

Press Statement by Commissioner James H. Quello

In re: Progress and Freedom Foundation Report

May 31, 1995

The Progress and Freedom Foundation Report reflects the well considered opinions of a group of intellectual visionaries who are ten years ahead of themselves. It requires further thoughtful review. At this time, its proposal for restructuring the FCC is too drastic and impractical.

Perhaps many of the Report's proposals, particularly the personnel reductions, could be implemented at some time in the future when competition replaces the need for regulation. This will come with the eventual establishment of a multi-channel, multi-faceted communications information highway offering consumers a variety of competitive choices for communication services. Although we at the FCC are working toward that goal, we are not there yet.

Furthermore, before plans to drastically restructure the FCC can be considered, decisionmakers should first consider the number of FCC rulemakings it will take to implement proposed Congressional action that would fully open the communications marketplace to competition. For example, implementation of the 1992 Cable Act was the most resource-intensive undertaking in recent FCC history, requiring 27 rulemakings. If Congress passes that now-pending telecommunications legislation, it has been estimated that 70-80 new FCC rulemakings would be required.

Thus, the proposed present legislation could impose resource requirements upon the FCC far exceeding those imposed by the 1992 Cable Act.

At this time, I suggest the following:

1. Let's first see what Congress eventually legislates and what detailed regulatory requirements are entailed.
2. Let's conduct a realistic audit of the FCC's current resource allocation and take further practical steps to eliminate duplication, unnecessary work, and consolidate agency administration, wherever possible.
3. Above all, we must keep an open mind to the proposition that regulation in any administration has a historic tendency to feed upon itself and requires periodic review.

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