Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

September 5, 2019

## WHAT YOU OWE - CABLE TELEVISION SYSTEMS FOR FY 2019

Each year, the Commission is required to collect regulatory fees. Licensees and regulatees are assessed fees as set forth in *Assessment and Collection of Regulatory Fees for Fiscal Year (FY) 2019, Report and Order and Further Notice of Proposed Rulemaking*, (released August 27, 2019) ("FY 2019 Regulatory Fees Report and Order"). The Commission also publishes industry-specific guidance in *Who Owes Fees & What Is My FY 2019 Fee*, which can be found on the Commission website at http://www.fcc.gov/regfees.

The Commission's automated filing and payment system ("Fee Filer") is available for <u>filing</u> and <u>viewing</u> of FY 2019 regulatory fees. While FY 2019 regulatory fees will not become effective until the rulemaking is published in the *Federal Register*, regulatees at their own discretion, may submit payments at any time before the effective due date of FY 2019 regulatory fees. **Regulatory fee payments MUST BE RECEIVED** 1 by the Commission no later than 11:59 PM, Eastern Daylight Time, on September 24, 2019. Below is information concerning regulatory fees for Cable Television Systems category. For detailed information concerning FY 2019 fees, please consult the FY 2019 Regulatory Fees Report and Order.

- Cable television systems operating on **October 1, 2018** must pay a regulatory fee per subscriber<sup>2</sup> for all of the community units (CUIDs) in which they operate. The number of basic cable subscribers that were served on **December 31, 2018** should be used as the basis from which to calculate the fee payment. Regulatory fees should be paid with a single line aggregate total in Fee Filer without having to list your individual CUIDs.
- Internet Protocol TV (IPTV) subscribers are to be included in the Cable Television Systems category, and assessed a regulatory fee at the same rate as cable television fees.<sup>3</sup> Cable television system operators and licensees of CARS facilities must pay a regulatory fee if they were operating or held a CARS license on October 1, 2018, even if a facility's license expired after October 1, 2018. In instances where a license or authorization is transferred or assigned after October 1, 2018, the fee must be paid by the party that is the licensee or holder of the authorization on the date that the fee

<sup>&</sup>lt;sup>1</sup> The Commission has instituted a mandatory electronic payment policy, which means that licensees will not be able to make regulatory fee payments by check, money order, or cashier's check. Only credit card, ACH, and wire transfer payments will be accepted. Please make sure that your electronic fee payment is made and the transaction is complete by the due date of FY 2019 regulatory fees.

 $<sup>^2</sup>$  Number of Subscribers in a Community Unit = Number of single family dwellings + Number of individual households in multiple dwelling units (e.g., apartments, condominiums, mobile home parks, etc.) paying at the basic subscriber rate + Number of bulk-rate customers + Number of courtesy and free service. (NOTE: Bulk-Rate Customers = total annual bulk rate charge  $\div$  basic annual subscription rate for individual households).

<sup>&</sup>lt;sup>3</sup> See FY 2013 Report and Order, 28 FCC Rcd at 12363, para. 33.

payment is due. When submitting payment, CARS licensees should individually list each of their CARS call signs.

**Notice of Billing:** CARS licensees <u>will not</u> receive a pre-completed regulatory fee bill (FCC Form 159-B) in the mail for their CARS licenses. A regulatory fee bill will be created, but this bill will be available for viewing only by accessing Fee Filer. CARS licensees are also required to make regulatory fee payments for all other non-billed holdings, such as cable systems and other fee services.

- DBS providers are required to pay a DBS regulatory fee based on their subscriber count as of December 31, 2018.
- The following chart provides the fees due for FY 2019.

TYPE OF FEE	REGULATORY FEE PAYMENT	PAYMENT TYPE CODE
Cable System Subscriber Fee, Including	\$.86 per subscriber	1971
IPTV Subscribers		
CARS License	\$1,225 per license	1970
Direct Broadcast Satellite (DBS)	\$0.60 per subscriber	1992

## MANDATORY USE OF FEE FILER

The use of the online Fee Filer system for filing regulatory fees has not changed since the process was first initiated in FY 2009: licensees and regulatees must first enter the Commission's Fee Filer system with a valid FRN and password, and follow the online prompts to review their data and submit an electronic fee payment. Use of the online Fee Filer system is mandatory, and payments in the form of checks, money orders, and cashier's checks will not be accepted. <sup>4</sup> In making a wire transfer, please fax the "Wire Transfer Instructions" from Fee Filer to the Federal Communications Commission at (202) 418-2843 at least one hour before initiating the wire transfer (but on the same business day) so as not to delay crediting their account. These Wire Transfer Instructions contain valuable information (e.g. FRN, Voucher Number, Payer Name, and the Amount of the Wire) that will help to post the payment more quickly, and avoid costly delays that could result in penalties and interest for missing the payment due date. Please note that most wire transfers initiated after 6:00 p.m. (EDT) will be credited the next business day.

## LIMITATIONS ON CREDIT CARD TRANSACTIONS

In accordance with U.S. Treasury Announcement No. A-2014-04 (July 2014), the amount that can be charged on a credit card for transactions with federal agencies has been reduced to \$24,999.99.5

<sup>&</sup>lt;sup>4</sup> Payors should note that this change will mean that entities that have previously paid both regulatory fees and application fees at the same time by paper check will no longer be able to do so because regulatory fees payments by paper check will no longer be accepted.

<sup>&</sup>lt;sup>5</sup> Customers who owe an amount on a bill, debt, or other obligation due to the federal government are prohibited from splitting the total amount due into multiple payments. Splitting an amount owed into several payment transactions violates the credit card network and Fiscal Service rules. An amount owed that exceeds the Fiscal Service maximum

Previously, the credit card limit was \$49,999.99. This lower transaction amount is effective June 1, 2015. Transactions greater than \$24,999.99 will be rejected. This limit applies to single payments or bundled payments of more than one bill. Multiple transactions to a single agency in one day may be aggregated and treated as a single transaction subject to the \$24,999.99 limit. Customers who wish to pay an amount greater than \$24,999.99 should consider available electronic alternatives such as Visa or MasterCard debit cards, ACH debits from a bank account, and wire transfers. Each of these payment options is available after filing regulatory fee information in Fee Filer. Further details will be provided regarding payment methods and procedures at the time of FY 2019 regulatory fee collection in Fact Sheets, available at <a href="https://www.fcc.gov/regfees.">https://www.fcc.gov/regfees.</a>

Regulatory fee payments that exceed the U.S. Treasury limit and are rejected by Treasury, causing a payment not to meet the required payment deadline, will be subject to interest, fees, and a 25% late payment penalty.

## DE MINIMIS REGULATORY FEE LEVEL

Regulatees whose total FY 2019 annual regulatory fee liability, including all categories of fees for which payment is due, is \$1,000 or less are exempt from payment of FY 2019 regulatory fees. The *de minimis* threshold applies only to filers of <u>annual</u> regulatory fees (not regulatory fees paid through multi-year filings), and it is not a permanent exemption. Rather, each regulate will need to reevaluate their total fee liability each fiscal year to determine whether they meet the *de minimis* exemption. Regulatees are responsible for calculating their own total fee obligation to determine whether they qualify for this *de minimis* exemption. The Commission reserves the right to request documentation that supports a *de minimis* exemption claim.

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