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August 11, 2026

The Honorable Ted Cruz
Chairman
The Honorable Maria Cantwell
Ranking Member
Committee on Commerce, Science, and Transportation
United States Senate

The Honorable Brett Guthrie
Chairman
The Honorable Frank Pallone, Jr.
Ranking Member
Committee on Energy and Commerce
House of Representatives

Subject: *Federal Communications Commission: Review of Submarine Cable Landing License Rules and Procedures to Assess Evolving National Security, Law Enforcement, Foreign Policy, and Trade Policy Risks*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Federal Communications Commission (FCC) entitled "Review of Submarine Cable Landing License Rules and Procedures to Assess Evolving National Security, Law Enforcement, Foreign Policy, and Trade Policy Risks" (FCC 26-42). We received the rule on July 16, 2026. It was published in the *Federal Register* on July 27, 2026. 91 Fed. Reg. 46844. The effective date of the rule is September 25, 2026, except for amendatory instructions 4 (§ 1.40001), 5 (§ 1.40001), 8 (§ 1.70003), 9 (§ 1.70006), 11 (§ 1.70007(u), (w)(2), (y) through (ii)), 12 (§ 1.70011), 13 (§ 1.70012), 14 (§ 1.70014), 15 (§ 1.70017), 16 (§ 1.70018), 17 (§ 1.70020), 18 (§ 1.70025), 19 (§ 1.70026), 20 (§ 1.70027), 21 (§ 1.70028), and 22 (§ 1.70029), which are delayed indefinitely. FCC will publish a document in the *Federal Register* announcing the effective date of these rule sections.

According to FCC, this rule adopts a Second Report and Order that promotes the deployment of submarine cables while strengthening national security interests in connection with their modern capabilities. FCC stated that the Second Report and Order, among other things, establishes a regulatory regime for licensing owners and/or operators of submarine line terminal equipment (SLTE), including granting a blanket license to certain current and future SLTE owners and/or operators that are not currently a licensee.

Enclosed is our assessment of FCC's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to

the subject matter of the rule, please contact me at (202) 512-8156.

A handwritten signature in black ink that reads "Shirley A. Jones". The signature is written in a cursive, flowing style.

Shirley A. Jones
Managing Associate General Counsel

Enclosure

cc: Brenda Villanueva
Deputy Chief, Telecommunications and Analysis Division, Office of International Affairs
Federal Communications Commission

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE
ISSUED BY THE
FEDERAL COMMUNICATIONS COMMISSION
ENTITLED
“REVIEW OF SUBMARINE CABLE LANDING LICENSE RULES AND PROCEDURES
TO ASSESS EVOLVING NATIONAL SECURITY, LAW ENFORCEMENT, FOREIGN POLICY,
AND TRADE POLICY RISKS”
(FCC 26-42)

(i) Cost-benefit analysis

The Federal Communications Commission (FCC) prepared an analysis of the costs and benefits of this rule. 91 Fed. Reg. 46844, 46846–50 (July 27, 2026). FCC stated the rule is expected to generate substantial benefits to national security and the resiliency of critical communications infrastructure, and that these benefits far outweigh the moderate compliance costs. *Id.* at 46849. FCC estimated one-time costs of \$28.5 million and annual costs of \$10.7 million, which reflect measures to comply with licensing requirements, including costs associated with cybersecurity and compliance with routine conditions. *Id.*

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

FCC determined that this rule will have a significant economic impact on substantial numbers of small entities, and prepared a Final Regulatory Flexibility Analysis. See 91 Fed. Reg. at 46850.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

As an independent regulatory agency, FCC is not subject to the Act.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On October 27, 2025, FCC published a proposed rule. 90 Fed. Reg. 48557. FCC summarized and responded to comments in this rule. See 91 Fed. Reg. at 46851.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

FCC stated that this rule may contain new or modified information collections subject to PRA. 91 Fed. Reg. at 46850. FCC also stated that it plans to submit such new or modified information collections to the Office of Management and Budget for review. *Id.*

Statutory authorization for the rule

FCC promulgated this rule pursuant to sections 34–39, 151, 154(i) and (j), 155, 201–255, 303(r), 403, and 413 of title 47, United States Code, and section 5(a) of Executive Order No. 10530 (May 12, 1954), reprinted as amended in section 301 of title 3, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

FCC indicated that it did not discuss the Order in the rule.

Executive Order No. 13132 (Federalism)

As an independent regulatory agency, FCC is not subject to the Order.