STATEMENT OF
COMMISSIONER GEOFFREY STARKS

Re: Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage, WC Docket No. 18-155.

With today’s order, the Commission takes further action to stop access arbitrage activity that misuses the access charge system and improperly shifts the costs of completing calls. I support this effort.

Access arbitrage is a scheme where companies stimulate traffic to high-cost areas, rack up huge numbers of calling minutes, and are paid a portion of the resulting revenue. Despite previous Commission efforts to thwart this activity, the practice has continued. And so today we take another action that goes to the heart of the matter – curbing the financial incentives that make arbitrage so lucrative. Ultimately, the costs associated with these schemes are borne by consumers on their phone bills and I am hopeful that today’s item will provide some much-needed relief.

My thanks to the staff of the Wireline Competition Bureau for your work on this item, and for your tireless efforts to eliminate wasteful arbitrage.