

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *Modernization of Payphone Compensation Rules*, WC Docket No. 17-141; *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128; *2016 Biennial Review of Telecommunications Regulations*, WC Docket No. 16-132.

In my time on the Commission, people often stop and ask me what Commissioner Rosenworcel, the payphone, and the lead singer for Sugar Ray, Mark McGrath, all have in common. I used to find that to be a peculiar and rather specific question, but I now have an answer: They all got their start in Hartford, Connecticut.

That is right. In 1888, the first payphone was invented in Hartford by one William Gray. Gray needed to call a doctor for his ailing wife, but he did not have a phone at home. He ultimately persuaded a factory to allow him to make a phone call, but he was struck by the idea that connectivity could – and should – encompass more than home telephone service. In a sense, Gray’s invention paved the way for the unprecedented growth in connectivity that we take advantage of today.

While Gray’s vision has endured, his invention has seen better days. The number of payphones in the U.S. has rapidly decreased, from more than 2 million at their peak in 1999 to less than 100,000 in 2016.

Given changes in technology, it makes sense for us to revisit our payphone compensation rules to eliminate unnecessary requirements. In this item, we remove rules from our books that expired two decades ago and do not apply to a single carrier. We also eliminate burdensome audit requirements that, in some cases, cost carriers hundreds of thousands of dollars—several times more than the compensation actually owed to payphone service providers.

Like Sugar Ray’s 1999 hit *Someday*, the heyday of payphones is now “so far, so long, so far away.” Our regulations should reflect that fact, so this item has full support. I look forward to continuing to work with my colleagues to update our rules to keep pace with technology.