and intra-Bureau training
  - Upper spectrum propagation training

## Competition/Broadband

- Overriding Point: Competition and competition enforcement benefit consumers. Will remain one of highest priorities
- Formal Section 208 Complaints:
  - Formal complaints a much more viable competition enforcement policy option in light of backlog reduction/increased speed of service
  - 5-0 record in the Court of Appeals for EB formal complaint orders
  - Proposed integration of pole attachment complaints into common carrier complaint process should enhance efficiency

- Mediation/Informal Dispute Resolution:
  - Mediation often an intense and time-consuming process, but worth it:
    - helps companies achieve business solutions to business problems
    - avoids unnecessary litigation
  - Many of our mediations involve local competition issues, e.g.:
    - access to line sharing elements
    - conversion of special access circuits to EELs and unbundled local loops
    - interoffice transport
    - conduits/rights of way
    - CLEC access charges
    - non-discriminatory access to OSS and UNE provisioning
  - Mediation has been the great success of the Accelerated Docket (AD). Over half (34 of 66) of completed AD request matters have been settled or withdrawn after staff-sponsored mediation.

- FCC-Initiated Investigations:
  - More pro-active approach taken than in the past. Serious investigations, with potentially serious enforcement action through fines or consent decrees.
  - Recent competition-related examples (past year):
    - Incorrect section 271 affidavits: \$2.52 million NAL
    - Collocation posting: \$94,500 forfeiture  
\$77,000 consent decree
    - Failure to submit sworn statement in DSL investigation: \$100,000 NAL
    - Incomplete merger reports: \$88,000 forfeiture
  - Proposed integration of common carrier audits function with EB's investigatory function should enhance efficiency

- Consumer Protection Enforcement

- Competition benefits consumers, but still need to guard against abuses.
- We closely track informal complaint databases to look for emerging trends and “bad actors.”
- Key consumer protection enforcement actions in last year:
  - \$1.1 million junk fax forfeiture
    - Also, 19 junk fax citations and one additional junk fax forfeiture
  - Slamming enforcement initiative
    - Approximately \$16 million in slamming enforcement actions against 14 different carriers (forfeiture orders or consent decrees) in last two years
  - First citations for recorded telephone solicitations

## Homeland Security/Public Safety

- Events of September 11 reinforce our focus on public safety issues as the most important technical enforcement issues
  - EB also playing a major role on the Commission's Homeland Security Policy Council
- Key public safety enforcement areas
  - Public safety-related interference location and resolution
    - E.g., police and fire departments, FAA and aviation frequencies, federal law enforcement
  - Tower lighting and related enforcement
  - E-911 enforcement
  - EAS enforcement

- Key public safety enforcement challenges/initiatives
  - Focusing more on patterns of violations
    - E.g., tower lighting and registration investigations that resulted in a major consent decree and several forfeitures
    - On-going investigation involving illegal high powered cordless phones and interference to aviation frequencies
  - As resources permit, focusing on broader geographic areas; reaching areas that are further away from our Field offices
  - Increasing emphasis on E-911 compliance/enforcement
  - Working closely with other federal agencies and the Salt Lake Organizing Committee to prepare for interference resolution responsibilities at February 2002 Winter Olympics



- Broader, on-going challenges
  - Continuing to strengthen enforcement as a complement to deregulation policy: As unnecessary requirements are eliminated, important to focus on enforcing the ones that remain.
  - Maximizing the deterrent effect of enforcement within the existing statutory forfeiture caps
  - Ensuring that companies' control of information doesn't hamper enforcement within the one year statute of limitations

THE END