

FCC Seeks to Expedite Review of Proposals for Foreign Ownership of US Telecommunications and Broadcast Entities

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Foreign ownership of US wireless telecommunications and broadcast entities is capped at 25%, absent approval from the Federal Communications Commission. In recent years, the FCC has formalized its review of foreign ownership requests and has allowed up to 100% foreign ownership in some cases. The FCC will not, however, approve a request for increased foreign ownership until that request has also been reviewed and approved by certain executive branch agencies, commonly referred to as "Team Telecom," as well as by the Committee on Foreign Investment in the US when necessary.

To better coordinate the review process, the FCC is proposing to adopt "Standard Questions" that parties must submit to Team Telecom at the same time they file applications or petitions with the FCC. The FCC is seeking public comment on the proposed questions, including on the scope of the questions. For example, the FCC asks whether the proposed questions are unnecessary or overly broad.

The questions focus on five areas:

- Corporate structure and shareholder information
- Relationships with foreign entities
- Financial condition and circumstances
- Compliance with applicable laws and regulations
- Business and operational information

The FCC is proposing that investments in different sectors would trigger different questions. For example, proposals for foreign investments in a broadcast entity will need to provide different information than proposals for investments in a wireless operator or direct broadcast satellite provider.

The FCC's decisions in this proceeding could help streamline the costly and time-consuming review process that the FCC and Team Telecom currently apply to certain foreign ownership proposals. While the questions are based on the typical information requests from Team Telecom, this proceeding allows interested parties to provide input on the questions, which is not possible during review of a transaction.

The lists of questions are included in the [FCC's public notice](#). Comments on the proposed questions will be due 30 days after the notice is published in the Federal Register.

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