



Thomas A. Schatz
President

July 11, 2013

U.S. House of Representatives
Committee on Energy and Commerce
Subcommittee on Communications and Technology
Washington, DC 20515

Dear Subcommittee Members,

Today, the House Energy and Commerce Subcommittee on Communications and Technology will hold a hearing on Federal Communications Commission (FCC) Reform. Part of the discussion during this hearing will cover two draft bills to reform the FCC process and reporting requirements. On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I urge you to support these draft bills.

The rate at which federal agencies produce new rules is alarming. In 2009, the federal government issued 3,316 new rules and regulations, the equivalent of 1.6 rules per working hour. According to a February 21, 2013 report card from the Competitive Enterprise Institute, federal agencies published a total of 3,706 final rules in 2012, 108 of which came from the FCC, or an average of one new final FCC rule every 2.3 working days.

The report further estimated that the FCC creates the third most expensive set of rules, costing an estimated \$142 billion per year, but due to a lack of government transparency, the information on complete cost of the regulations is difficult to ascertain. Government regulations are often far-reaching and place significant new burdens on consumers and businesses. This is especially true at the FCC, even as wireline, wireless and cable providers continue to invest billions of dollars, create jobs, and remain competitive during a tough economy.

The legislation being debated by the Committee would streamline FCC operations and rulemaking by increasing transparency and accountability and minimizing potential agency overreach. The legislation would require the FCC to identify a market failure or consumer harm before proposing new rules; conduct a cost benefit analysis before adopting major rules that will cost more than \$100 million and establish performance measures to evaluate the effectiveness of these major rules; publish the full text of proposed rules that are under consideration; provide adequate time for the public to provide comments; and set specific schedules to issue decisions and report back to Congress.



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In his comments during the July 3, 2013 FCC approval of the Softbank-Sprint-Clearwire licensing and authorization transfer agreement (FCC Docket No. 12-343), FCC Commissioner Ajit Pai discussed the need for Congress to codify the 180-day shot clock for the FCC, so that the agency has a requirement to move with greater dispatch on these transactions. The draft legislation before the Committee contains such language. The draft bill would also prohibit the FCC from conditioning a merger on a party's acceptance of certain policies or rules that are unrelated to the specifics of the transaction. American businesses should not be forced to swallow new requirements that lack relevance or policy justification at the expense of consumers and taxpayers.

The second bill would streamline the reporting requirements at the FCC and further enhance the reform process. I strongly urge you to support these two bills to protect American taxpayers, businesses, and consumers from unnecessary regulatory burdens and to ensure a high standard of quality and accountability in the FCC's rule-making process.

Sincerely,

A handwritten signature in black ink that reads "Thomas Schatz". The signature is written in a cursive, slightly slanted style.