

ALERT

FCC Sets January Deadline for International Section 214 Authorization Holders to Submit Foreign Interest Holder Information

December 12, 2023

On December 8, 2023, the Federal Communications Commission (FCC or Commission) released its anticipated information collection to update the Commission's records regarding the foreign ownership of international Section 214 authorization holders (One-Time Information Collection). The One-Time Information Collection follows the FCC's adoption of an Order and Notice of Proposed Rulemaking (NPRM), which authorized the collection, and the Office of International Affairs' (OIA) Supplemental Order, which had established an exemption to the One-Time Information Collection.

International Section 214 authorization holders are required to file responses by January 22, 2024. We cover the scope of the One-Time Information Collection and its exemption below. With the holiday season impacting employee schedules, affected entities should start working to prepare their filings.

The One-Time Information Collection

Each international Section 214 authorization holder is required to identify its 10% or greater direct or indirect foreign interest holders (reportable foreign ownership) as of thirty (30) days prior to the filing deadline—December 23, 2023. Authorization holders must submit information based on the three categories below.

- **Reportable Foreign Ownership – Foreign Adversary – China (including Hong Kong), Cuba, Iran, North Korea, Russia, Maduro Regime.** Where there are interest holders that are entities and individuals that are a government organization or

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citizen of a “foreign adversary” country (listed above), an authorization holder must identify its 10% or greater direct or indirect foreign interest holders, including any 10% or greater direct or indirect foreign interest holders outside the foregoing “foreign adversary” countries. The authorization holder must:

- identify each interest holder and the foreign country or countries, including countries that are not foreign adversary countries;
- disclose whether any interest holder has dual or more citizenships and identify all countries where citizenship is held; and
- certify to the truth and accuracy of all information.

- **Reportable Foreign Ownership – No Foreign Adversary.** Where there are no interest holders that are entities or individuals that are a government organization or citizen of any foreign country that is a “foreign adversary” country, an authorization holder must identify its 10% or greater direct or indirect foreign interest holders. The authorization holder must:
 - identify each interest holder and the foreign country or countries;
 - disclose whether any interest holder has dual or more citizenships and identify all the countries where citizenship is held; and
 - certify to the truth and accuracy of all information.
- **No Reportable Foreign Ownership.** An authorization holder that has no reportable foreign ownership must certify to the truth and accuracy of this information.

The FCC notes that all authorization holders must have an FCC Registration Number (FRN) in order to file their response in the International Communications Filing System (ICFS). Entities that do not currently have an FRN will need to obtain one prior to filing their response.

Notably, authorization holders that surrender their international Section 214 authorizations before the filing deadline are not required to respond to the One-Time Information Collection. The FCC “strongly encourages” authorization holders that no longer need or use their international Section 214 authorizations to surrender them before the filing deadline.

Exemption

In the Supplemental Order, the Commission established an exemption for certain authorization holders from the One-Time Information Collection. Qualifying authorization holders are exempt from answering questions in the One-Time Information Collection regarding the “identities, specific equity and voting interests, and description of controlling interests, of their Reportable Foreign Interest Holders.” Instead, authorization holders that qualify for the exemption will be required to “identify, on an aggregated basis, all of the citizenship(s) or place(s) of organization of their Reportable Foreign Interest Holders.” To qualify, authorization holders must supply the File Number of the application that fulfills the exemption requirements.

Specifically, to qualify for the exemption:

- The authorization holder must have filed an application for an initial international Section 214 authorization, modification, or substantial (not a pro forma filing) assignment or transfer of control of the authorization that was reviewed by the Executive Branch agencies and was granted by the Commission on or after January 22, 2021; **and**
- There must be no reportable foreign interest holders of the authorization holder other than those disclosed in the application (including any amendment), and no changes to the reportable foreign interest holders disclosed in the application (including any amendment) as of December 23, 2023.

With Holidays Looming, a Rapid Response Will Be Crucial

The FCC's One-Time Information Collection will be a detailed and comprehensive undertaking for all holders of international Section 214 authorizations and their owners. The scope of entities affected by the One-Time Information Collection include not only international telecommunications providers but also certain satellite and wireless providers, as well as private equity firms and others investing capital in such entities. Those impacted should move rapidly to gather the required information and comply with the One-Time Information Collection. Wiley's Telecom, Media & Technology, National Security, and Cybersecurity practitioners can help impacted entities navigate this complex undertaking.