



Federal Communications Commission
Washington, D.C. 20554

November 14, 2014

DA 14-1651

Small Entity Compliance Guide

Assessment and Collection of Regulatory Fees for Fiscal Year 2014

FY 2014 Regulatory Fees Report and Order and Further Notice of
Proposed Rulemaking MD Docket No. 14-129

This Guide is prepared in accordance with the requirements of Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996. It is intended to help small entities—small businesses, small organizations (non-profits), and small governmental jurisdictions—comply with the new rules adopted in the above-referenced FCC rulemaking docket(s). This Guide is not intended to replace the rules and, therefore, final authority rests solely with the rules. Although we have attempted to cover all parts of the rules that might be especially important to small entities, the coverage may not be exhaustive. This Guide may, perhaps, not apply in a particular situation based upon the circumstances, and the FCC retains the discretion to adopt approaches on a case-by-case basis that may differ from this Guide, where appropriate. Any decisions regarding a particular small entity will be based on the statute and regulations.

In any civil or administrative action against a small entity for a violation of rules, the content of the Small Entity Compliance Guide may be considered as evidence of the reasonableness or appropriateness of proposed fines, penalties or damages. Interested parties are free to file comments regarding this Guide and the appropriateness of its application to a particular situation; the FCC will consider whether the recommendations or interpretations in the Guide are appropriate in that situation. The FCC may decide to revise this Guide without public notice to reflect changes in the FCC's approach to implementing a rule, or to clarify or update the text of the Guide. Direct your comments and recommendations, or calls for further assistance, to the FCC's Consumer Center:

**1-888-CALL-FCC (1-888-225-5322)
TTY: 1-888-TELL-FCC (1-888-835-5322)
Fax: 1-866-418-0232**

Assessment and Collection of FY 2014 Regulatory Fees

Section 9 of the Communications Act, 47 U.S.C. § 159, requires the Commission to assess and collect regulatory fees to recover the costs associated with the Commission's enforcement, policy and rulemaking, user information, and international activities. Most regulatory fees are assessed and paid annually.

For annual payers of FY 2014 regulatory fees, the due date was on September 23, 2014. As described below, there is an exception to this due date for certain small wireless service licensees that are required to pay all regulatory fees up front for the entire term of their initial license or term of renewal, as applicable.

Full information about FY 2014 regulatory fees is contained in the Commission's Report and Order on Regulatory Fees for FY 2014, *Assessment and Collection of Regulatory Fees for Fiscal Year 2014*, Report and Order, 79 FR 54190 (September 11, 2014).

Additional information on the Commission's regulatory fee program, including Public Notices and Fact Sheets that contain information pertinent to each class of fee payor, is available on the FCC's website at: <http://www.fcc.gov/regfees>. Because the rules and requirements contained in the Report and Order are binding on all regulatory fee payors, we strongly encourage all small entities to familiarize themselves with the contents of the Report and Order and with the related documents listed on the FCC's website. Licensees with individual questions about paying their regulatory fees may also contact the Commission's Financial Operations Help Desk regarding regulatory fees at (877) 480-3201, Option 4, or E-Mail inquiries to ARINQUIRIES@FCC.GOV.

The Schedule of Regulatory Fees is included at the end of this document. Below is a summary of who should pay regulatory fees by service category:

Payment of Regulatory Fees

- *Media Services*: Regulatory fees must be paid for initial construction permits that were granted on or before October 1, 2013 for AM/FM radio stations, VHF/UHF full service television stations, and satellite television stations. Regulatory fees must be paid for all broadcast facility licenses granted on or before October 1, 2013. In instances where a permit or license is transferred or assigned after October 1, 2013, responsibility for payment rests with the holder of the permit or license as of the fee due date.
- *Wireline (Common Carrier) Services*: Regulatory fees must be paid for authorizations that were granted on or before October 1, 2013. In instances where a permit or license is transferred or assigned after October 1, 2013, responsibility for payment rests with the holder of the permit or license as of the fee due date. Audio bridging service providers are included in this category.¹
- *Wireless Services*: Commercial Mobile Radio Service (CMRS) cellular, mobile, and messaging services (fees based on number of subscribers or telephone number count): Regulatory fees must be paid for authorizations that were granted on or before October 1, 2013. The number of subscribers, units, or telephone numbers on December 31, 2013 will be used as the basis from which to calculate the fee payment. In instances where a permit or license is transferred or assigned after October 1, 2013, responsibility for payment rests with the holder of the permit or license as of the fee due date.
- *Small Multi-Year Wireless Regulatory Fees*. The first eleven regulatory fee categories in our Schedule of Regulatory Fees pay "small multi-year wireless regulatory fees." Entities pay these

¹ Audio bridging services are toll teleconferencing services.

regulatory fees in advance for the entire period covered by the five-year or 10-year terms of their initial licenses, and pay regulatory fees again only when the license is renewed or a new license is obtained.

- *Multichannel Video Programming Distributor Services (cable television operators and CARS licensees)*: Regulatory fees must be paid for the number of basic cable television subscribers as of December 31, 2013.² Regulatory fees also must be paid for CARS licenses that were granted on or before October 1, 2013. In instances where a permit or license is transferred or assigned after October 1, 2013, responsibility for payment rests with the holder of the permit or license as of the fee due date.
- *Earth and Space Stations*: Regulatory fees must be paid for (1) earth stations and (2) space stations (per station in geostationary orbit and per system in non-geostationary orbit) that were licensed and operational on or before October 1, 2013. In instances where a permit or license is transferred or assigned after October 1, 2013, responsibility for payment rests with the holder of the permit or license as of the fee due date.
- *International Bearer Circuits: Submarine Cable Systems*: Regulatory fees for submarine cable systems are to be paid on a per cable landing license basis based on circuit capacity as of December 31, 2013. In instances where a license is transferred or assigned after October 1, 2013, responsibility for payment rests with the holder of the license as of the fee due date.
- *International Bearer Circuits: Terrestrial and Satellite Services*: Regulatory fees for International Bearer Circuits are to be paid by facilities-based common carriers that have active (used or leased) international bearer circuits as of December 31, 2013 in any terrestrial or satellite transmission facility for the provision of service to an end user or resale carrier. When calculating the number of such active circuits, the facilities-based common carriers must include circuits held by themselves or their affiliates. In addition, non-common carrier satellite operators must pay a fee for each circuit they and their affiliates hold and each circuit sold or leased to any customer, other than an international common carrier authorized by the Commission to provide U.S. international common carrier services. “Active circuits” for these purposes include backup and redundant circuits as of December 31, 2013. Whether circuits are used specifically for voice or data is not relevant for purposes of determining whether they are active circuits. In instances where a permit or license is transferred or assigned after October 1, 2013, responsibility for payment rests with the holder of the permit or license as of the fee due date.

² Cable television system operators should compute their number of basic subscribers as follows: Number of single family dwellings + number of individual households in multiple dwelling unit (apartments, condominiums, mobile home parks, etc.) paying at the basic subscriber rate + bulk rate customers + courtesy and free service. Note: Bulk-Rate Customers = Total annual bulk-rate charge divided by basic annual subscription rate for individual households. Operators may base their count on “a typical day in the last full week” of December 2013, rather than on a count as of December 31, 2013.

FY 2014 Schedule of Regulatory Fees

Regulatory fees for the categories shaded in gray are collected by the Commission in advance to cover the term of the license and are submitted at the time the application is filed.

Fee Category	Annual Regulatory Fee (U.S. \$'s)
PLMRS (per license) (Exclusive Use) (47 CFR part 90)	35
Microwave (per license) (47 CFR part 101)	15
218-219 MHz (Formerly Interactive Video Data Service) (per license) (47 CFR part 95)	80
Marine (Ship) (per station) (47 CFR part 80)	15
Marine (Coast) (per license) (47 CFR part 80)	55
General Mobile Radio Service (per license) (47 CFR part 95)	5
Rural Radio (47 CFR part 22) (previously listed under the Land Mobile category)	10
PLMRS (Shared Use) (per license) (47 CFR part 90)	10
Aviation (Aircraft) (per station) (47 CFR part 87)	10
Aviation (Ground) (per license) (47 CFR part 87)	30
Amateur Vanity Call Signs (per call sign) (47 CFR part 97)	2.14
CMRS Mobile/Cellular Services (per unit) (47 CFR parts 20, 22, 24, 27, 80 and 90)	.18
CMRS Messaging Services (per unit) (47 CFR parts 20, 22, 24 and 90)	.08
Broadband Radio Service (formerly MMDS/ MDS) (per license) (47 CFR part 27)	715
Local Multipoint Distribution Service (per call sign) (47 CFR, part 101)	715
AM Radio Construction Permits	590
FM Radio Construction Permits	750
Digital TV (47 CFR part 73) VHF and UHF Commercial	
Markets 1-10	44,650
Markets 11-25	42,100
Markets 26-50	26,975
Markets 51-100	15,600
Remaining Markets	4,750
Construction Permits	4,750
Satellite Television Stations (All Markets)	1,550
Construction Permits – Satellite Television Stations	1,300
Low Power TV, Class A TV, TV/FM Translators & Boosters (47 CFR part 74)	410

Fee Category	Annual Regulatory Fee (U.S. \$'s)
Broadcast Auxiliaries (47 CFR part 74)	10
CARS (47 CFR part 78)	605
Cable Television Systems (per subscriber) (47 CFR part 76), Including IPTV	.99
Interstate Telecommunication Service Providers (per revenue dollar)	.00343
Earth Stations (47 CFR part 25)	295
Space Stations (per operational station in geostationary orbit) (47 CFR part 25) also includes DBS Service (per operational station) (47 CFR part 100)	122,400
Space Stations (per operational system in non-geostationary orbit) (47 CFR part 25)	132,850
International Bearer Circuits - Terrestrial/Satellites (per 64KB circuit)	.21
International Bearer Circuits - Submarine Cable	See Table Below

**FY 2014 SCHEDULE OF REGULATORY FEES
International Bearer Circuits - Submarine Cable**

Submarine Cable Systems (capacity as of December 31, 2013)	Fee amount	Address
< 2.5 Gbps	\$10,250	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000
2.5 Gbps or greater, but less than 5 Gbps	\$20,500	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000
5 Gbps or greater, but less than 10 Gbps	\$40,975	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000
10 Gbps or greater, but less than 20 Gbps	\$81,950	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000
20 Gbps or greater	\$163,900	FCC, International, P.O. Box 979084, St. Louis, MO 63197-9000

FY 2014 SCHEDULE OF REGULATORY FEES

FY 2014 RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C0, C1 & C2
<=25,000	\$775	\$645	\$590	\$670	\$750	\$925
25,001 – 75,000	\$1,550	\$1,300	\$900	\$1,000	\$1,500	\$1,625
75,001 – 150,000	\$2,325	\$1,625	\$1,200	\$1,675	\$2,050	\$3,000
150,001 – 500,000	\$3,475	\$2,750	\$1,800	\$2,025	\$3,175	\$3,925
500,001 – 1,200,000	\$5,025	\$4,225	\$3,000	\$3,375	\$5,050	\$5,775
1,200,001 – 3,000,00	\$7,750	\$6,500	\$4,500	\$5,400	\$8,250	\$9,250
>3,000,000	\$9,300	\$7,800	\$5,700	\$6,750	\$10,500	\$12,025

Administrative and Operational Issues

Fee payors should also be aware of several new administrative and operational initiatives:

- In accordance with U.S. Treasury Financial Manual Announcement No. A-2012-02, as clarified by U.S. Treasury Financial Manual Announcement No. A-2014-04, the U.S. Treasury limits credit card (but not debit card) transactions to \$49,999.99.³ The policy also precludes splitting transactions to avoid the limit. For example, an amount owed that exceeds the \$49,999.99 limit may not be split into two or more payment transactions in the same day, or over multiple days, by using one or multiple cards. FCC policy will conform to the U.S. Treasury policy. Fee payors needing to remit amounts of \$50,000.00 or greater must use alternative methods of payment: debit cards, Automated Clearing House (ACH) payment, or wire transfer. The FCC will post notices on the FCC website to remind licensees of the U.S. Treasury policy. Additional information on these requirements can be found at <http://www.fcc.gov/regfees>.
- Regulatory fee payments made by credit card that exceed the U.S. Treasury limit will be rejected. This may cause the licensee to miss paying the fees by the due date.
- Licensees failing to pay regulatory fees by the due date will incur a 25% late payment penalty, interest, and other fees.
- The Commission no longer accepts checks (including money orders and cashier’s checks) and the accompanying hardcopy forms (e.g., Form 159’s, Form 159-B’s, Form 159-E’s, or Form 159-W’s) for the payment of regulatory fees. All payments must be made by online debit card, ACH payment, credit card, or wire transfer. Any other form of payment (e.g., checks) will be rejected. For wire transfers, a Form 159-E should be transmitted via FAX ((314) 418-4232) to U.S. Bank so that the Commission can associate the wire payment with the corresponding regulatory fee payment. Because regulatory fees payments by paper checks are no longer accepted, entities are no longer able to pay both regulatory fees and application fees at the same time by paper check.
- When making a payment using the Commission’s filing and payment system (Fee Filer), the

³ Effective June 1, 2015 this limit will be lowered to \$24,999.99. See U.S. Treasury Financial Manual Announcement A-2012-04, page 1-2.

licensee will be directed to Pay.Gov to complete the transaction. Although Pay.Gov does not have a limit on debit card transactions, it should be noted that Pay.Gov only accepts Visa and MasterCard branded debit cards.

Recordkeeping Requirements

- Licensees are responsible for submitting all payments and payment documents accurately and on a timely basis, including Remittance Form 159-Es in payments by wire transfers.
- Licensees who claim an exemption from regulatory fees are required to have a current IRS Determination letter or certification from a governmental authority attesting to its exempt status on file with the Commission.
- In instances where a payment has not been accurately posted, the licensee is responsible for providing the documentation showing that the fee has been paid.

Enforcement

- To be considered timely, regulatory fee payments must be received by 11:59 PM, Eastern Daylight Time, on September 23, 2014. Section 9(c) of the Act requires us to impose a late payment penalty of 25 percent of the unpaid amount, to be assessed on the first day following the filing deadline. Failure to pay regulatory fees and/or any late penalty will subject regulatees to sanctions, including those set forth in section 1.1910 of the Commission's Rules and in the Debt Collection Improvement Act of 1996, Pub. L. 104-134, 110 Stat. 1321, Apr. 26, 1996 (DCIA). In addition to the 25 percent penalty, we also assess administrative processing charges on delinquent debts to recover additional costs incurred in processing and handling the related debt pursuant to the DCIA and section 1.1940(d) of the Commission's Rules. When a fee payor makes an underpayment of regulatory fees, the payor will be given credit for the amount paid, but if it is later determined that the fee paid is incorrect or not timely paid, the 25 percent late charge penalty (and other charges and/or sanctions, as appropriate) will be assessed on the portion that is not paid in a timely manner.
- We will withhold action on any applications or other requests for benefits filed by anyone who is delinquent in any non-tax debts owed to the Commission (including regulatory fees) and will ultimately dismiss those applications or other requests if payment of the delinquent debt or other satisfactory arrangement for payment is not made. *See* 47 C.F.R. §§ 1.1161(c), 1.1164(f)(5), and 1.1910 (although certain provisions of 1.1910 will not apply where more restrictive rules govern delinquent debts, such as 47 C.F.R. § 1.2105). Failure to pay regulatory fees can also result in the initiation of a proceeding to revoke any and all authorizations held by the entity responsible for paying the delinquent fee(s).