

ENFORCEMENT BUREAU ACCOMPLISHMENTS

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Mr. Chairman, over the last four years, the Enforcement Bureau has taken almost 1,300 Enforcement Actions. These include 38 Forfeiture Orders totaling more than \$310 million, and 78 Notices of Apparent Liability, resulting in proposed fines of almost \$840 million.

[SLIDE 2: Enforcement by the Numbers]

We also have signed 109 settlements with targets of investigations, with Consent Decrees including payments of nearly \$375 million. Almost all of these Consent Decrees have included compliance plans specifying actions to ensure future compliance with the law and our rules.

All told, since early January 2017 we have issued more than \$1.5 billion in proposed or actual penalties, or collections via settlements. This total is an increase of more than \$500 million from any prior FCC administration.

[SLIDE 3: EB: Robocall Enforcement]

The Commission receives more complaints about robocalls than about any other issue. Therefore, enforcement against unlawful robocalls and unlawful caller ID spoofing has been our top priority during the last four years.

We've taken an unprecedented number of actions and imposed or proposed more than \$450 million in fines to combat illegal spoofing.

We've also used collaborative and creative approaches to attack unlawful calling campaigns. We sent two batches of letters to companies that were transmitting large volumes of robocalls with deceptive information about the coronavirus, and stopped those calls in their tracks. We worked with an industry consortium to trace back the source of spoofed calls, which more recently—thanks to the TRACED Act—has become an officially recognized partner in our efforts. And we routinely coordinated with other state and federal enforcement entities to share information and coordinate efforts regarding unlawful robocall campaigns.

[SLIDE 4: EB: Pirate Radio Enforcement]

As you know, our Field Agents perform critically important work that often flies under the radar of those of us here at Headquarters.

They routinely conduct investigations that track the sources of interference and provide on-the-ground expertise and support during political conventions and sporting events, and after natural disasters. The work is often time-sensitive and requires our Agents to travel all over the country.

But even with all those commitments, the Bureau has made pirate radio enforcement a priority. In the last four years, our Field Agents have been particularly aggressive and creative in confronting pirate radio broadcasters, working with U.S. Attorneys and local law enforcement on investigations that allow us to impose aggressive fines and to seize radio transmission equipment. Overall, the Enforcement Bureau has taken more than 450 enforcement actions against radio pirates since early 2017.

We've also adopted new rules allow us to improve our enforcement process. Thanks to new authority from Congress, we have trimmed some procedures and have the power to impose much heavier fines—up to \$2 million per violation.

Most exciting to me, the Commission has new authority to directly pursue landlords who know that pirate broadcasts are occurring from their property and fail to stop them. We've already targeted several entities that own or control apartment blocks in New York City—and though we are in the early stages of those investigations, the initial responses from the landlords has been encouraging.

[SLIDE 5: EB: USF Fraud Enforcement]

We've made it a priority to combat waste, fraud and abuse in each of the Universal Service Fund programs. These tend to be complex investigations, often requiring years of work, specialized analysis, and close cooperation with other Bureaus and local law enforcement partners.

Even though our Fraud Division has only been up and running for a short time, it already has amassed an impressive list of accomplishments: We have entered into two Consent Decrees resolving an investigation concerning the Rural Health Care Program Rules—with settlement values of \$32,000,000. We have also entered into a Consent Decree focusing on certain New York City Department of Education E-rate practices—which resulted in repayment of more than \$17 million to the Universal Service Fund and relinquished rights to another \$7.3 million in unpaid invoices.

Additionally, we have issued a Notice of Apparent Liability proposing a forfeiture of more than \$63 million for multiple Lifeline rule violations. We have also issued a Forfeiture Order of more than \$49 million for violations of the High Cost Program rules.

Even as we prosecuted these cases, our Investigations and Hearings Division's Telecom team continued to target compliance with our USF program rules. For example, the Bureau recently entered into a \$200 million settlement—the largest fixed-amount settlement the Commission has ever secured to resolve an investigation—to conclude a probe concerning subsidies claimed for service to more than 880,000 Lifeline subscribers who were not actually *using* the services.

[SLIDE 6: EB: Other Enforcement Actions]

We have pursued enforcement actions in many other critical areas, including violations of the Act and our rules governing responses to 911 outages and broader network outages.

We have protected the operational impact of the Emergency Alert System by imposing over \$900,000 in penalties on five separate broadcasters and cable entities for misusing EAS alert tones in entertainment and reality programming.

Our Market Disputes and Resolution Division resolved a groundbreaking case involving pole attachment rates. That may sound like a dull subject, but it directly affects what American consumers pay for broadband services—and it set baseline precedent for enforcement of new rules governing rates that utility companies may collect from incumbent telephone carriers.

We've taken more actions than we have time to recount here, of course, but I'd also like to note our work on cases involving the privacy of wireless phone users' location data and the orderly operation of the FCC's auction processes.

[SLIDE 7: Improving Efficiency and Transparency]

Finally, I'd like to highlight some of the things we've done to improve efficiency and transparency in the Bureau.

In April 2019, the Commission created the Fraud Division. This group—composed mainly of experienced government-fraud litigators we have hired away from other agencies—specializes in investigating complex and egregious violations of the Communications Act and the FCC's rules.

In June 2018, the Commission streamlined the Bureau's formal complaint process, adopting a more uniform set of procedural rules designed to improve formal complaint proceedings handled by the Bureau.

In September of last year, the Commission adopted procedural changes designed to simplify many administrative hearings by enabling the Commission to designate appropriate matters for hearing on an administrative record, rather than a full live hearing before an Administrative Law Judge.

And finally, in April 2020 the Bureau published an Enforcement Overview, designed to help stakeholders—particularly non-lawyers—better understand the FCC's enforcement process.

These were large and labor-intensive efforts, and were possible only because of the diligent work of EB staff. While they don't necessarily generate headlines like some of our multi-million dollar fines, we're confident that these actions will pay dividends for the Bureau and for the Commission for years to come.

[SLIDE 8: Thank You!]

In short, EB has had a very productive period, thanks in part to the strong bonds of professional respect and friendship we've nurtured and maintained over the last four years. Thank you, Mr. Chairman – and all Commissioners – for giving us the opportunity to do good work that helps the American public.

I won't try to thank everyone in EB who deserves thanks, but I've listed many of their names here – and will think of better tokens of gratitude in the coming days!