STATEMENT OF COMMISSIONER KEVIN J. MARTIN

Re: In the Matter of IP-Enabled Services, (adopted Feb. 12, 2004)

I am glad that the Commission is moving forward today with a Notice of Proposed Rulemaking to address and clarify the regulatory status of Voice over Internet Protocol (VoIP) and Internet Protocol (IP)-enabled services. Today's NPRM recognizes the benefits that VoIP brings such as greater efficiency and that the Commission will approach VoIP with a light regulatory touch.

VoIP and IP based services will provide consumers with personalized applications and content resulting in more competition and greater choice. These IP services have the potential to spur further innovation and help drive the ubiquitous deployment of broadband and IP networks that will bring even greater benefits to consumers in the future.

As I have stated previously, as VoIP services move toward becoming a substitute for traditional telephony services, we need to carefully consider and address any questions and concerns regarding the obligations to provide traditional public safety services such as 911 and the ability to comply with law enforcement requirements. I thus support today's announcement that the Commission will soon initiate a comprehensive rulemaking to address law enforcement's needs relative to CALEA and that our decision today will not prejudice the outcome of that proceeding.

Today's decision, however, also raises many of the difficult questions that arise regarding VoIP's potential to displace traditional telephony services. I encourage all interest parties to comment on these issues. In particular, I will look with great interest, at how we should address many of the important public safety, law enforcement and consumer protection functions in a VoIP world.

I am also pleased that today's item recognizes the many different types of VoIP service offerings that currently exist, and that may potentially develop in the marketplace. The NPRM acknowledges that VoIP offerings, at times, may or may not need to use the public switch network ("PSTN") and asks how we should take their key distinctions into account. The item also makes clear that functionally equivalent services should be subject to similar obligations and that the cost of the PSTN should be born equitably among those that use it in similar ways.

As we move forward, we must ensure that our policies treat similar services in a similar fashion and that we do not create a regulatory framework that promotes potential arbitrage opportunities.