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For Immediate Release

**FCC REDUCES OR ELIMINATES BURDEN OF UNECESSARY
ACCOUNTING REQUIREMENTS FOR CARRIERS**
Action Will Free Scarce Resources for Network Investment

WASHINGTON, Feb. 23, 2017 – Taking further steps to minimize unnecessary burdens on carriers, the Federal Communications Commission today streamlined various accounting requirements for all carriers and eliminated certain accounting requirements for large carriers.

Specifically, the FCC eliminated the requirement that large carriers keep a separate set of regulatory accounting books in addition to their financial accounting books. Additionally, the Commission reduced the extent of FCC-specific accounts that must be maintained by all carriers. Reducing the cost and burden of these FCC rules will allow carriers to allocate scarce resources toward expanding modern networks that bring economic opportunity, job creation and civic engagement to all Americans.

Currently, regulated carriers must maintain two sets of books – one for financial reporting and another for regulatory purposes under the FCC’s rules (Part 32 Uniform System of Accounts). This can be costly, requiring additional training for accountants, a second set of customized software, and two sets of audits.

Yet because of developments in the market, this separate regulatory cost accounting requirement is no longer necessary for the large carriers that serve 95 percent of the nation’s lines, known as “price cap” carriers. Today’s Order provides price cap carriers with the option to elect generally accepted accounting principles, or GAAP, subject to certain conditions under its rules. Financial accounting that conforms to GAAP will still provide the FCC with the data required for regulatory purposes.

Action by the Commission February 23, 2017 by Report and Order (FCC 17-15). Chairman Pai, Commissioner O’Rielly approving. Commissioner Clyburn approving in part and concurring in part. Chairman Pai, Commissioners Clyburn and O’Rielly issuing separate statements.

WC Docket No. 14-130

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