

ALERT

Select Team Telecom Modernization Rules Will Go Into Effect Before the New Year

November 30, 2020

On November 27, 2020, the Federal Communications Commission's (FCC or Commission) Team Telecom Modernization Report & Order (Report & Order) was published in the Federal Register, which will cause portions of the new rules to go into effect **December 28, 2020**.

As background, on September 30, 2020, the Commission unanimously approved the Report & Order, which launches the initial modernization of the inter-agency working group previously referred to as "Team Telecom" (the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (the Committee)). This step-which followed a years-long review of the Team Telecom process and an April 2020 Executive Order-begins the process of reforming Team Telecom's (now the Committee's) national security, law enforcement, diplomatic, and trade review of transactions subject to the FCC's foreign ownership review. As the U.S. government continues to increase its scrutiny over foreign investments and global supply chains, these reforms are an important first step in adding clarity and timeliness to this process. Any investor or regulated business should be aware of the important changes to the process for review of communications transactions involving foreign ownership—which remains far-reaching. Our summary of the September Report & Order can be found here.

The November 27 publication of the Report & Order means that certain of the new rules adopted by the Commission in September will soon be in effect. Specifically, the following rules will be effective on December 28, 2020:

 the rule delegating authority to the Chief of the International Bureau to administer and make publicly available a set of

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standardized national security and law enforcement questions (Standard Questions);

- the rule requiring certain entities to designate agents in the District of Columbia for legal service of process and file specific information with the FCC Enforcement Bureau; and
- the rules related to executive branch review of applications, petitions, other filings, and existing authorizations or licenses with reportable foreign ownership; referral of applications, petitions, and other filings; and time frames for review.

Notably, the effectiveness of the other rules adopted in the September Report & Order is delayed. Their effective dates will be separately published in the Federal Register.

Looking ahead, investors and regulated entities should expect International Bureau activity to develop the Standard Questions—including an opportunity to comment—to begin in early 2021. Specifically, the Report and Order gives the Bureau 90 days "to develop, solicit comment on, and make publicly available on a website the[se] Standard Questions." (¶ 45).

Wiley's National Security and Telecom, Media & Technology practices, which include the former Chair of Team Telecom for the U.S. Department of Justice, have been deeply engaged in these efforts, as well as reforms to the Committee on Foreign Investment in the United States (CFIUS). If your organization has questions, do not hesitate to reach out to the authors listed on this alert.

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