

**Before the  
Federal Communications Commission  
Washington, DC 20554**

In the Matter of	)	
	)	
Amendment of the Schedule of Application Fees	)	MD Docket No. 20-270
Set Forth in Sections 1.1102 through 1.1109 of the	)	
Commission's Rules	)	

**NOTICE OF PROPOSED RULEMAKING**

**Adopted: August 12, 2020**

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**Comments Due: 30 days after Federal Register publication**

**Reply Comments Due: 45 days after Federal Register publication**

By the Commission: Chairman Pai issuing a separate statement; Commissioner Rosenworcel approving in part, dissenting in part, and issuing a separate statement; Commissioner Starks approving in part, dissenting in part.

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**I. INTRODUCTION**

1. In this Notice of Proposed Rulemaking (Notice), we seek comment on a new application fee schedule proposing significant changes to the Commission's existing fee schedule in both types of applications and other processes covered by the fee requirement and also in the amount of fees proposed. The new fee schedule and proposed fees impact stakeholders in every industry overseen by the Commission. The new and revised fees apply to a broad spectrum of filings processed by the

Commission including applications, modifications, and renewals of wireless, television and satellite licenses, applications to participate in auctions to tariff filings, formal complaints and certain petitions. As we explain below, the changes we initiate today derive from modifications to the Commission's statutory application fee authority made by the RAY BAUM'S Act of 2018.<sup>1</sup> The current application fee framework was established more than 30 years ago by Congress. While accurate at the time, the framework did not allow the fee schedule to change as a result of advancements in technology and corresponding changes in Commission procedures and rules. Notably, the Commission was constrained from adding, removing, or otherwise changing the structure or levels of our application fees prior to the RAY BAUM'S Act, outside of a ministerial biannual review to determine, based on a statutory threshold, whether the fee rate should be revised to reflect changes in the Consumer Price Index.

2. This rulemaking provides an opportunity to bring this set of fees into the 21<sup>st</sup> century by lowering fees to account for processing efficiencies where appropriate, adding new fees for applications that were implemented after the original fee schedule was adopted, and eliminating fees for applications that no longer exist. The actions we propose today will simplify and streamline an overly complex schedule of fees by proposing significant fee consolidation in matters overseen by both the Wireless Telecommunications Bureau and the International Bureau. In this Notice, we also adopt several amendments to our rules to conform with the revised text of the Communications Act, as amended by the RAY BAUM'S Act.

## II. BACKGROUND

3. Congress established the Commission's application fee authority in 1986 when Congress adopted a statutory schedule of application fees and charged the Commission with updating and amending the schedule pursuant to statutory guidance every two years.<sup>2</sup> Section 8 set out a detailed schedule prescribing specific fee amounts for 41 of types of applications and other processes that the Commission used in licensing and regulating various services under its jurisdiction at that time.<sup>3</sup> The Commission implemented section 8 in 1987, adopting the fee schedule exactly as enacted by Congress and adopting rules and procedures for assessing and collecting such fees.<sup>4</sup>

4. Congress gave the Commission only limited authority to amend the application fee schedule: The Commission was required to simply adjust the fees every two years to reflect changes in

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<sup>1</sup> The Repack Airwaves Yielding Better Access for Users of Modern Services Act of 2018, or the RAY BAUM'S Act of 2018, amended sections 8 and 9 and added section 9A to the Communications Act of 1934, as amended (Communications Act or Act) and provided that such provisions would become effective on October 1, 2018. Consolidated Appropriations Act, 2018, Pub. L. No. 115-141, 132 Stat. 1084, Division P – RAY BAUM'S Act of 2018, Title I, § 103 (2018). Congress provided, however, that application fees in effect prior to the effective date of the new section 8 would remain in effect until the Commission adjusts or amends such fee. RAY BAUM'S Act of 2018, Title I, § 103(d) (uncodified provisions entitled Transitional Rules).

<sup>2</sup> Consolidated Omnibus Budget Reconciliation Act of 1985, Pub. L. No. 99-272, §§ 5002(e) and (f), 100 Stat. 82, 118-121 (1986). Before that, the Commission had worked to establish application fees, but encountered various challenges to its implementation. *See Establishment of a Fee Collection Program to Implement the Provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985*, Notice of Proposed Rulemaking, 51 Fed. Reg. 25792, paras. 9-20 (July 16, 1986) (brief history of the FCC's application fee program).

<sup>3</sup> 47 U.S.C. § 158; *Requests for Refunds of Application Fees Paid by Winning Bidders in Media Services Auctions*, Memorandum Opinion and Order, 32 FCC Rcd 6222 (2017) (explaining the history of section 8) (*2017 Fee Refund Denial Order*).

<sup>4</sup> *Establishment of a Fee Collection Program to Implement the Provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985*, Report and Order, 2 FCC Rcd 947 (1987) (*1987 Fees Order*); *Supplemental Order on the Establishment of a Fee Collection Program*, 2 FCC Rcd 1882 (1987); *reconsideration granted in part*, Memorandum Opinion and Order (*1988 Fee Reconsideration Order*), 3 FCC Rcd 5987 (1988).

the Consumer Price Index.<sup>5</sup> Notably, the Commission did not have the authority to make other changes to application fees or to add or delete fee categories.<sup>6</sup> The biennial process for adjusting the application fee schedule was sufficiently pro forma that the adjustments were not subject to notice and comment rulemakings or petitions for reconsideration. Thus, the Commission concluded that the statutory schedule listing by specific categories of applications and other processes subject to fees could only be changed in accordance with the statute or through the passage of new legislation.<sup>7</sup> Moreover, a filing or other process not listed on the schedule was exempt from fees unless and until Congress added it to the fee schedule; no specific enumerated statutory exemption was required.<sup>8</sup> And Congress has only added fee categories or changed fee rates a handful of times since 1986.<sup>9</sup> As such, many of the categories of applications that are subject to fees under section 8 were effectively set in amber for over 30 years.<sup>10</sup> Furthermore, even for categories of *applications* that required fees under the statute, Congress provided that certain categories of *applicants* should receive exemptions under section 8(d) of the Act. Such statutory exempt entities

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<sup>5</sup> Similarly, under the new section 8(b)(1) of the Act, the Commission is required to review application fees in every even-numbered year and adjust the fees to reflect increases or decreases in the Consumer Price Index, and round to the nearest \$5 increment. 47 U.S.C. § 158(b)(1).

<sup>6</sup> The Commission stated that “[t]he Schedule of Charges created statutory fees that could only be changed in accordance with the statute or through the passage of new legislation.” *1987 Fees Order*, 2 FCC Rcd at 948, para. 8.

<sup>7</sup> *1987 Fees Order*, 2 FCC Rcd at 948-49, para.10 (explaining why the Commission was not considering any of the comments that were filed seeking changes in the amounts of the fees or challenging the relationship of fees to processing costs).

<sup>8</sup> *COBRA-85 NPRM*, 51 Fed. Reg. 25792, footnote 81 (“By its failure to establish a specific fee, the statutory Schedule of Charges exempts whole categories of radio services, ... Fees for services not discussed in the Schedule of Charges will come only through future explicit approval by the Congress.”); *Requests for Refunds of Application Fees Paid by Winning Bidders in Media Services Auctions*, Memorandum Opinion and Order, 32 FCC Rcd 6222, 6223, para. 3 (2017) (*2017 Fee Refund Denial Order*) (noting that “[f]or most services that did not exist in 1985, there are no statutory application fees because Congress has not amended Section 8 to add fees for those services.”).

<sup>9</sup> In the Omnibus Budget Reconciliation Act of 1989, Pub L. No. 101-239 (1989), Congress changed fee rates, included an exemption for nonprofit entities licensed for certain services, and added new fee categories for other types of services. *Establishment of a Fee Collection Program to Implement the Provisions of the Omnibus Budget Reconciliation Act of 1989*, Memorandum Opinion and Order, 5 FCC Rcd 3558 (1990); Memorandum Opinion and Order, 6 FCC Rcd 5919 (1991). In order to allow the Commission to implement such changes without a notice and comment rulemaking, Congress included in the record complete definitions of all categories of applications. *Establishment of a Fee Collection Program to Implement the Provisions of the Consolidated Omnibus Budget Reconciliation Act of 1989*, 5 FCC Rcd 3558, para. 37 (1990) (noting that the fees are described in detail in the Congressional Record for November 21, 1989, H9610-16). In 1992, Congress added fees for different types of Low-Earth Orbit Satellite Systems filings. Telecommunications Authorization Act of 1992, Pub. L. No. 102-538, 106 Stat 353 (1992) (adding a satellite fee and also changing the fee for inspection of vessels under the Great Lakes Agreement); *Revised Fees Established pursuant to the Telecommunications Authorization Act of 1992*, Order, 8 FCC Rcd 903 (1993). In 1993, Congress made conforming amendments to section 8 in light of the adoption of the Commission’s regulatory fee authority codified in section 9 of the Communications Act. Omnibus Budget Reconciliation Act of 1993, Pub. L. No. 103-66, Title VI, § 6003(a)(2) (striking “charges” and inserting “application fees” instead and striking “schedule of charges” and inserting “schedule of application fees” instead). And in 1994, Congress added a fee category related to Communications Assistance for Law Enforcement Act and made word substitutions. Communications Assistance for Law Enforcement, Sections 302 (new fee category) and 303 (technical amendments).

<sup>10</sup> *Requests for Refunds of Application Fees Paid by Winning Bidders in Media Services Auctions*, Memorandum Opinion and Order, 32 FCC Rcd 6222, 6223, para. 3 (2017) (*2017 Fee Refund Denial Order*) (noting that “[f]or most services that did not exist in 1985, there are no statutory application fees because Congress has not amended Section 8 to add fees for those services.”).

included nonprofit entities licensed in certain radio services, as well as all governmental entities.<sup>11</sup> In adopting rules to implement the statutory exemptions, the Commission also determined that licensees providing noncommercial educational broadcast services should be classified as exempt entities.<sup>12</sup> The Commission included such entities in the exemption rule based on the legislative history clearly explaining that in establishing a fee for broadcast stations, Congresses intended to exempt such noncommercial educational broadcast services from application fees.<sup>13</sup> The Commission included educational broadcast service (EBS) licensees as exempt in section 1.1116 in recognition of the fact that EBS licenses were generally held by otherwise exempt entities.<sup>14</sup>

5. Section 8 also provided the Commission the ability to “waive or defer payment” of an application fee “in any specific instance for good cause shown, where such action would promote the public interest.”<sup>15</sup> The Commission determined that such language limited it to acting on waiver and deferral requests “on a case by case basis to specific applicants upon a showing of extraordinary and compelling circumstances,”<sup>16</sup> and the Commission adopted rules expressly precluding it from granting waivers for entire classes of services.<sup>17</sup>

6. The Commission most recently amended the schedule of application fees in 2018 to

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<sup>11</sup> Under former section 8(d)(1) applicable prior to the adoption of the RAY BAUM’S Act, Congress directed that the application fees “established under this section shall not be applicable (A) to governmental entities and nonprofit entities licensed in the following radio services: Local Government, Police, Fire, Highway Maintenance, Forestry-Conservation, Public Safety, and Special Emergency Radio, or (B) to governmental entities licensed in other services.” Under the RAY BAUM’s Act the application fees are not applicable to “(A) a governmental entity; (B) a nonprofit entity licensed in the Local Government, Police, Fire, Highway Maintenance, Forestry-Conservation, Public Safety, or Special Emergency Radio radio services; or (C) a noncommercial radio station or noncommercial television station.” Congress’s addition of noncommercial stations to the list of exempt entities in the RAY BAUM’s Act was a statutory codification of a Commission rule that was, in turn, based on the legislative history of COBRA-85. *COBRA-85 NPRM*, 1986 WL 292181, para. 54.

<sup>12</sup> *Establishment of a Fee Collection Program to Implement the Provisions of the Consolidated Omnibus Budget Reconciliation Act of 1995, Memorandum Opinion and Order*, 3 FCC Rcd 5987, 5988, paras. 13-20 (1988). The exemptions to Section 8 fees, and the procedures for establishing the exemption, are listed in section 1.1116. 47 CFR § 1.1116.

<sup>13</sup> The legislative history may be found in the Conference Report to accompany H.R. 3128, House of Representatives Report No. 99-453 (1985) (1985 Conference Report). The 1985 Conference Report indicates that “non-commercial radio and television stations will not be subject to any of the fees listed in this schedule.” 1985 Conference Report at 423; 425, 426. 47 CFR § 1.1116. Moreover, the legislative history to the 1989 amendments to section 8 reaffirmed the point. Conference Report to accompany H.R. 3299, House of Representative report No. 101-386 (1989) (“Non-commercial broadcasters were excluded from the initial Schedule of Charges passed in 1985. The House recedes to the Senate position and agrees to continue to exclude non-commercial broadcasters from the Schedule of Charges.”).

<sup>14</sup> *See Amendment of Parts 1, 21, 73, 74 and 1010 of the Commission’s Rules to Facilitate the Provision of Fixed and Mobile Broadband Access, Educational and Other Advanced Services in the 2150-2162 and 2500-2690 MHz Bands*, Notice of Proposed Rulemaking, 33 FCC Rcd 4687, para. 3 (2018) (explaining that EBS licenses are “generally are held by state government agencies, universities and university systems, public community and technical colleges, private universities and colleges, public elementary and secondary school districts, private schools (including Catholic school systems and other religious schools), public television and radio stations, hospitals and hospital associations, and other non-profit educational entities.”).

<sup>15</sup> 47 U.S.C. § 158(d)(2).

<sup>16</sup> *1987 Fees Order*, 2 FCC Rcd at 954, para. 40.

<sup>17</sup> *Id.* at 961, para. 88. In rejecting the concept of adopting a blanket fee waiver for categories of applicants, the Commission stated that “[t]he legislative history unequivocally states that our discretion to waive or defer fees shall be narrowly defined.” *Id.* at 961, para. 87 (citing Conference Report at 423). The Commission further noted that because Congress adopted exemptions for certain classes of entities, “[i]f Congress had wished to exempt or prefer other organizations for waivers or deferrals, . . . it would have included additional exemption categories.” *Id.*

reflect changes in the Consumer Price Index.<sup>18</sup> The current schedule of application fees spans 13 pages of the Code of Federal Regulations, listing 450 separate fees. In section 8, Congress adopted fees for a variety of filings that the Commission processed at that time.<sup>19</sup> Our rules currently divide application fees into eight sections that correlate with various bureau operations: filings for the wireless telecommunications services (rule 1.1102), filings for the equipment approvals/experimental radio services (rule 1.1103), filings for the media services (rule 1.1104), filings for wireline competition services (rule 1.1105), filings for enforcement services (rule 1.1106), filings for international services (rule 1.1107), filings for international telecommunications services (rule 1.1108), and filings for Homeland services (rule 1.1109).

7. In 2018, as part of the RAY BAUM’S Act of 2018, Congress revised the Commission’s application fee authority by amending section 8 and adding section 9A to the Communications Act.<sup>20</sup> In making such changes, Congress deleted outdated language from the statute, removed the now obsolete statutory schedule of application fees, directed the Commission on how to update the application fees under a new scheme, and revised and reformatted other provisions of the statute. Most notably, Congress specifically required that the Commission (i) adopt a schedule of application fees to recover the costs to process applications and (ii) amend the schedule, as needed, to reflect increases or decreases in the costs of processing applications or to reflect the consolidation or addition of new categories.<sup>21</sup>

### III. DISCUSSION

8. The RAY BAUM’S Act fundamentally changed the structure of the Commission’s application fees by moving from a schedule established by statute and updated to keep pace with the Consumer Price Index to one where the Commission has discretion to amend the schedule of application fees itself and set them based on the “costs of the Commission to process applications.”<sup>22</sup> To implement the RAY BAUM’S Act, we propose a new streamlined schedule of application fees that aligns with the types of applications the Commission now receives and correlates the fees charged to the costs of processing the associated applications. In making our proposals under the revised statutory framework, we propose to adopt as our overarching goals that our framework for assessing application fees are fair, administrable, and sustainable.<sup>23</sup>

9. We are seeking comment on consolidating the application fees assessed on licenses for wireless services—instead of separate application fees for each application in each wireless service, we are proposing to consolidate the application fees into site-based licenses, personal licenses, and geographic-based licenses. We seek comment on consolidating some of the application fees for licenses from the Media Bureau and removing some Media Bureau applications from the fee schedule. In

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<sup>18</sup> *Amendment of the Schedule of Application Fees Set Forth in Sections 1.1102 through 1.1109 of the Commission's Rules*, Order, 33 FCC Rcd 6871 (2018).

<sup>19</sup> Such feeable applications included not only license applications but other filings such as 214 applications, tariff filings, certain types of waiver requests. See Pub L. No. 101-239 (1989).

<sup>20</sup> In another proceeding, we addressed changes to our regulatory fee authority. See *Assessment and Collection of Regulatory Fees for Fiscal Year 2019*, Report and Order and Further Notice of Proposed Rulemaking, 34 FCC Rcd 8189 (2019) (*FY 2019 Report and Order*).

<sup>21</sup> 47 U.S.C. § 158(a), (c).

<sup>22</sup> Section 8(a) provides: “The Commission shall assess and collect application fees at such rates as the Commission shall establish in a schedule of application fees to recover the costs of the Commission to process applications.” 47 U.S.C. § 158(a). The prior version of section 8(a) did not mention costs, it provided: “The Commission shall assess and collect application fees at such rates as the Commission shall establish or at such modified rates as it shall establish pursuant to the provisions of subsection (b) of this section.”

<sup>23</sup> This is the same overarching set of goals we employ in the context of our regulatory fee collections. See *Procedures for Assessment and Collection of Regulatory Fees*, Notice of Proposed Rulemaking, 27 FCC Rcd 8458, 8464-8465 paras. 14-16 (*FY 2012 NPRM*).

addition, we are seeking comment on new application fees for certain applications in the Wireline Competition Bureau that currently do not have fees. For applications for international services, we are proposing to consolidate some of the application fees for space stations and earth stations. We also propose new application fees for some international services, such as petitions for United States market access for foreign space stations. For all of the proposed fees, we are including estimates of the Commission's costs in processing the applications. We seek comment on the estimates and whether we have included the appropriate steps in processing the application in estimating the costs. In making our proposals here, however, we remind commenters that our section 8 authority is distinct from the Commission's authority with respect to other collections.<sup>24</sup> Application fees collected by the Commission are deposited in the general fund of the U.S. Treasury and do not fund the Commission's activities.<sup>25</sup> In this context, we propose to take a careful approach and only categorize a limited set of activities as being including in the cost of processing applications for purposes of section 8 fees.

#### **A. A Streamlined Application Fee Schedule**

10. We propose to streamline our schedule of application fees, consolidating the eight separate categories of fees currently in our rules down to five functional categories: Wireless Licensing Fees, Media Licensing Fees, Equipment Approval Fees, Domestic Service Fees, and International Service Fees. In conjunction with this consolidation, we propose to consolidate our approach to listing application fees, reducing the total number of application fees from 450 to 167, while still including new fees for services that were not listed previously in section 8 of the Act. We believe that this consolidation will provide a more straightforward roadmap for filers to determine what fees they owe with any given application filed with the Commission. We seek comment on this approach.

11. We propose specific application fees based on estimates of the direct labor costs to process a typical application, including all labor costs for identifiable tasks up through the first level of supervision.<sup>26</sup> These estimates are based on a large number of applications processed by Commission staff and found to be typical in terms of the amount of time spent on processing. For the cost-based data, we estimate the direct labor costs to process a particular application by multiplying (1) an estimate of the number of hours needed for each identifiable task, up to first-level supervisory tasks required to process the application; by (2) an estimate of the labor cost per hour for the employee that performs the task; by (3) an estimate of the probability that the task needs to be performed; and (4) summing the products of this multiplication for each task. We estimate labor cost per hour for the various general schedule pay grades of the employees that process applications based on the 2020 federal government pay table for Washington DC, at the step 5 level, as we currently do under our Freedom Of Information Act rules;<sup>27</sup> we estimate overhead costs at 20% of the salary level also per that rule, and we estimate each employee works 2,087 hours in one year. We also round each fee to the nearest \$5 increment, as required by section 8, as amended.<sup>28</sup> We seek comment on this approach. More broadly, we seek comment on the

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<sup>24</sup> For example, the Commission recently issued its proposals for the fiscal year 2020 regulatory fees. *Assessment and Collection of Regulatory Fees for Fiscal year 2020*, Report and Order and Notice of Proposed Rulemaking, 2020 WL 2502393 (2020) (proposing fees to collect an amount equal to the FCC's fiscal year 2020 Salaries and Expenses appropriation as an offsetting collection).

<sup>25</sup> 47 U.S.C. 158(e) ("Moneys received from application fees established under this section shall be deposited in the general fund of the Treasury.").

<sup>26</sup> In taking this approach, we are consistent with prior congressional action in this area. See, e.g. *Establishment of a Fee Collection Program to Implement the Provisions of the Omnibus Budget Reconciliation Act of 1989*, 67 Rad. Reg. 2d (P & F) 873, para. 36 (in discussing the 1989 revisions to section 8, adding a Consumer Price Index and new categories to the statute, the FCC said "we have worked with Congress to ensure that, to the best extent possible, fees reflect only the *direct cost* of processing the typical application or filing.") (emphasis added).

<sup>27</sup> 47 CFR § 0.467(a)(2).

<sup>28</sup> 47 U.S.C. § 158(b).

changes to application fees and whether they reasonably reflect current costs of application processing.

### **1. Wireless Licensing Fees**

12. The Wireless Telecommunications Bureau processes applications for almost all wireless services, from fixed microwave links to amateur radio to mobile broadband services. The Office of Engineering and Technology administers the experimental radio service under Part 5 of the FCC rules.

13. The Commission currently has a patchwork of service-specific application fees for wireless radio services. Specifically, the current application fee schedule consists of separate application fees for 19 different categories of wireless licenses as well as a separate category for experimental radio services, with each category containing multiple fees. These categories of fees were adopted years ago, and they include only those radio services specified in the Act. This service-specific approach has had several shortcomings. *First*, it has been complicated to administer and difficult for the public to understand. *Second*, the approach has resulted in different fees for similar types of application processing efforts primarily due to differences in how radio services are designated. *Third*, the current fee schedule does not assess fees for applications for new wireless services that are not listed in the Act.

14. We propose to address these shortcomings by charging fees for all services, as required by the new law, and by consolidating the fees into four categories so that we charge the same fees for similar types of application processing work: site-based, personal, geographic-based, and experimental. We note that the Commission's software platform for licensing, the Universal Licensing System (ULS), provides for the filing, review, and disposition of all types of license applications in the Wireless Radio Services, including auctioned geographic licenses, site-based licenses, and personal licenses. We propose that as new services are licensed, they would be included in the appropriate category. Our proposal would simplify and harmonize the fee structure and would benefit the public by making our assessment of fees more equitable and clearer to understand. In addition, the proposed approach would be easier to implement and, accordingly, would reduce administrative burdens on applicants and the Commission.

15. We seek comment on our approach and on the following schedule for wireless licensing fees. We note that a reference table of wireless radio service codes is contained in Appendix C.

#### **a. Site-Based Licenses**

16. Site-based licensed services include land mobile systems (one or more base stations communicating with mobile devices, or mobile-only systems), point-to-point systems (two stations using a spectrum band to form a data communications path), point-to-multipoint systems (one or more base stations that communicate with fixed remote units), as well as radiolocation and radionavigation systems. Applications to authorize these types of radio systems should be subject to the same assessment of fees because the applications contain similar types of data (location, antenna, frequency, path, mobile devices) and the applications often require technical analysis and review by Commission staff. Specifically, an applicant's initial application for authorization generally provides the exact technical parameters of its planned operations (such as transmitter location, area of operation, desired frequency(s)/band(s), power levels). Deviation from the specific authorized parameters requires the licensee to file an application to modify the station which, depending on the nature of the modifications, may require prior approval (major modifications) or may simply require notification after the fact (minor modifications). The construction notification (where required) confirms construction based on authorized parameters, and the licensee's renewal request confirms continued operation at those parameters. As such, applications in these services generally involve detailed, often technical review prior to initial authorization or major modification, and administrative review of minor modifications and at the construction and renewal deadlines.

17. In 2019, the Commission received over 179,000 site-based license applications. Accordingly, a significant amount of staff time is spent each year reviewing and analyzing site-based license applications where the applicant proposes a specific system configuration with detailed operating parameters.

18. We propose and seek comment on adopting the following cost-based fees for site-based license applications—and we give as an example the current fees for one type of site-based license, common carrier point-to-point microwave service. All fees are per call sign unless otherwise noted.

<b>Type of Site-Based Licensing application</b>	<b>Current Fee for Common Carrier Microwave</b>	<b>Cost-based Fee</b>
New license, major modification	\$305	\$190
Minor modification	n/a	\$50
Special temporary authority	\$140	\$135
Assignment/transfer of control	\$110 (first call sign); \$70 each additional	\$50
Rule waiver	n/a	\$380
Renewal	\$305	\$50
Construction Extension	\$110	\$50
Spectrum leasing	\$110 (first call sign); \$70 each additional	\$50

19. We estimate that the Commission's resources in processing an application for a new site-based license or a major modification of an existing license consist of program analyst review and engineer technical review. Our estimate is that this process involves \$190 in costs. We estimate that the Commission's resources in processing an application for special temporary authority (STA) consist of program analyst review and processing, engineer technical review, and supervisor coordinate with management. Our estimate is that this process involves \$135 in costs. We estimate that the Commission's resources in processing an application for assignment/transfer of control consist of the following: program analyst review and processing. Our estimate is that this process involves \$50 in costs. We estimate that the Commission's resources in processing an application for rule waiver consist of the following: program analyst review and processing, engineer technical review, attorney legal review, and supervisor coordinate with management. Our estimate is that this process involves \$380 in costs.

20. The applications for minor modifications, site-based renewals, construction extensions, and spectrum leasing, are all mostly automated and do not have specific staff costs for data input or review. We propose a nominal application fee of \$50 due to the routine system maintenance required in ULS and for system monitoring.

21. We propose no application fee for administrative updates.<sup>29</sup> For administrative updates we find that it is in the public interest to encourage licensees to update their information and thus propose no application fee is charged. In addition, we seek comment on whether certain types of minor modifications that are largely automated, such as minor modifications to remove facilities (e.g., frequencies, sites, paths) should have no application fee because they have no identifiable direct costs and are in the public interest. In this regard, we note that cancelling a license in its entirety does not require a fee. Eliminating fees for removal of unused portions of a license could encourage licensees to return unused spectrum so that it would be available for other potential users.

22. In instances where an applicant elects to receive a physical license by mail (including

<sup>29</sup> Administrative updates are ministerial modifications to licensee name, address, and points of contact (excluding name changes associated with changes in ownership).



requests for a duplicate authorization), the Commission incurs costs for printing and mailing the duplicate authorization. The Commission has proposed to eliminate these services<sup>30</sup>—but to the extent the Commission does not do so, we propose a fee of \$50 to cover the costs of these services.

23. We seek comment on these proposals.

**b. Personal Licenses**

24. Personal license services include Amateur Radio Service (used for recreational, non-commercial radio services), Ship licenses (used to operate all manner of ships), Aircraft licenses (used to operate all manner of aircraft), Commercial Radio Operator (permits for ship and aircraft station operators, where required), and General Mobile Radio Service (used for short-distance, two-way voice communications using hand-held radios, as well as for short data messaging applications). With personal radio services, an applicant's initial application for authorization seeks shared use of certain spectrum bands, or a permit required for operation of certain radio equipment. In either case, these applications focus only on eligibility and do not require technical review. As such, there is no construction requirement (or related filings) and renewal filings are non-technical as well. For these reasons, applications in these services are highly automated and should be subject to the same assessment of fees. In 2019, the Commission received over 197,000 personal license applications. We note that, while the statute previously limited the Commission's authority to charge fees only for specific services listed in the Act, the RAY BAUM'S Act now requires the Commission to collect fees from several previously uncharged services. As such, several services in the personal licenses category will be subject to new fees. One such example is Amateur Radio Service licenses, which were not listed on the fee schedule in section 8 of the Act, but are now subject to fees under the broader mandate of the RAY BAUM's Act.

25. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for one type of personal license, General Mobile Radio Service, or GMRS. All fees are per call sign unless otherwise noted.

<b>Type of Personal Licensing Application</b>	<b>Current Fee for General Mobile Radio Service</b>	<b>Cost-based Fee</b>
New license, modification	\$70	\$50
Minor modification	n/a	\$50
Special temporary authority	\$70	\$135
Rule waiver	\$210	\$50
Renewal	\$70	\$50

26. We estimate that the Commission's resources in processing an application for STA consist of program analyst review and processing, engineer technical review, and supervisor coordinate action with management. Our estimate is that this process involves \$135 in costs. We estimate that the Commission's resources in processing an application for rule waiver consist of program analyst review and processing. Our estimate is that this process involves \$50 in costs.

27. Other applications for personal licenses are mostly automated and do not have individualized staff costs for data input or review. For these automated processes—new/major modifications, renewal, and minor modifications—we propose a nominal application fee of \$50 due to automating the processes, routine ULS maintenance, and limited instances where staff input is required. Although there is currently no fee for vanity call signs in the Amateur Radio Service, we find that such

<sup>30</sup> See *Completing the Transition to Electronic Filing, Licenses and Authorizations, and Correspondence in the Wireless Radio Services*, WT Docket No. 19-212, Notice of Proposed Rulemaking, 34 FCC Rcd 8397 (2019) (*E-Filing NPRM*) (proposing to eliminate requests for the Bureaus to mail hard copies of authorizations).

applications impose similar costs in aggregate on Commission resources as new applications and therefore propose a \$50 fee.

28. For administrative updates/modifications, which also are highly automated, we find that it is in the public interest to encourage licensees to update their information without a charge. We thus propose no application fee for administrative updates/modifications.

29. In instances where an applicant elects to receive a physical license by mail (including requests for a duplicate license), the Commission incurs costs for printing and mailing the duplicate authorization. The Commission has proposed to eliminate these services<sup>31</sup>—but to the extent the Commission does not do so, we propose a fee of \$50 to cover the costs of these services.

30. We seek comment on these proposals.

**c. Geographic-Based Licenses**

31. Geographic-based licenses authorize an applicant to construct anywhere within a particular geographic area's boundary (subject to certain technical requirements, including interference protection) and generally do not require applicants to submit additional applications for prior Commission approval of specific transmitter locations. Geographic-based licensing services that currently have fees include the 220-222 MHz Service (used for flexible wireless services over narrowband frequencies), 24 GHz and 39 GHz Service (used for a variety of data services), Location and Monitoring Service (used to locate and monitor remote radio units), Multiple Address Service (used for supervisory control and data acquisition services), Multichannel Video Distribution and Data Service (used for TV programming and Internet connectivity), Paging and Radiotelephone Service (used for narrowband one-way and two-way land mobile communications), Public Coast Service (used as a maritime mobile service to address the distress, navigational, and business communications needs of vessels), and Specialized Mobile Radio Service (used for flexible wireless services to businesses and consumers). Examples of geographic-based services that do not have fees include the Advanced Wireless Service, Broadband Personal Communications Service, and the 600 MHz, 700 MHz, 3.5 GHz, and 3.7-4.2 GHz Services (all of which may be used to provide a wide range of flexible wireless services to consumers and businesses). With these services, an applicant's initial application is generally accepted as a result of an auction and focuses on the area and spectrum of interest, as well as the applicant's eligibility and qualifications. The applicant's construction notification often provides detailed information about the scope and nature of deployment, including maps and supporting technical showings. At the end of the license term, the renewal application either confirms service over the license term pursuant to certain Commission-defined safe harbors, or provides a detailed narrative showing. As such, applications in these services require detailed eligibility review prior to initial authorization, detailed technical review of construction filings, and detailed service review at renewal in some circumstances. Due to the common features of these filings, geographic-based radio systems warrant consistent treatment in assessing fees. We note that, while the statute previously limited the Commission's authority to charge fees only for specific services listed in the Act, the RAY BAUM'S Act now requires the Commission to collect fees from several previously uncharged services. As such, several services in the geographic-based licenses category will be subject to new fees.

32. In 2019, the Commission received over 12,000 geographic-based license applications. Due to the limits of the statute, we could not assess application fees for the geographic-based radio services designated after 1987.<sup>32</sup>

33. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for one type of geographic-based license,

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<sup>31</sup> See *E-Filing NPRM*, 34 FCC Rcd 8397 (proposing to eliminate requests for the Bureaus to mail hard copies of authorizations).

<sup>32</sup> The number of applications reflects all applications purposes, including transfers and assignments where at least one of the licenses included in the application falls in this category.

Paging and Radiotelephone. All fees are per call sign unless otherwise noted.

<b>Type of Geographic-Based Licensing Application</b>	<b>Current Fee for Paging and Radiotelephone</b>	<b>Cost-based Fee</b>
New License (other than Post-Auction Long Form Application), Major Modification	\$450	\$305
New License (Pre-Auction Short Form Application) (per application; NOT per call sign)	n/a	\$575
New License (Post-Auction Long Form Application) (per application; NOT per call sign)	n/a	\$2,600
Renewal	\$70	\$50
Minor Modification	\$70	\$200
Construction Notification/Extensions	\$70	\$290
Special Temporary Authority	\$395	\$335
Assignment/Transfer of Control	\$450	\$195
Spectrum Leasing	\$450	\$165
Rule Waiver	n/a	\$380
Designated Entity Licensee Reportable Eligibility Event	n/a	\$50

34. We estimate that the Commission's resources in processing an application for a new license or a major modification consist of program analyst review and processing, engineer technical review, map review, and attorney supervisor legal review. Our estimate is that this process involves \$305 in costs. We estimate that the Commission's resources in processing an application for a renewal consist of analyst review and engineer technical review, exhibit review. Our estimate is that this process involves \$50 in costs. We estimate that the Commission's resources in processing an application for a minor modification consist of engineer technical review and map review. Our estimate is that this process involves \$200 in costs. We estimate that the Commission's resources in processing an application for construction notification or extension consist of program analyst review and processing, engineer technical review, analysis, validation of coverage, attorney legal review, and supervisor coordination with management. Our estimate is that this process involves \$290 in costs. We estimate that the Commission's resources in processing an application for STA consist of a contractor entering data in the ULS, a program analyst preparing public notice accepting the application for filing, program analyst review, supervisor coordination with management, and a program analyst preparing the public notice granting or denying the application. Our estimate is that this process involves \$335 in costs.

35. To apply for a license in a spectrum auction, a party must first submit an application to

demonstrate its qualifications in order to participate in competitive bidding.<sup>33</sup> Such an application is commonly referred to as a short-form application. While the specific information required from each short-form applicant may vary on an auction-by-auction basis, each applicant must disclose detailed ownership information as set forth in section 1.2112 and make various certifications.<sup>34</sup> We estimate that the Commission's costs in processing a short-form application to participate in an auction for spectrum licenses consist of attorney review and attorney supervisor legal review. Our estimate is that this process involves \$575 in costs. We estimate that the Commission's resources in processing a post-auction long-form application consist of program analyst review; initial attorney review; secondary attorney review; supervisor legal review. Our estimate is that this process involves \$2,600 in costs. We note that each applicant would be charged one fee per short-form application and one fee per long-form application, regardless of the number of licenses involved.

36. We estimate that the Commission's resources in processing an application for assignment/transfer of control consist of program analyst review, engineer technical and map review, and supervisor legal review. Our estimate is that this process involves \$195 in costs. We estimate that the Commission's costs in processing an application for spectrum leasing consist of program analyst review and processing, engineer technical review and map review, and attorney supervisor legal review. Our estimate is that this process involves \$165 in costs.

37. We estimate that the Commission's resources in processing an application for waiver consist of program analyst review and processing, engineer technical review, attorney review, and supervisor coordinate with management. Our estimate is that this process involves \$380 in costs. We estimate that the Commission's resources in processing an application for a designated entity reportable eligibility event consist of attorney-supervisor legal review. Our estimate is that this process involves \$50 in costs.

38. We seek comment on these proposals. We also seek comment on whether we should consolidate the short-form and long-form application fees so that only winning bidders would be required to pay a combined application fee of \$3,175. Would a consolidated fee be consistent with amended section 8? Would such an approach alleviate the possibility that establishing a fee for filing an auction application—regardless of whether licenses are ultimately won—might discourage auction participation, particularly by small businesses, rural telephone companies, and minority-owned businesses. Fewer applications may result in reduced competition in an auction, undermining the Commission's ability to promote the various objectives of spectrum auctions enumerated in section 309(j).<sup>35</sup> Would a consolidated fee mitigate such potential harm?

39. Under such a consolidation there would be no short-form application fee at the time of filing; the fee would be due when the long-form application fee is due.<sup>36</sup> Commenters should discuss

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<sup>33</sup> See 47 CFR §§ 1.2105(a), 1.2101(b).

<sup>34</sup> See *id.* §§ 1.2112, 54.1005(a)(1).

<sup>35</sup> 47 U.S.C. § 309(j)(3). For example, one such objective that may be impacted by reduced competition is the "recovery for the public of a portion of the value of the public spectrum resource made available for commercial use." *Id.* § 309(j)(3)(C).

<sup>36</sup> If we do not consolidate the short-form and long-form application fees, we would require any short-form application fees established in this proceeding to be received prior to the deadline for the submission of a short-form application to participate in the auction. Only parties that pay the application fee would be able to submit an application that is acceptable for filing, and only those parties would be considered applicants for purposes of the auction. Consistent with our treatment of current defaulters, which are not provided with an opportunity to satisfy outstanding debts or delinquencies subsequent to a short-form application deadline in order to cure an auction application, a party would not be permitted to submit the application fee after the deadline, and the party would not be eligible to participate in the auction. See 47 CFR §§ 1.2105(a)(2)(xi); 1.1910(b)(3)(ii); see also *Amendment of Part 1 of the Commission's Rules – Competitive Bidding Procedures*, Order on Reconsideration of the Third Report (continued....)

whether this process, in which no fees would be assessed for short-form applications when the applicant is not a winning bidder, would be consistent with the requirement in section 8(a) that the fees “recover the costs of the Commission to process applications.”<sup>37</sup>

**d. Experimental Radio Services**

40. The experimental radio service permits broad experimentation, including assessing equipment intended to operate in existing Commission services, proof of concept testing and evaluation of new radio technologies, equipment designs, radio wave propagation characteristics, and service concepts related to the use of the radio spectrum.<sup>38</sup> Experimental operations include scientific or technical radio research, technical demonstrations of equipment or techniques, and product development and market trials, among other things.<sup>39</sup> The experimental radio service rules prescribe flexible rules to encourage manufacturers, inventors, entrepreneurs, and students to experiment across a wide range of frequencies, power, emissions, and applications.

41. There are two distinct paths for obtaining an experimental radio license. Traditionally, applicants were required to file a conventional experimental license application and receive a license grant prior to operating. These licenses were generally limited to a single type of experiment. Conventional applications vary in the types of services requested, number of transmit sites needed, and technical complexity. For example, Cubesat experiments widely differ in their size and scope and can be extremely complex.<sup>40</sup> Other applications, such as for new 3650 MHz Citizens Broadband Radio Service (CBRS) Experiments and sporting event STA applications, are more straightforward. Applicants for conventional experimental licenses are required to file administrative and technical characteristics of their proposed experimental operation online in the Experimental Licensing system. Commission staff review and manage the data, correspond with applicants, and manage frequency coordination workflow.

42. The Commission also offers three additional types of licenses—the program license, the medical testing license, and the compliance testing license—collectively referred to as program licenses.<sup>41</sup> These licenses offer an alternative streamlined process to the conventional experimental license procedures for entities that meet certain eligibility criteria.<sup>42</sup> Rather than applying for a specific course of experimentation, qualified entities apply for and are approved to conduct a broad range of experiments within an area under their direct control, such as a university campus or manufacturing plant. Because licensees are not approved for specific experiments, they are required to post a description of each experiment along with the technical data to the Commission’s Experimental Notification System webpage.<sup>43</sup> Once posted, licensees must wait ten days when using non-federally allocated spectrum or 15 days for federally allocated spectrum to allow any potentially affected user to comment and raise any concerns. If there are no objections, the licensee may proceed with their experiment.

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and Order, Fifth Report and Order, and Fourth Further Notice of Proposed Rule Making, 15 FCC Rcd 15293, 15317, para. 42 n.142 (2000) (modified by Erratum, 15 FCC Rcd 21520 (2000)).

<sup>37</sup> 47 U.S.C. § 158(a).

<sup>38</sup> See 47 CFR § 5.1.

<sup>39</sup> See 47 CFR § 5.3.

<sup>40</sup> Cubesats are small satellites that use a standard size and form factor; generally, “one unit” or “1U” which measures 10x10x10 centimeters. See *What are SmallSats and CubeSats?* (Feb. 26, 2015), <https://www.nasa.gov/content/what-are-smallsats-and-cubesats>.

<sup>41</sup> See *Promoting Expanded Opportunities for Radio Experimentation and Market Trials under Part 5 of the Commission’s Rules and Streamlining Other Related Rules*, ET Docket No.10-236, Report and Order, 28 FCC Rcd 758 (2013).

<sup>42</sup> See 47 CFR §§ 5.302, 5.402, 5.502.

<sup>43</sup> See <https://apps2.fcc.gov/ELSExperiments/pages/login.htm>.

43. Conventional applications have grown steadily over the last five years from just under 2,000 applications per year to over 3,600 applications in 2019. This growth can be attributed to an increased pace of innovation and rising interest in new areas of wireless technology as well as an increasing interest in new applications such as unmanned aerial systems usage and space research and exploration.

44. Regardless of the complexity of any application, each must undergo a similar review process to determine if all required information is provided, to review the experimental description and analyze the technical data to ensure it is consistent with that description and to determine what coordination, if any, is required. The same process must also be followed for program experimental licenses. Although this process is similar across all application types, the amount of time needed to complete the application review differs based on complexity.

45. Additionally, applicants seeking confidential treatment can request that designated information be considered confidential and such request is reviewed and processed by staff.<sup>44</sup>

46. We propose and seek comment on adopting the following cost-based fee for these applications—and we give as an example the current fee for these services. All fees are per call sign unless otherwise noted.

Experimental Licensing Application	Current Fee	Cost-based Fee
a. New Station Authorization	\$70	\$125
b. Modification of Authorization	\$70	\$125
c. Renewal of Station Authorization	\$70	\$125
d. Assignment of License or Transfer of Control	\$70	\$125
e. Special Temporary Authority	\$70	\$125
f. Confidentiality	\$70	\$50

47. The Experimental Radio Service application fee is currently \$70 for all applications, including new station authorizations, modifications, renewals, transfers of control and assignments, STA requests, and program licenses. Applicants requesting confidential treatment currently pay an additional \$70 fee.

48. The Commission's costs in processing all Experimental Radio Service applications, including new station authorizations, modifications, renewals, transfers of control and assignments, STA requests, and program licenses, consist of program analyst review, engineer technical review, and engineer supervisory review. We estimate the cost of this process is \$125 for all such applications. We estimate that the Commission's resources in processing requests for confidential treatment consist of program analyst review and processing. We estimate this process involves \$50 in costs. We seek comment on these proposed cost-based fees.

<sup>44</sup> Congress included such requests for confidentiality as feeable applications since 1989. In the Omnibus Budget Reconciliation Act of 1989, Pub L. No. 101-239 (1989), Congress changed fee rates, included an exemption for nonprofit entities licensed for certain services, and added new fee categories for other types of services. *Establishment of a Fee Collection Program to Implement the Provisions of the Omnibus Budget Reconciliation Act of 1989*, Memorandum Opinion and Order, 5 FCC Rcd 3558 (1990); Memorandum Opinion and Order, 6 FCC Rcd 5919 (1991).

**e. Amendments to pending applications**

49. Applicants often seek to amend pending applications in order to correct errors, provide additional information requested by the Commission's staff, expand the scope of the request (e.g., to include new licenses, spectrum, geographic areas), or narrow the scope of the request. Particularly in cases where the scope of the request is increased, Commission staff may need to completely re-review the application because of new licenses, spectrum, geography, or technical issues that were not in the original application. In that light, we seek comment on whether to charge a fee for amendments to applications that require staff to re-review those applications. Currently, our rules charge a fee for certain types of major amendments (e.g., Part 22 Services), and specific changes for certain site-based services (e.g., adding call signs, requesting waivers). We seek comment on whether and in what instances we should charge an additional fee for amendments to pending applications and how to structure that fee.

**2. Media Service Fees**

50. The Media Bureau processes applications for licensing broadcast television and radio spectrum for commercial and noncommercial users, and those related to the provision of cable service.<sup>45</sup> Certain construction permits issued by the Media Bureau are assigned through competitive bidding. Application fees for services are currently organized according to whether they are for TV service or AM and FM radio service. We propose to retain this organization, keep all fees except those associated with requirements that the Commission has previously eliminated, and add fees for services, as now required, that are not covered by the current fee schedule. In accordance with the new law, we propose new cost-based fees for all services for which the Media Bureau processes applications.

**a. Commercial Full Power TV Services and Class A TV Stations**

51. Full Power TV stations include all stations in the television broadcast band transmitting a vestigial sideband signal intended to be received by the general public, except for low power TV and TV translator stations. Class A TV stations are low power television stations that meet the programming and operational standards set forth in the Community Broadcasters Protection Act of 1999 and are broadcasting a minimum of 18 hours per week and an average of at least three hours per week of locally produced programming each quarter.

52. The Media Bureau staff tasks involved in processing Full Power TV applications and Class A TV Station applications are the same. A party must apply for a construction permit before building a new TV station. The applicant must demonstrate that it is legally, technically, and financially qualified to construct and operate the station and that its proposed facility will not cause objectionable interference to any other station. Once its application has been granted, the applicant is issued a construction permit authorizing it to build the station within a specified period, usually three years. After the applicant, or permittee, builds the station, it must file a license application, in which it certifies that it has constructed the station consistent with the technical and other terms specified in its construction permit. Upon grant of that license application, the Commission issues the new license to operate to the permittee, now considered a licensee, which authorizes the new licensee to operate for a stated period, up to eight years. At the close of this period, the licensee must seek renewal of its station license. A licensee must file an application to the Commission for approval of an assignment, transfer, or technical modification of an existing license.

53. Because the processing of Full Power TV applications and Class A TV Station applications are the same, we propose to adopt identical cost-based fees for Full Power TV and Class A TV applications. Below is a table showing the current application fees and the proposed cost-based fee estimates for typical Full Power and Class A television applications.

54. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

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<sup>45</sup> For a comprehensive description of Media Bureau activities, see <https://www.fcc.gov/media>.

Application	Current Fee	Cost-based Fee
Full Power TV, Class A TV, new and major change construction permit (including Post-Auction Long Form Application)	\$4,960	\$4,260
Full Power TV, minor modification	\$1,110	\$1,335
Main Studio Request <sup>46</sup>	\$1,110	Remove
Full Power TV, Class A TV, new license	\$355	\$380
Full Power TV, Class A TV, license renewal	\$200	\$330
Full Power TV, Class A TV, license assignment, long form	\$1,110	\$1,245
Full Power TV, Class A TV, license assignment, short form	\$160	\$405
Full Power TV, Class A TV, transfer of control, long form	\$1,110	\$1,245
Full Power TV, Class A TV, transfer of control, short form	\$160	\$405
Full Power TV, Class A TV, call sign	\$110	\$170
Full Power TV, Class A TV, STA	\$200	\$270
Full Power TV, petition for rulemaking	\$3,065	\$3,395
Full Power TV, ownership report	\$70	\$85

55. We estimate that the Commission's resources in processing applications for new and major change construction permits consist of significant engineering and legal analysis, as the applications tend to be highly complex. We estimate that the Commission's cost of processing applications for permits, encompassing engineer technical review, engineer supervisory review, attorney legal review, attorney pleadings review, and attorney written disposition review is \$4,260.

56. Applications for new licenses, long-form license assignments, long-form transfers of control, and Full Power TV minor modifications are complex matters that require significant engineering

<sup>46</sup> We propose removing the Main Studio Request application from the application fee schedule because the Commission eliminated the Main Studio Rule. *Elimination of Main Studio Rule*, Report and Order, 32 FCC Rcd 8158 (2017).



review and legal analysis. We estimate that the Commission's cost in processing an application for a new license, which consist of engineer application review, engineer supervisory review, attorney pleading review, and attorney written disposition review, is \$380. Applications for long-form license assignment and long-form transfers of control often involve petitions or objections after the application is filed. We estimate that the Commission's cost of processing long-form license assignment and transfers of control, including attorney application review, attorney supervisory review, attorney pleading review, and attorney written disposition review is \$1,245. Commission review of minor modification construction permit applications for Full Power TV involves engineer application review, engineer supervisory review, attorney pleading review, and attorney written disposition review at an estimated cost of \$1,335.

57. Other applications are of lesser complexity and therefore impose fewer costs on the Commission staff, including license renewals, short-form license assignments, short-form transfers of control and STA. The processing of these applications may involve petitions or objections after the application is filed and typically involve attorney application review, attorney supervisory review, attorney pleading review, and attorney written disposition review. We estimate that the Commission's cost of processing an application for license renewal is \$330. For short-form license assignments and transfers of control, we estimate that the cost of processing is \$405. We estimate that the Commission's cost of processing an STA application is \$270.

58. For applications for call signs, which involves some legal analysis, we estimate that the Commission's resources in processing a TV call sign consist of analyst application review at the cost of \$170. For ownership report applications, which involve minimal review by Commission staff, we estimate that the Commission's resources in processing a TV Ownership Report consist of analyst application review and that the cost of this process is \$85.

59. A petition for a rulemaking to amend the DTV Table of Allotments for a new community of license has a high level of complexity and involves significant legal analysis and engineering review.<sup>47</sup> We estimate that the Commission's resources in processing a Full Power TV petition for rulemaking consist of engineer application review, engineer supervisory review, attorney legal review, attorney pleading review, and attorney written disposition review. Our estimate is that the cost of this process is \$3,395.

60. We seek comment on these proposed cost-based fees. We also seek comment on whether we should consolidate and streamline these proposed fees to ease the burden of administration and simplify compliance.

#### **b. TV Translators and Low Power Television (LPTV) Stations**

61. A TV translator is a transmitter device which repeats, or transponds, the signal of the television station to an area not covered by the signal of the originating station. The translator may expand the broadcast range beyond the primary signal's original coverage area or may improve service in a part of the original coverage area. A LPTV station may retransmit the programs and signals of a TV broadcast station and may originate programming. The following table summarizes the current application fees and the proposed cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

<b>Application</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
TV translator and LPTV, new or major change construction permit (including Post-Auction Long Form Application)	\$835	\$775

<sup>47</sup> 47 CFR § 73.622(i).

TV translator and LPTV, new license	\$170	\$215
TV translator and LPTV, license renewal	\$70	\$145
TV translator and LPTV, STA	\$200	\$270
TV translator and LPTV, license assignment	\$160	\$335
TV translator and LPTV, transfer of control	\$160	\$335
TV translator and LPTV, call sign	\$110	\$170

62. TV translator and LPTV applications for new and major change construction permits have the highest level of complexity and significant engineering and legal analysis is needed in processing these applications. We estimate that the Commission's resources in processing these applications consist of engineer technical review, engineer supervisory review, attorney pleadings review, and attorney written disposition review. Our estimate is that the cost of this process is \$775. We estimate that the Commission's resources in processing a TV Translator and LPTV application for a new license, which involves some legal analysis and significant engineering review, consist of engineer application review, engineer supervisory review, attorney pleading review, and attorney written disposition review. Our estimate is that the cost of this process is \$215. License assignments, which require significant legal analysis, may involve petitions or objections, after the application is filed. We estimate that the Commission's resources in processing a TV translator and LPTV license assignment application consist of attorney application review, attorney supervisory review, attorney pleading review, and attorney written disposition review. Our estimate is that the cost of this process is \$335.

63. Other applications require only some legal or engineering analysis. License renewals and transfers of control each involve attorney application review, application supervisory review, attorney pleading review, and attorney written disposition review. Some applications for transfer of control subsequently involve petitions or objections after the application is filed. For license renewals, our estimate is that the cost of this process is \$145. For transfers of control, our estimate is that the cost of this process is \$335.

64. Applications for STA are less complex and involve some engineering and legal analysis. We estimate that the Commission's resources in processing a TV translator and LPTV STA consist of engineer application review, engineer supervisory review, attorney pleading review, and attorney written disposition review. Our estimate is that the cost of this process is \$270. Call sign applications have a low level of complexity and involve some legal analysis. We estimate that the Commission's resources in processing a TV translator and LPTV call sign consist of analyst application review. Our estimate is that the cost of this process is \$170.

65. We seek comment on these proposed cost-based fees. We also seek comment on whether we should consolidate and streamline these proposed fees to ease the burden of administration and simplify compliance.

### **c. TV Booster Stations**

66. We propose removing TV Booster Stations from the application fee schedule because we no longer have applications for this analog service as a result of the digital television transition. We seek comment on this proposal.

**d. Cable Television Services**

67. Cable television is a system of delivering television programming to consumers via radio frequency signals transmitted through coaxial or fiber-optic cables. The Media Bureau processes cable system registration, cable television relay service (CARS) applications, special relief and show cause petitions involving technical matters, requests for rulings on technical matters, and requests for waivers of the rules. The Media Bureau also processes signal leakage performance reports filed by cable system operators, analyzes aeronautical frequency usage data, and takes appropriate action to ensure compliance with Commission requirements. The below table summarizes the current application fees and the proposed cost-based fees.

68. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services. We also seek comment on whether we should consolidate and streamline these proposed fees to ease the burden of administration and simplify compliance.

<b>Application</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
Cable television, CARS license	\$305	\$450
Cable television, CARS license modification, major	\$305	\$345
Cable television, CARS license modification, minor	n/a	\$50
Cable television, CARS license renewal	\$305	\$260
Cable television, CARS, license assignment	\$305	\$365
Cable television, CARS, transfer of control	\$305	\$465
Cable television, CARS, STA	\$200	\$225
Cable television, special relief petition	\$1,550	\$1,615
Cable television, CARS license, registration statement	\$70	\$105
Cable television, multichannel video programming distributor (MVPD) aeronautical frequency usage notification	\$70	\$90

69. We estimate that the Commission's resources in processing an application for a new CARS license consist of analyst application review, engineer application evaluation, and engineer application approval. Our estimate is that the cost of this process is \$450. For major license modifications, we estimate that the Commission's resources in processing an application consist of analyst application review, engineer application evaluation, and engineer application approval. Our estimate is that the cost of this process is \$345. We estimate that the Commission's processing of an application for a CARS license minor modification consists of analyst application review, analyst application evaluation, and engineer application approval. Our estimate is that the cost of this process is \$50.

70. The Commission's processing of an application for a CARS license renewal consists of analyst application review, engineer application evaluation, and engineer application approval. Our estimate is that the cost of this process is \$260. The processing of license assignments involves an analyst reviewing the application, an engineer evaluating the application, and an attorney approving the application. Our estimate is that the cost of this process is \$365. The Commission's processing an application for a CARS transfer of control application consists of an analyst reviewing the application, an engineer evaluating the application, and an attorney approving the application. Our estimate is that the cost of this process is \$465. The Commission processes applications for STA by having an analyst review the application and an engineer evaluate and approve it. Our estimate is that the cost of this process is \$225. We estimate that the Commission's resources in processing an application for a special relief petition consist of an analyst reviewing the application, an engineer evaluating it, a supervisory engineer evaluating it, and an attorney approving the application. Our estimate is that the cost of this process is \$1,615. We estimate that the Commission's resources in processing an application for a registration statement consist of an analyst reviewing the application, an analyst evaluating the application, and an engineer approving the application. Our estimate is that the cost of this process is \$105. We estimate that the Commission's resources in processing an application for an MVPD aeronautical frequency usage notification consist of an analyst reviewing the application, an analyst evaluating the application, and an engineer approving the application. Our estimate is that the cost of this process is \$90.

**e. Commercial AM and FM Radio Stations**

71. The radio broadcast service includes the commercial and noncommercial educational AM and FM radio services, and also the noncommercial educational low power FM radio service. A party must apply for a construction permit before building a new AM or FM radio station. The applicant must demonstrate that it is legally, technically, and financially qualified to construct and operate the station as specified in its application and that the proposed facility will not cause objectionable interference to any other station. Once its application has been granted, the applicant is issued a construction permit, which authorizes the applicant to build the station within a specified period of time, usually three years. After the applicant, now a permittee, builds the station, it must file a license application, in which it certifies that it has constructed the station consistent with the technical and other terms specified in its construction permit. Upon grant of that license application, the FCC issues the new license to operate to the permittee, now a licensee, which authorizes the new licensee to operate for a stated period of time, up to eight years. At the close of this period, the licensee must seek renewal of its license.

72. *Commercial AM Stations.* The following table summarizes the current application fees and the proposed cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

<b>Application</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
AM radio new construction permit (including Post-Auction Long Form Application)	\$4,415	\$3,980
AM radio, minor modification	\$1,110	\$1,625
AM radio, Main Studio Request <sup>48</sup>	\$1,110	Remove
AM radio, new license	\$725	\$645

<sup>48</sup> We propose removing this from the application fee schedule as a category because the Commission eliminated the Main Studio Rule. *Elimination of Main Studio Rule*, Report and Order, 32 FCC Rcd 8158 (2017).

AM radio, directional antenna	\$835	\$1,260
AM Remote Control <sup>49</sup>	\$70	Remove
AM radio, license renewal	\$200	\$325
AM radio, license assignment, long-form	\$1,110	\$1,005
AM radio, license assignment, short-form	\$160	\$425
AM radio, transfer of control, long-form	\$1,110	\$1,005
AM radio, transfer of control, short-form	\$160	\$425
AM radio, call sign	\$110	\$170
AM radio, STA	\$200	\$290
AM radio, ownership report	\$70	\$85

73. Applications for new construction permits have the highest level of complexity and significant engineering and legal analysis is needed in processing these applications. Many of these applications result in petitions or objections after the application is filed. We estimate that the Commission's resources in processing an application for a new AM construction permit consist of engineering technical review, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$3,980. We estimate that the Commission's resources in processing an application for an AM minor change construction permit consist of engineer technical review, engineer supervisory review, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$1,625.

74. We estimate that the Commission's resources in processing an application for an AM license consist of a legal analyst reviewing application, an attorney reviewing pleadings, and an attorney reviewing written disposition. Some of the applications involve petitions or objections. Our estimate is that the cost of this process is \$645. An AM directional antenna application involves some legal analysis and significant engineering review. Some of the applications result in petitions or objections after the application is filed. We estimate that the Commission's resources in processing an application for an AM directional antenna consist of engineer technical review, engineer supervisory review, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$1,260. AM license renewal applications have a medium level of complexity and involve some legal analysis and significant engineering review. Some of the applications result in petitions or objections after the application is filed. We estimate that the Commission's resources in processing an application for renewal consist of a legal analyst reviewing the application, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$325.

75. Long-form applications for AM license assignments involve significant legal analysis, with some assignments involving petitions or objections, after the application is filed. We estimate that

<sup>49</sup> We propose removing this from the application fee schedule as a category because AM Remote Control licensees are not required to file this form in order to engage in remote control operations. *Unattended Operation of Broadcast Stations*, Report and Order, 10 FCC Rcd 11479 (1995).

the Commission's resources in processing a long-form application for an AM license assignment consist of a legal analyst reviewing the application, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$1,005. Short-form license applications have a lower level of complexity and require some, though less, legal analysis than long form applications. We estimate that the Commission's resources in processing a short-form application for an AM license assignment consist of a legal analyst reviewing the application, an attorney reviewing the pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$425. Long-form applications for AM transfers of control involve significant legal analysis. Some applications for transfer of control involve petitions or objections, after the application is filed. We estimate that the Commission's resources in processing a long-form application for AM transfer of control consist of legal a analyst reviewing the application, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$1,005. Short-form applications for transfer of control involve some legal analysis. We estimate that the Commission's resources in processing a short-form application for transfer of control consist of a legal analyst reviewing the application, an attorney reviewing the pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$410.

76. AM radio call sign applications involve some legal analysis, and we estimate that the Commission's resources in processing an AM call sign application consist of analyst application review. Our estimate is that the cost of this process is \$170. Applications for STA involve some engineering and legal analysis. We estimate that the Commission's resources in processing an AM STA application consist of engineer technical review, attorney pleading review, and supervisory attorney written disposition review. Our estimate is that the cost of this process is \$290. AM ownership report applications involve minimal review by Media Bureau staff. We estimate that the Commission's resources in processing an AM ownership report consist of analyst application review. Our estimate is that the cost of this process is \$85.

77. We seek comment on these proposed cost-based fees. We also seek comment on whether we should consolidate and streamline these proposed fees to ease the burden of administration and simplify compliance.

78. *Commercial FM Stations.* The following table summarizes the current application fees and the proposed cost-based fees for commercial FM stations. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
FM radio new construction permit (including Post-Auction Long-Form Application)	\$3,975	\$3,295
FM radio, minor modification	\$1,110	\$1,265
FM radio, Main Studio Request <sup>50</sup>	\$1,110	Remove
FM radio, new license	\$225	\$235
FM radio, directional	\$695	\$630

<sup>50</sup> We propose removing this from the application fee schedule as a category because the Commission eliminated the Main Studio Rule. *Elimination of Main Studio Rule*, Report and Order, 32 FCC Rcd 8158 (2017).

antenna		
FM radio, license renewal	\$200	\$325
FM radio, license assignment, long-form	\$1,110	\$1,005
FM radio, license assignment, short-form	\$160	\$425
FM radio, transfer of control, long-form	\$1,110	\$1,005
FM radio, transfer of control, short-form	\$160	\$425
FM radio, call sign	\$110	\$170
FM radio, STA	\$200	\$210
FM radio, petition for rulemaking	\$3,065	\$3,180
FM radio, ownership report	\$70	\$85

79. Applications for new construction permits have the highest level of complexity and significant engineering and legal analysis is needed in processing these applications. Many of these applications result in petitions or objections after the application is filed. We estimate that the Commission's resources in processing an application for a new FM construction permit consist of engineering technical review, supervisory engineer review, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and a supervisory attorney reviewing written disposition. Our estimate is that the cost of this process is \$3,295. We estimate that the Commission's resources in processing an application for an FM minor modification construction permit consist of engineer review, engineer supervisory review, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and a supervisory attorney reviewing written disposition. Our estimate is that the cost of this process is \$1,265.

80. We estimate that the Commission's resources in processing an application for an FM license consist of an analyst reviewing the application, an engineering review, an attorney reviewing pleadings, and a supervisory attorney reviewing written disposition. Some of the applications involve petitions or objections. Our estimate is that the cost of this process is \$235. An application for an FM directional antenna involves some legal analysis and significant engineering review. Some of the applications result in petitions or objections after the application is filed. We estimate that the Commission's resources in processing an application for an FM directional antenna consist of engineer review, engineer supervisory review, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and a supervisory attorney reviewing written disposition. Our estimate is that the cost of this process is \$630.

81. An application for an FM license involves some legal analysis and significant engineering review. Some of the applications result in petitions or objections after the application is filed. We estimate that the Commission's resources in processing an application for FM license renewal consist of a legal analyst reviewing the application, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$325. Long-form applications for FM license assignment involve significant legal analysis. Some of these applications involve petitions or objections, after the application is filed. We estimate that the Commission's resources in processing a long-form application for an FM assignment consist of a legal analyst reviewing the application, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$1,005. Short-form applications for

FM license assignment involve some legal analysis. We estimate that the Commission's resources in processing a short-form application for an FM license assignment consist of a legal analyst reviewing the application, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$425. Long-form applications for FM transfers of control involve significant legal analysis. Some applications for transfer of control involve petitions or objections after the application is filed. We estimate that the Commission's resources in processing a long-form application for FM transfer of control consist of a legal analyst reviewing application, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$1,005. Short-form applications for FM transfers involve some legal analysis. We estimate that the Commission's resources in processing a short form application for FM transfer of control consist of a legal analyst reviewing the application, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$425.

82. Applications for FM call signs involve some legal analysis. We estimate that the Commission's resources in processing an FM call sign consist of analyst application review. Our estimate is that the cost of this process is \$170. Applications for STA involve some engineering and legal analysis. We estimate that the Commission's resources in processing an FM STA application consist of engineer technical review, supervisory engineer review, attorney pleading review, and supervisory attorney written disposition review. Our estimate is that the cost of this process is \$210. Applications for FM ownership report involve minimal review by Media Bureau staff. We estimate that the Commission's resources in processing an application for FM ownership report consist of analyst application review. Our estimate is that the cost of this process is \$85.

83. A petition for rulemaking to amend the FM Table of Allotments for a new community of license has a high level of complexity and involves significant legal analysis and engineering review.<sup>51</sup> We estimate that the Commission's resources in processing an FM petition for rulemaking consist of an engineering technical review, an attorney reviewing multiple ownership, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$3,180.

84. We seek comment on these proposed cost-based fees. We also seek comment on whether we should consolidate and streamline these proposed fees to ease the burden of administration and simplify compliance.

85. *FM Translators and Boosters.* FM translators and FM boosters comprise a low power service on the FM broadcast band (88 to 108 MHz) that complement the primary FM service. This service was first created in 1970 to allow FM stations to provide supplementary service to areas in which direct reception of radio service is unsatisfactory due to distance or terrain barriers. Translator stations simultaneously re-broadcast the signal of a primary station on a different frequency. Those translator stations that provide service within the primary station's protected service area are classified as fill-in stations. Fill-in translators can be owned by the main station or by an independent entity. FM booster stations are essentially fill-in translator stations on the same frequency as the main station. Booster stations must be owned by the licensee of the primary FM station. Booster stations are also restricted in that the service contour of the booster may not exceed the protected service contour of the primary station at any azimuth.

86. The following table summarizes the current application fees and the proposed cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
FM translator new construction permit	\$835	\$705

<sup>51</sup> 47 CFR § 202(b).



(including Post-Auction Long-Form Application)		
FM translator, minor modification	None	\$210
FM translator, new license	\$170	\$180
FM translator, license renewal	\$70	\$175
FM translator, STA	\$200	\$170
FM translator, license assignment	\$160	\$290
FM translator, transfer of control	\$160	\$290
FM booster, new or major change construction permit	\$835	\$705
FM booster, new license fee	\$170	\$180
FM booster, STA	\$200	\$170

87. An application for either a new FM translator or an FM booster construction permit involves legal analysis and significant engineering review. Some applications may involve petitions or objections after the application is filed. We estimate that the Commission's resources in processing either an application for a new FM translator or an FM booster construction permit consist of engineering technical review, an attorney reviewing pleadings, and a supervisory attorney reviewing written disposition. Our estimate is that the cost of this process is \$705 for either a new FM translator or an FM booster construction permit.

88. There is no current fee for an application for a minor change FM translator construction permit. Over the past 20 years, the definition of a minor change for FM translators has changed significantly. At the time this category of application was originally created, the definition of minor change was so narrow that very few such applications could be submitted. Furthermore, because of the limited circumstances under which they could be filed, the engineering analysis required to review them was minimal. The rule has been revised since that time to significantly increase the situations that can be filed as minor. These FM translator minor change applications involve some legal analysis and significant engineering review. Some applications will involve petitions or objections, after the application is filed. We estimate that the Commission's resources in processing an FM translator minor modification application consist of engineer technical review, supervisory engineer review, attorney pleading review, and supervisory attorney written disposition review. Our estimate is that the cost of this process is \$210.

89. Applications for either new FM translator or FM booster licenses involve some engineering analysis. Some applications may involve petitions or objections, after the application is filed. We estimate that the Commission's resources in processing an application for either a new FM translator license or a new FM booster license consist of an analyst reviewing the application, an engineer supervising, an attorney reviewing pleadings, and a supervisory attorney reviewing written disposition. Our estimate is that the cost of this process is \$180 for either a new FM translator or a new FM booster license. Applications for renewal of existing FM translator or FM booster licenses have a low level of complexity. We estimate that the Commission's resources in processing either type of application consist of a legal analyst reviewing the application, an attorney supervising, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process for renewal of

either an FM translator or an FM booster is \$175.

90. Applications for either FM translator or FM booster STA involve some engineering and legal analysis. We estimate that the Commission's resources in processing either type of STA application consist of engineering technical review, attorney pleading review, and supervisory attorney written disposition review. Our estimate is that the cost of this process is \$170 for either an FM translator STA or an FM booster STA.

91. Applications for FM translator license assignments involve some legal analysis. Some assignments involve petitions or objections, after the application is filed. We estimate that the Commission's resources in processing an application for FM translator assignment consist of a legal analyst reviewing the application, an attorney supervising, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$290. Applications for FM translator transfers of control involve some legal analysis. Some assignments involve petitions or objections, after the application is filed. We estimate that the Commission's resources in processing an application for an FM translator transfer of control consist of a legal analyst reviewing the application, an attorney supervising, an attorney reviewing pleadings, and an attorney reviewing written disposition. Our estimate is that the cost of this process is \$290.

92. We seek comment on these proposed cost-based fees. We also seek comment on whether we should consolidate and streamline these proposed fees to ease the burden of administration and simplify compliance.

#### **f. Broadcast Services Auction Short Form Fees**

93. A party must submit an application in order to participate in an auction for broadcast services construction permits. We propose to adopt a cost-based application fee for all short-form applications for such auctions. We estimate that the Commission's costs in processing a short-form application to participate in an auction consist primarily of attorney review and attorney supervisor legal review. Our estimate is that this process involves \$575 in costs. We seek comment on a cost-based fee of \$575 for broadcast services short-form auction applications.

<b>Application</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
Broadcast Services Auction Short-Form Application	n/a	\$575

94. Each winning bidder in an auction of construction permits for broadcast services must also file a long-form application that is specific to the permit that is won at auction. For example, winners of a Full Power TV Construction Permit auction would then pay the proposed Full Power TV, Class A TV, new and major change construction permit application fee of \$4,260. We seek comment on whether we should consolidate the Media Bureau short-form and long-form auction application fees such that only winning bidders would be required to pay a combined application fee of the total of the short form application fee plus the applicable long form application fee. Would a consolidated fee be consistent with amended section 8? Would such an approach alleviate the possibility that establishing a fee for filing an auction application might discourage auction participation, particularly by small or minority-owned businesses. Fewer applications may result in reduced competition in an auction, undermining the Commission's ability to promote the various objectives of spectrum auctions enumerated in section 309(j).<sup>52</sup> Would a consolidated fee mitigate such potential harm?

95. Under such a consolidation there would be no short-form auction application fee due at

<sup>52</sup> 47 U.S.C. § 309(j)(3). For example, one such objective that may be affected by reduced competition is the "recovery for the public of a portion of the value of the public spectrum resource made available for commercial use." *Id.* § 309(j)(3)(C).

the time of filing; the fee would be due when the long-form application fee is due. Commenters should discuss whether this process, in which no fees would be assessed for short-form auction applications when the applicant is not a winning bidder, would be consistent with the requirement in section 8(a) that the fees “recover the costs of the Commission to process applications.”<sup>53</sup>

### **g. Media Services Foreign Ownership Petitions**

96. We propose adding a new category for foreign ownership petitions for declaratory ruling filed pursuant to section 310(b)(4) of the Act.<sup>54</sup> This proposed fee is a separate fee in addition to the fee required for the underlying application, if any.<sup>55</sup> Since 2016, the Media Bureau has processed petitions for declaratory rulings to exceed the section 310(b)(4) foreign ownership benchmark under the streamlined foreign ownership rules and procedures.<sup>56</sup>

<b>Application</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
Media Services 310(b) petitions for declaratory ruling	n/a	\$2,485

97. Currently, there is no fee for a section 310(b)(4) petition for declaratory ruling. Typically, the petition includes complex ownership structures and requires substantial review by staff. We estimate the Commission’s resources in processing a section 310(b) petition for declaratory ruling consist of attorney legal review, attorney coordination with other agencies, attorney pleading review, and attorney written disposition review. Our estimate is that the cost of this process is \$2,485.

### **3. Equipment Approval Fees**

98. The Office of Engineering and Technology processes applications for the approval of equipment through the equipment authorization program under part 2 of the FCC rules.<sup>57</sup> The equipment authorization program is one of the principal ways the Commission ensures that radiofrequency (RF) devices operate effectively without causing harmful interference and otherwise comply with the Commission’s rules. RF devices are generally subject to equipment authorization must comply with the Commission’s technical requirements prior to importation or marketing.<sup>58</sup> Equipment that contains an RF device and is subject to authorization requirements must be authorized in accordance with the appropriate procedures specified in part 2, subpart J of the Commission’s rules. These requirements not only minimize the potential for harmful interference, but also ensure that the equipment complies with the rules that address other policy objectives, such as human RF exposure limits and hearing aid compatibility with wireless handsets.

<sup>53</sup> 47 U.S.C. § 158(a).

<sup>54</sup> Section 310(b)(4) establishes a 25% benchmark for investment by foreign individuals, governments, and corporations in U.S.-organized entities that directly or indirectly control a broadcast, common carrier or aeronautical radio station licensee if the Commission finds that the public interest would be served by rejecting foreign ownership above that benchmark. 47 U.S.C. § 310(b)(4).

<sup>55</sup> We are only proposing a fee for the initial filing of the petition for declaratory ruling. Amendments and supplements thereto occur with great frequency and will not require an additional fee.

<sup>56</sup> *Review of Foreign Ownership Policies for Broadcast, Common Carrier, and Aeronautical Radio Licensees Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, GN Docket 15-236, Report and Order, 31 FCC Rcd 11272 (2016). The procedures are set out in rule sections 1.5000 to 1.5004, 47 CFR §§ 1.5000-1.5004.

<sup>57</sup> For a more comprehensive description of the Office of Engineering and Technology, *see* <https://www.fcc.gov/engineering-technology>.

<sup>58</sup> In some instances, the Commission does not require certain equipment to undergo authorization procedures. For example, part 97 rules do not require amateur radio equipment to be certified. The rules do require external power amplifiers designed for use at an amateur radio station to be certified. 47 CFR § 97.315.

99. We propose to begin charging a cost-based fee for applications for the assignment of a grantee code and to eliminate the fee associated with the certification of subscription TV systems, as that service is no longer performed by the Commission.

**a. Certification and Advance Approval of Subscription TV Systems**

100. The equipment certification functions were mostly shifted from the Commission to Telecommunications Certification Bodies (TCB) in 1999 and fully shifted to the TCBs in 2014.<sup>59</sup> Since that time, certification services have been provided by accredited TCBs which are approved by the Commission and the Commission retains oversight of the program through routine guidance to the TCBs and test labs as well as participation in regular teleconferences as well as TCB workshops. Additionally, the Commission no longer performs advance approval of subscription TV systems. As these services are no longer performed by the Office of Engineering and Technology, we propose to remove these categories from the Commission's schedule of application fees. We seek comment on this proposal.

**b. Assignment of Grantee Code**

Application	Current Fee	Cost-based Fee
Assignment of Grantee Code	n/a	\$50

101. The fee for an assignment of grantee code is assessed automatically after an applicant (or their authorized agent) files for a grantee code on the FCC Equipment Authorization Electronic Filing System (EAS) website. Approximately 4,000 new grantee codes are assigned each year. This process generally does not require intervention by Commission staff. However, staff must intervene if an applicant encounters a payment issue or if special action is necessary after a grantee code is assigned, such as a grantee name change or a transfer of control transaction. Such issues arise approximately 500 to 700 times per year and staff time to address these issues, when required, is nominal. For this largely automated process, we propose a nominal application fee of \$50, which will cover staff costs associated with name change requests, transfers of control issues, and payment problems that arise. We seek comment on this proposal.

**4. Domestic Service Fees**

102. The Commission processes a wide range of applications not directly related to the issuance of licenses. In this section, we propose to update the application fees for matters overseen by the Wireline Competition Bureau, Enforcement Bureau, and Public Safety and Homeland Security Bureau. Where appropriate, we propose to add, in accordance with the new law, cost-based fees for services the Commission performs but are not included within the current fee schedule. We also propose to eliminate fees for services as appropriate.

**a. Wireline Competition Services**

103. The Wireline Competition Bureau processes applications for the services currently listed in section 1.1105 of the Commission's rules.<sup>60</sup> Specifically, it processes domestic 214 applications, tariff filings, applications for special permission for waiver of tariff rules, long-form applications for Universal Service Fund (USF) auction winners, and accounting applications. In addition to proposing adjustments to existing application fees based on costs, we propose to add fees for applications that were established

<sup>59</sup> See *Equipment Approval Procedures Streamlined to Increase Speed to Market and Reduce Barriers to International Trade*, GEN Docket No. 98-68, Report and Order, 13 FCC Rcd 24687 (1999) and *Amendment of Parts 0, 1, 2, and 15 of the Commission's Rules regarding Authorization of Radiofrequency Equipment*, ET Docket No. 13-44, RM-11652, Report and Order, 29 FCC Rcd 16335 (2014).

<sup>60</sup> 47 CFR § 1.1105.

after the current schedule was put in place and recommend elimination of fees that have become obsolete.

104. *Transfers of Control.* Under sections 63.03-63.04 of the Commission's rules, a carrier seeking domestic section 214 authorization for a transfer of control must file an application providing certain information about the parties and the transaction.<sup>61</sup> Referring to section 1.1105 of the Commission's rules, we propose to rename "Domestic 214 Applications" as "Domestic 214 Applications-Part 63 Transfers of Control" to more clearly specify the applications subject to the fee.<sup>62</sup> We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
Domestic 214 Applications-Part 63 Transfers of Control	\$1,195	\$1,230
Domestic 214 Applications-Special Temporary Authority	n/a	\$675

105. Applicants submit applications to transfer control of domestic section 214 authorizations into the Electronic Comment Filing System (ECFS), and staff then undertakes a manual review of the application.<sup>63</sup> An applicant may submit an application to transfer only a domestic authorization or may file a joint application to transfer both domestic and international section 214 authorizations, as permitted in section 63.04 of the Commission's rules.<sup>64</sup> An applicant submits copies of a joint application in both ECFS and in the International Bureau Filing System (IBFS) and pays separate fees applicable to each filing. In addition to reviewing all applications for compliance with specific domestic section 214 requirements, we routinely coordinate the public interest review of joint applications with the International Bureau. The Wireline Competition Bureau review process is similar to the review process undertaken by the International Bureau and includes industry analyst processing and review, staff attorney review, and supervisory review. We estimate that this process involves approximately \$1,230 in costs for all domestic section 214 transfer of control applications, whether filed as a single domestic application or as a joint domestic/international application.

106. A domestic section 214 authorization holder or applicant may request an STA in certain situations, such as to provide service prior to Commission action on an underlying domestic section 214 transfer of control application. Domestic wireline carriers typically file STA requests with their underlying applications in pleading or letter form, using ECFS. While STA requests associated with international section 214 applications have a filing fee,<sup>65</sup> there is currently no filing fee for STA requests associated with domestic section 214 transfer of control applications.<sup>66</sup> Similar to the International

<sup>61</sup> 47 CFR §§ 63.03-04.

<sup>62</sup> Domestic common carriers under section 214 of the Act are authorized to undertake pro forma transactions, with only a notice filing required in certain very limited circumstances. 47 CFR § 63.03(d). The Commission's fees for domestic section 214 transfer of control applications therefore cover only substantive transactions for which approval is required.

<sup>63</sup> 47 CFR § 63.52(a). At this time, the Wireline Competition Bureau does not have an electronic licensing system for submission of section 214 applications.

<sup>64</sup> 47 CFR §63.04(b).

<sup>65</sup> 47 CFR § 1.1107.

<sup>66</sup> As stated above, the Commission's domestic section 214 transfer of control rules allow the filing of joint domestic/international applications for transfer of control, which the separate bureaus then review based on the specified authorizations and services. 47 CFR § 63.04(b). Applicants may seek separate grants of STA for both domestic and international services covered in a single joint application.

Bureau, we estimate the Commission's resources for processing a typical domestic STA consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. We estimate that this process involves approximately \$675 in costs.

107. We seek comment on these proposals.

108. *Discontinuance of Service.* Under section 63.71 of the Commission's rules, any domestic carrier that seeks to discontinue, reduce, or impair service must provide notice, as specified in section 63.71(a),<sup>67</sup> and file an application with the Commission.<sup>68</sup> We propose to add "Domestic 214 Applications-Part 63 Discontinuances" as a service requiring an application fee in section 1.1105 of our rules and set that application fee based on our cost estimates. We seek comment on whether adding this fee could act as a disincentive to filers to provide timely notice of service discontinuances to their end user customers, and if so, whether we have authority to consider such a disincentive in making our fee determination. We propose and seek comment on adopting the following cost-based fee for these application.

Application	Current Fee	Cost-based Fee
Domestic 214 Applications-Part 63 Discontinuances (Non-Standard Review)	n/a	\$1,230
Domestic 214 Applications-Part 63 Discontinuances (Standard Streamlined Review)	n/a	\$335

109. Similar to the processing of the other domestic section 214 applications required by Part 63 of our rules, processing section 214 discontinuance applications includes industry analyst processing and review, staff attorney review, and supervisory review.<sup>69</sup> We estimate that this process involves \$1,230 in costs for review and coordination on section 214 discontinuance filings that address technology transitions subject to the adequate replacement test under section 63.71(f)(2)(i), for section 214 discontinuance filings that address technology transitions that are not subject to any streamlined processing, and for section 214 discontinuance filings from dominant carriers. We estimate that this process involves \$335 in costs for review of all other domestic 214 discontinuance filings including streamlined filings from non-dominant carriers and interconnected VoIP service providers, filings for the emergency discontinuance of service under section 63.63, filings that meet the alternative options test for streamlined processing under section 63.71(f)(2)(ii), filings subject to copper retirement auto grant under section 63.71(i), and filings for the discontinuance or grandfathering of voice or data services under sections 63.71(k) or 63.71(l).

110. *Voice over Internet Protocol Numbering.* Interconnected Voice over Internet Protocol (VoIP) providers seeking to obtain numbering resources directly from the North American Numbering Plan Administrator (or the Pooling Administrator) must first receive authorization from the

<sup>67</sup> 47 CFR § 63.71(a).

<sup>68</sup> 47 CFR § 63.71(c). Under section 51.325 of the Commission's rules, incumbent local exchange carriers must provide public notice of certain network changes. 47 CFR § 51.325. Public notice or certification of public notice may be filed with the Commission pursuant to section 51.329 of the rules. 47 CFR § 51.329. We do not propose to adopt a fee for the section 251 network change disclosure filing, which is a notice filing that does not require staff to undertake the same accepted-for-filing process necessary for the 214 applications.

<sup>69</sup> Applicants submit section 214 discontinuance applications in ECFS. 47 CFR §63.71(e).

Commission.<sup>70</sup> This nationwide authorization is designed to assess the eligibility of an interconnected VoIP provider to obtain numbers directly and will fulfill the requirement under the Commission's rules to provide evidence of authorization to provide service. Under section 52.15(g)(2) and (3), a VoIP provider must file an application for numbering resources.<sup>71</sup> We propose to add "Interconnected VoIP Numbering Authorization Applications-Part 51" as a service requiring an application fee in section 1.1105 of our rules and set that application fee based on our cost estimates.

Application	Current Fee	Cost-based Fee
Interconnected VoIP Numbering Authorization Applications-Part 51	n/a	\$1,330

111. We estimate that the Commission's resources in processing a typical VoIP numbering application consist of the following: program analyst assisting applicants with filing, application input, application intake, draft initial accepted for filing public notice, legal analysis and application review by staff attorney, staff attorney coordinating with counsel and other Bureaus/Offices, reviewing supplemental filing, and editing accepted for filing public notice, program analyst releasing and posting the accepted for filing public notice, and supervision of this process by a first level supervisor. Our estimate is that this process involves \$1,330 in costs. We seek comment on this proposal.

112. *Tariffs.* Tariffs contain the rates, terms, and conditions of certain services provided by telecommunications carriers. Tariffs for interstate local access service are filed by local exchange carriers, or LECs. The access services include end user access, switched access, and special access. Tariffs must be just and reasonable and may not be unjustly or unreasonably discriminatory under sections 201(b) and 202(a) of the Communications Act. Tariffs are typically filed under a process that gives the public 15 days' notice on proposed price increases and changes in terms and conditions; and seven days' notice on proposed price reductions. Carriers file tariffs using the Commission's Electronic Tariff Filing System. Tariff filings are reviewed by staff and by industry. If staff takes no action, filings become effective and may be deemed lawful.<sup>72</sup> Staff can suspend or reject tariffs.

113. The following table summarizes the current application fees and the proposed cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
Tariff Filing	\$960	\$930
Complex Tariff Filing (Large)	n/a	\$6,540
Complex Tariff Filing (Small)	n/a	\$3,270
Application for Special Permission for Waiver of Tariff Rules	\$960	\$375

114. We estimate that the Commission's resources in processing a typical tariff filing consist

<sup>70</sup> 47 CFR § 52.15(g).

<sup>71</sup> 47 CFR § 52.15(g)(2) and (3). Section 52.15(g)(3) provides: "Commission authorization process. A provider of interconnected VoIP service may show a Commission authorization obtained pursuant to this paragraph as evidence that it is authorized to provide service under paragraph (g)(2) of this section."

<sup>72</sup> See 47 U.S.C. § 204(a)(3).

of the following: public utility specialist assisting applicants with filing, public utility specialist reviewing the record, and supervision of this entire process by an attorney. Our estimate is that the cost of this process for a tariff filing is \$930.

115. Carriers also file tariffs that are more complex and require more review by Bureau staff than a typical tariff filing. One such category would include the filing of the annual access charge tariffs by incumbent LECs. Other types of more complex filings could include the introduction of new rate plans or the restructuring of existing rate plans. We estimate that the Commission's resources in processing a more complex filing consist of the following: public utility specialist assisting applicants with filing, public utility specialist/attorney reviewing the record, and supervision of this entire process by an attorney. The cost for these filings will vary based on the size of the carrier or the number of entities included in a tariff filing. We propose to create two categories of complex tariff filers: one composed of price cap LECs and complex tariff filings by entities involving more than 100 LECs (Complex Large), and a second category for other entities filing a complex tariff (Complex Small). Our estimate is that the cost of this process for a Complex Large tariff filing is \$6,540, and that for a Complex Small filing is \$3,270.

116. Parties can also file an application for special permission to request a waiver of the tariff filing rules. We estimate that the Commission's resources in processing a typical special permission request consist of the following: public utility specialist assisting applicants with filing, public utility specialist reviewing and acting on the request, and attorney supervising the process. Our estimate is that the cost of this process for a special permission request is \$375. We seek comment on these proposals.

117. *Waivers.* Parties may file petitions seeking waivers of the Commission's rules in parts 61 and 69. Because parties may generally seek waiver of many Commission rules without paying a fee, we propose to eliminate the fees associated with the general Part 61 and Part 69 waiver requests as follows.

Application	Current Fee	Cost-based Fee
Waivers, Part 61 and Part 69	\$960	Remove

118. We seek comment on this proposal.

119. *Universal Service Fund Auctions.* A party must submit an application in order to participate in competitive bidding for universal service support. The Commission's rules require that each universal service auction applicant submit specific information on its legal, financial, and technical qualifications to participate in an auction.<sup>73</sup> Such applications are commonly referred to as a short-form application. The Commission does not currently apply a fee to universal service auction short-form applications. We propose to add a cost-based short-form application fee.

120. We estimate that the Commission's costs in processing a short-form application to participate in an auction for universal service support consist of attorney review, engineer technical review, and attorney supervisor legal review. Our estimate is that this process involves approximately \$1,030 in costs.

121. Universal service auction winners are required to be authorized to receive universal service support through an application commonly referred to as a long-form application. The Commission reviews this application to determine if a winning bidder should be authorized to receive universal service support for its winning bids. The Commission does not currently apply a fee to USF long form applications. We propose to add a cost-based long form application fee.

122. We estimate that the Commission's resources in processing a long-form application of a winning bidder after the auction to consist of the following: attorney review, engineer technical review,

<sup>73</sup> See, e.g., *id.* § 54.315(a)(7).



and attorney supervisor legal review. Our estimate is that this process involves approximately \$1,935 in costs.

Application	Current Fee	Cost-based Fee
Universal Service Short-Form Auction Application	n/a	\$1,030
Universal Service Long Form Auction Application	n/a	\$1,935

123. We seek comment on this proposal. As with auctions for spectrum licenses, should we consider consolidating the short-form and long-form application fees so that only winning bidders would be required to pay a combined application fee? Would such an approach alleviate the possibility that establishing a fee for filing an auction application—regardless of whether support is ultimately won—might suppress competition in an auction and reduce the cost-efficiencies and other benefits that would otherwise be achieved by using competitive bidding? Could this approach reduce the likelihood that the amendment of section 8 would have the unintended consequence of raising additional funds for the U.S. Treasury at the expense of a less efficient distribution of universal service support funds?

124. *Accounting.* Currently, the fee for review of a depreciation update study for a single state is \$40,465. The fee for each additional state is \$1,335. We have not had an application for a depreciation update study in many years and we propose to eliminate these application fees from the fee schedule.

125. Parties may petition for a waiver of part 69 accounting rules, part 32 accounting rules, part 43 reporting requirements, part 64 allocation of costs rules, part 65 rate of return rules, or part 36 of the separation rules. The Commission has a complex set of accounting requirements and proposes assessment of a fee for requests for deviation from such requirements. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
Accounting studies-Depreciation Update Study	\$40,465	Remove
Waiver of Accounting Rules	\$9,120	\$4,415

126. Petitions for waiver are reviewed by staff who draft a bureau or Commission level order addressing the petition. We estimate that the Commission's resources in processing a typical waiver application for one of these categories consist of the following: attorney/accountant assisting applicants with filing, application input, application intake, attorney/accountant drafting and releasing a public notice, reviewing the record, and drafting an order, attorney/accountant coordinating order, program specialist releasing order and posting on website, and supervision of this entire process by an attorney/accountant. Our estimate is that the cost of this process is \$4,415. We seek comment on these proposals.

#### **b. Enforcement Services**

127. The Enforcement Bureau processes applications for the services listed in section 1.1106 of the Commission's rules, specifically, Formal Complaints, Accounting and Audits, Development and Review of Agreed upon Procedures Engagement, and Pole Attachment Complaints.<sup>74</sup>

<sup>74</sup> 47 CFR § 1.1106.

128. The Commission also processes informal consumer complaints through the Consumer and Governmental Affairs Bureau's Consumer Complaint Center.<sup>75</sup> The informal consumer complaint process provides consumers with an efficient and effective way to file complaints involving various telecommunications issues. Informal consumer complaints involving billing and service issues are served on the consumer's provider. The provider is required to respond to the consumer and the Commission within 30 days. Other informal consumer complaints, including unwanted call complaints, are shared among Commission bureaus and offices to inform policy and potential enforcement actions. Informal consumer complaints provide the Commission with relevant data that helps us keep a pulse on what consumers are experiencing, and serves as a deterrent to the companies the Commission regulates. We do find that such informal consumer complaints are not applications as contemplated under section 8 of the Act. Moreover, we believe that the public interest would be served best by assessing no fee whatsoever for the submission of informal consumer complaints.

129. *Formal Complaints and Pole Attachment Complaints.* Section 208 of the Act provides for the filing of formal complaints against common carriers. Section 224 of the Act states that the Commission has a duty to ensure that the rates, terms, and conditions for pole attachments are just and reasonable, and that cable television systems and telecommunications carriers have non-discriminatory access to utility poles, ducts, conduits, and rights-of-way. Sections 1.720-1.740 and 1.1401-1.1414 of the Commission's rules govern formal section 208 and section 224 complaints. The rules require the filing of a complaint, an answer, a reply, and often discovery, motions, and briefs. A formal complaint must contain as much factual support as possible at the filing stage, including specific facts and proof regarding all claims in the complaint. The following table summarizes the current application fees and the proposed cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
Section 208 Formal Complaint	\$235	\$540
Section 224 Pole Attachment Complaint	\$295	\$540

130. Filing of the application for a formal section 208 complaint or a section 224 pole attachment complaint is automated using the Commission's ECFS's Non-Docketed Filing portal. In nearly all instances, the FCC Fee Filer system is used separately to collect the fee. The Enforcement Bureau retrieves each filed formal complaint and pole attachment complaint from the ECFS Non-Docketed Filing portal and confirms payment. Staff then reviews the complaint for general conformance with the Commission's complaint rules to determine if it is accepted for adjudication.<sup>76</sup> If the formal complaint or pole attachment complaint is accepted, staff arranges for its placement in a case-specific ECFS docket. Staff drafts a letter to the parties indicating that the filing has been accepted or rejected and posts that letter in ECFS.

131. We propose to consolidate the section 208 formal complaints and section 224 pole attachment complaints in the new section 8 application fee schedule. We seek comment on this proposal.

132. We estimate that the Commission's resources in processing a formal complaint or a pole attachment complaint consist of the following: analyst review, attorney review and attorney supervisory review. Based on staff analysis, we estimate this cost to be \$540 for either formal complaints or pole

<sup>75</sup> See FCC Consumer Complaint Center, <https://consumercomplaints.fcc.gov/hc/en-us>.

<sup>76</sup> See *Amendment of Certain of the Commission's Part 1 Rules of Practice and Procedure Relating to the Filing of Formal Complaints Under Section 208 of the Communications Act and Pole Attachment Complaints Under Section 224 of the Communications Act*, Order, 29 FCC Rcd 14078, 14080, paras. 9-10 (2014).

attachment complaints. We seek comment on this proposal.

133. *Accounting and Audits and Agreed upon Procedures Engagement.* Currently, the application fee for a field audit is \$121,845 and for review of an attest audit is \$66,510. The application fee for the development and review of an agreed upon procedures engagement is \$66,510. We propose to eliminate these applications from the application fee schedule because no applications have been filed in many years. We seek comment on this proposal.

### c. Petitions regarding Law Enforcement Assistance Capability

134. The Communications Assistance for Law Enforcement Act (CALEA) preserves the ability of law enforcement agencies to conduct lawfully authorized electronic surveillance while protecting the privacy of information outside the scope of the authorization. CALEA imposes law-enforcement-assistance capability requirements on common carriers as the Commission has interpreted that term under CALEA.<sup>77</sup> Any person may petition the Commission to issue technical standards for capability assistance that the person believes are deficient<sup>78</sup> and telecommunications carriers and other interested persons may petition for a determination of whether an assistance capability is “reasonably achievable,” and the Commission must reach a determination on such petitions within one year.<sup>79</sup> We propose and seek comment on adopting the following cost-based fees for this application—and we give as an example the current fee for this service.<sup>80</sup>

Application	Current Fee	Cost-based Fee
Petition regarding law enforcement assistance capability (CALEA)	\$6,945	\$3,875

135. We estimate that the Commission’s resources in processing a typical petition regarding law enforcement assistance capability consist of the following: analyst review petition, process, and distribute petition; economist evaluate financial information submitted; engineer review; attorney determining rule compliance and conducting a preliminary evaluation of the scope and nature of the request for understanding of rules and issues implicated; attorney evaluating the nature and scope of the request and identifying issues presented; and review by supervisor. We estimate that this process will cost \$3,875. We seek comment on this proposal.

## 5. International Service Fees

136. The International Bureau administers international telecommunications and satellite programs and policies, including licensing and regulatory functions.<sup>81</sup> We seek comment on cost-based application fees for international services, including our proposals to create a separate fee category for applications related to cable landing licenses, a new category for section 310(b) foreign ownership review, and to adopt fees for international services that now do not currently have an application fee such as foreign carrier affiliation notifications and requests to become a recognized operating agency (ROA). We also propose to eliminate some fees and consolidate fees for earth stations and space stations. With respect to earth stations, we propose to create a new application fee for typical applications for initial authority for earth stations with multiple sites, per call sign, including fixed and temporary fixed and

<sup>77</sup> See 47 U.S.C. § 1001(8)(B)(ii); *Communications Assistance for Law Enforcement and Broadband Access and Services*, Second Report and Order and Memorandum Opinion and Order, 21 FCC Rcd 5360 (2006).

<sup>78</sup> 47 U.S.C. § 1006(b).

<sup>79</sup> 47 U.S.C. § 1008(b)(1).

<sup>80</sup> 47 CFR § 1.1109.

<sup>81</sup> For a comprehensive description of the International Bureau’s activities, see <https://www.fcc.gov/international>.

transmit and transmit/receive earth stations. We also seek comment on the elimination of some current filing fees and the creation of new cost-based filing fees. For space stations, we seek comment on a new fee category: Application for authority to operate, per satellite, a space station that is already in orbit as a U.S. licensed space station. We propose to remove the separate application fee for extension of launch authority, which is already covered as a space station modification. In addition, we seek comment on adopting a new application fee for petitions for declaratory ruling to access the U.S. market by foreign-licensed space stations. We propose new cost-based rules for satellites that may be licensed under the Commission's small satellite rules. Finally, we propose to create separate fee categories for all amendments and all modifications, regardless whether the space station involved is a geostationary orbit satellite or a nongeostationary orbit satellite.

**a. Cable Landing License**

137. To land or operate a submarine cable in the United States, submarine cable operators must obtain a cable landing license from the Commission pursuant to the Cable Landing Licensing Act of 1921<sup>82</sup> and Executive Order No. 10530.<sup>83</sup> The Commission also authorizes assignments or transfers of existing cable landing licenses and modifications of licenses.<sup>84</sup> The Commission coordinates the applications with the Department of State<sup>85</sup> and any other federal agencies, as necessary.<sup>86</sup> The requirements for filing an application for a new cable landing license, assignments or transfers or modifications of existing cable landing licenses are set out in section 1.767 of the Commission's rules.<sup>87</sup> Currently, there are different application fees for new licenses based on whether the license is for a common carrier or non-common carrier license.<sup>88</sup> There are also fees for substantive assignments or transfers of control of a license, and requests for STA.<sup>89</sup>

138. *New Cable Landing License Category.* We propose to create a new cable landing license category. Historically, application fees for cable landing licenses have been included as part of the fee category for section 214 applications in former section 158(g) of the Communications Act.<sup>90</sup> Now that the RAY BAUM'S Act has authorized us to adopt a new schedule of application fees,<sup>91</sup> we propose to create a separate fee category for all cable landing license applications because the processing of those

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<sup>82</sup> 47 U.S.C. §§ 34-39.

<sup>83</sup> Executive Order No. 10530 delegates to the Commission the President's authority under the Cable Landing License Act of 1921 adding that "no such license shall be granted or revoked by the Commission except after obtaining approval of the Secretary of State and such advice from any executive branch department or establishment of the Government as the Commission may deem necessary." Exec. Ord. No. 10530 § 5(a), reprinted as amended in 3 U.S.C. § 301.

<sup>84</sup> 47 CFR §§ 1.767(a)(11), 1.767(g)(6), 1.767(e).

<sup>85</sup> 47 CFR § 1.767(b).

<sup>86</sup> See *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket No. 16-155, Notice of Proposed Rulemaking, 31 FCC Rcd 7456, 7458-59, paras. 6-8 (2016).

<sup>87</sup> 47 CFR § 1.767.

<sup>88</sup> There is one fee for an application for a non-common carrier system (\$19,855). There are two application fees for a common carrier cable system, one for the cable application (\$2,005) and another for the overseas cable construction (\$17,850), which add up to the same amount as the fee for a non-common carrier application.

<sup>89</sup> Currently, there is no application fee for pro forma assignments and transfers of a license, foreign carrier affiliation notifications, amendments, modifications, or Landing Point Notifications (LPNs). We are not proposing fees on amendment or LPNs since these filings are made as part of a pending application.

<sup>90</sup> Former 47 U.S.C. § 158(g) (Schedule of Application Fees) (setting forth under the category of section 214 applications separate application fees for common carrier and non-common carrier submarine cable landing licenses).

<sup>91</sup> 47 U.S.C. § 158.

applications differs significantly from the processing of international section 214 applications. For instance, we are required to coordinate cable landing license applications with the State Department. In addition, new cable landing license applications typically have multiple applicants seeking to become licensees, which requires more extensive staff review.<sup>92</sup> We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
Single cable landing , new license	\$19,855	\$3,835
Assignment/transfer of control, substantive	\$1,195	\$1,230
Assignment/transfer of control, pro forma	n/a	\$675
Foreign Carrier Affiliation Notification	n/a	\$495
Modification	n/a	\$1,230
Renewal	n/a	\$2,440
Special Temporary Authority	\$1,195	\$675
Waiver	n/a	\$335

139. We propose to have a single fee that applies to any new application to construct, land, and operate a submarine cable.<sup>93</sup> Application fees for new cable landing licenses are currently based on whether the application is for a common or non-common carrier license.<sup>94</sup> Currently, the fee for a non-common carrier cable landing license is \$19,855. The fee for a common carrier cable landing license is \$2,005 but the applicant must also pay for an overseas cable construction authorization, which has a fee of \$17,805. The combined total fees for a common carrier application equal the fee for a non-common carrier application, \$19,855. The processing of applications for common carrier and non-common carrier cable landing license applications is the same.<sup>95</sup> We see no reason to continue to separate application fees by common carrier or non-common carrier going forward.

140. New cable landing license applications are filed online using the International Bureau

<sup>92</sup> See, e.g., Application filed by America Europe Connect 2 USA, Inc., America Europe Connect 2 Limited, Edge Cable Holdings USA, LLC, GU Holdings Inc., and Optibulk Havfrue AS (Applicants) for a license to land and operate within the United States a non-common carrier fiber-optic submarine cable system connecting Wall, New Jersey; Blaabjerg, Denmark; Old Head Beach, Leckanvy, Ireland; and Kristiansand, Norway (Havfrue system)., File No. SCL-LIC-20180511-00010 (granted by *Actions Taken Under Cable Landing License Act, Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses* (47 C.F.R. § 1.767(a)), Report No. SCL-00250, Public Notice, 34 FCC Rcd 7969 (IB 2019).

<sup>93</sup> We propose to amend section 1.767(e) which sets out different payment type codes for common carrier and non-common carrier cable landing license applications. 47 CFR § 1.767(e).

<sup>94</sup> Former 47 U.S.C. § 158(g) (Schedule of Application Fees) (setting forth under the category of section 214 applications separate application fees for common carrier and non-common carrier submarine cable landing licenses).

<sup>95</sup> An applicant for a submarine cable landing license that will be operated on a common carrier basis will need to separately apply for an international section 214 authorization for the submarine cable, but that applicant would be subject to the same fee as any other international section 214 application.

Filing System (IBFS) and involve International Bureau staff review. Staff must review the application for compliance with our rules and the technical aspects of the proposed submarine cable system, including information regarding cable landing stations and ownership of the applicants. As noted above, the Commission coordinates the application with the State Department and other federal agencies, as necessary. We estimate that the Commission's resources to process a typical new cable landing license application consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$3,835 in costs for a typical cable landing license application.

141. Applications regarding assignment or transfer of control of a cable landing license can be for either substantive or pro forma transactions. We propose to charge a fee for pro forma assignment or transfer of control applications. Applications to assign or transfer control of a cable landing license are filed online using IBFS and involve International Bureau staff review. The Commission must also coordinate the application with the State Department and other federal agencies, as necessary. Based on our experience, staff conduct a similar review of the pro forma and substantive assignment or transfer of control applications by ensuring compliance with our rules. However, the review of substantive assignment or transfer of control applications takes staff more time than review of pro forma assignments.

142. We estimate the Commission's resources in processing a substantive application to assign or transfer control of a cable landing license consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$1,230 in costs for an application for assignment or transfer of control of a cable landing license. We propose and seek comment on adopting a cost-based filing fee for this application based on this estimate. We estimate the Commission's resources in processing a pro forma application to assign or transfer control of a cable landing license consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$675 in costs for an application for assignment or transfer of control of a cable landing license.

143. A cable landing licensee may request to modify its existing license to make changes such as adding new landing points or to add an additional licensee.<sup>96</sup> We propose to charge a fee for a modification to a cable landing license application.<sup>97</sup> Modifications to a cable landing license application are filed online using IBFS and involve staff review. The Commission also coordinates the modification with the State Department and other federal agencies, as necessary. Currently, there is no fee for a modification. However, staff time is required for processing and reviewing the modification for compliance with our rules. We estimate the Commission's resources in processing a modification to a cable landing license consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$1,230 in costs for a typical modification to a cable landing license application. We propose and seek comment on adopting a cost-based filing fee for this application based on this estimate.

144. We propose to charge fees for additional license applications related to cable landing for which there currently are no fees: renewals, foreign carrier affiliation notifications, and waivers. A cable landing license is issued for a 25-year term from the date when the cable goes into service.<sup>98</sup> A licensee

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<sup>96</sup> For example, Telxius Cable USA, Inc. filed to add a new landing point in the Dominican Republic and to add Telxius Cable American, S.A. as a licensee on the South America-J submarine cable. *See Actions Taken under Cable Landing License Act, Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licensee* (47 C.F.R. § 1.767(a)), SCL-MOD-20180905-0032, Report No. SCL-00255, Public Notice, 34 FCC Rcd 12207 (IB 2019).

<sup>97</sup> We therefore propose to amend section 1.767(e), which states there is no application fee for modification of a cable landing license. 47 CFR § 1.767(e).

<sup>98</sup> 47 CFR § 1.767(g)(15).

may apply to renew the cable landing license.<sup>99</sup> An application to renew or extend an existing cable landing license is filed online using IBFS and involves International Bureau staff review. The Commission will also need to coordinate the application with the State Department and other federal agencies, as necessary. Many cables are reaching their 25-year expiration and recently we received requests for renewal of licenses.<sup>100</sup> Staff time is required for processing and reviewing the renewal application. We estimate the Commission's resources of processing a renewal application consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$2,440 in costs for a renewal of a cable landing license application. Section 1.768 requires a cable landing licensee to file a foreign carrier affiliation notification if it becomes, or seeks to become, affiliated with a foreign carrier that is authorized to operate in the destination market of the submarine cable system.<sup>101</sup> Applicants submit foreign carrier affiliation notification applications electronically through IBFS. We estimate that the Commission's resources in processing a foreign carrier affiliation notification application consist of the following: program analyst review and processing, attorney legal review, and attorney supervisor legal review. Our estimate is that this process involves \$495 in costs. For waivers sought under section 1.767 or 1.768,<sup>102</sup> staff must process the request and review the request under our rules. A standalone waiver request related to the cable landing license rules is filed online using IBFS and involves International Bureau staff review.<sup>103</sup> The Commission may also need to coordinate the waiver request with the State Department and other federal agencies, as necessary. We estimate the Commission's resources in processing a waiver request filed separately from another application consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$335 in costs for a typical request to waive the cable landing license rules that is filed separately from an application.

145. For STA applications, an applicant may request such authority in certain situations, such as to construct and land the submarine cable prior to Commission action on the underlying cable landing license application. STA requests are filed online using IBFS and involve staff review. The Commission may also need to coordinate the STA request with the State Department and other federal agencies, as necessary. We estimate the Commission's resources of processing an STA consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$675 in costs for a typical request for an STA related to a cable landing license. We propose and seek comment on adopting a cost-based filing fee for this application based on this estimate.

146. We seek comment on these proposals.

#### **b. International Section 214 Applications**

147. Any entity that seeks to provide U.S.-international common carrier service must obtain prior Commission approval pursuant to section 214 of the Communications Act by filing an international section 214 application.<sup>104</sup> The application must contain the information required by section 63 of the Commission's rules. The requirements for filing an application for an international section 214

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<sup>99</sup> 47 CFR § 1.767(g)(15).

<sup>100</sup> See, e.g., Application filed by AT&T Corp. (AT&T) on behalf of the Taino-Carib Consortium for a license to renew the authority for the Taino-Carib Cable System, File No. SCL-LIC-20180702-00019, filed June 29, 2018; Application filed by AT&T Corp. on behalf of the Columbus II Consortium for a new cable landing license to allow the continued operation of the Columbus II Cable System, File No. SCL-LIC-20190326-00010, Filed Mar. 25, 2019.

<sup>101</sup> 47 CFR § 1.768.

<sup>102</sup> See 47 CFR § 1.3.

<sup>103</sup> We do not propose to impose a fee for waiver requests that are included in an application since review of the waiver request will be part of the review of the application.

<sup>104</sup> 47 U.S.C. § 214; 47 CFR § 63.18.

authorization are set out in section 63.18 of the Commission's rules.<sup>105</sup> The requirements for an assignment or transfer of control of such an authorization, in turn, are set out in section 63.24.<sup>106</sup> Currently, there is a fee for new international section 214 authorizations, for substantive assignments and transfers of control of the authorization, and requests for STA.

148. The following table summarizes the current application fees where they exist and the cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
International section 214 application, new authorization	\$1,195	\$785
Assignment/transfer of control, substantive	\$1,195	\$1,230
Assignment/transfer of control, pro forma	n/a	\$675
Foreign Carrier Affiliation Notification	n/a	\$495
Modification	n/a	\$675
Special Temporary Authority	\$1,195	\$675
Waiver	n/a	\$335
Discontinuance of services	n/a	\$335

149. Applications to obtain an international section 214 authorization are filed online using IBFS and involve staff review. The Commission may also need to coordinate applications with other federal agencies.<sup>107</sup> We estimate the Commission's resources in processing an application for an international section 214 authorization consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$785 in costs for an application for an international section 214 authorization.

150. Applications regarding assignment or transfer of control of an international section 214 authorization can be for either substantive or pro forma transactions. Currently, there is a \$1,230 fee for substantive assignment or transfer applications. We propose to charge a fee for pro forma assignment or transfer of control applications. Applications to assign or transfer control of an international section 214 authorization are filed online using IBFS and involve staff review. The Commission may also need to coordinate the application with other federal agencies, as necessary. These applications must also be coordinated with other bureaus and offices within the Commission. Based on our experience, staff conduct a similar review for both pro forma and substantive assignment or transfer of control applications by ensuring compliance with our rules. However, the review of substantive assignment or transfer of control applications typically take staff additional time compared to pro forma assignments. We estimate

<sup>105</sup> 47 CFR § 63.18; *see also* 47 CFR § 63.12 (processing of international section 214 applications).

<sup>106</sup> 47 CFR § 63.24; *see also* 47 CFR § 63.12 (processing of international section 214 applications).

<sup>107</sup> *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket No. 16-155, Notice of Proposed Rulemaking, 31 FCC Rcd 7456, 7458-59, paras. 6-8 (2016).



the Commission's resources in processing an application for a substantive assignment or transfer control of an international section 214 authorization consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$1,230 in costs. We estimate the Commission's resources in processing a typical pro forma assignment or transfer control of an international section 214 authorization consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$675 in costs for an application for pro forma assignment or transfer of control of an international section 214 authorization.

151. A carrier may request to modify its international section 214 authorization, for example to change its classification from dominant to non-dominant.<sup>108</sup> We propose to charge fees for a modification to an international section 214 application. Modifications to an international section 214 authorization are filed online using IBFS and involve staff review. The Commission may need to coordinate the modification with other federal agencies, as necessary. We estimate the Commission's resources in processing a modification to an international section 214 application consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$675 in costs for a modification to an international section 214 application.

152. An international section 214 authorization holder or applicant may request an STA in certain situations, such as to provide service prior to Commission action on the underlying application. STA requests are filed online using IBFS and involve staff review. The Commission may also need to coordinate the STA request with other federal agencies, as necessary. We estimate the Commission's resources in processing an STA related to an international section 214 authorization consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$675 in costs.

153. We also propose to charge fees for foreign carrier affiliation notification, waiver requests, and discontinuances of international service. As set forth in section 63.11 of the Commission's rules, if a carrier is authorized by the Commission to provide service between the United States and a particular foreign destination market (i.e., a holder of an international 214 authorization) and it becomes, or seeks to become, affiliated with a foreign carrier that is authorized to operate in that market, then its authorization to provide that international service is conditioned upon notifying the Commission of that affiliation.<sup>109</sup> Applicants submit foreign carrier affiliation notification applications electronically through IBFS. We estimate that the Commission's resources in processing a foreign carrier affiliation notification application consist of the following: program analyst review and processing, attorney legal review, and attorney supervisor legal review. Our estimate is that this process involves \$495 in costs. An individual or entity may request a waiver of the requirements under part 63 of the Commission's rules.<sup>110</sup> A standalone waiver request related to the international section 214 authorization rules is filed online using IBFS and involves International Bureau staff review.<sup>111</sup> We estimate the Commission's resources processing a waiver request filed separately from another application consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$335 in costs for a typical request to waive the international section 214 authorization rules that is filed separately from an application. Any international carrier that seeks to discontinue, reduce, or impair service, including the retiring of international facilities, dismantling or removing of international trunk lines, must file a notification or application, depending on whether the carrier is considered dominant in the provision of a particular international service, pursuant to section 63.19 of the

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<sup>108</sup> See 47 CFR § 63.13.

<sup>109</sup> See 47 CFR § 63.11.

<sup>110</sup> See 47 CFR § 1.3.

<sup>111</sup> We do not propose to impose a fee for waiver requests that are included in an application since review of the waiver request will be part of review of the application.

Commission's rules.<sup>112</sup> Discontinuance notifications and applications are filed online using IBFS and staff process and review them. We estimate that the Commission's costs in processing an international 214 discontinuance consist of the following: industry analyst processing and red-light check, attorney legal review, supervisory review. Our estimate is that this process involves \$335 in costs. We seek comment on these proposals.

**c. Foreign Ownership Petitions for Declaratory Ruling**

154. Section 310(b) of the Communications Act contains specific restrictions on who can hold a broadcast, common carrier, or aeronautical radio station license.<sup>113</sup> Section 310(b)(3) prohibits foreign individuals, governments, and corporations from owning more than 20% of the capital stock of a broadcast, common carrier, or aeronautical radio station licensee.<sup>114</sup> Section 310(b)(4) establishes a 25% benchmark for investment by foreign individuals, governments, and corporations in U.S.-organized entities that directly or indirectly control a broadcast, common carrier, or aeronautical radio station licensee, unless the Commission finds that foreign ownership above that benchmark would serve the public interest.<sup>115</sup> The Commission's rules set out procedures for seeking a prior Commission approval to exceed the benchmarks set out in the statute.<sup>116</sup> The International Bureau processes petitions for declaratory ruling seeking approval to exceed the benchmarks set out in sections 310(b)(3) and 310(b)(4) for common carrier wireless or aeronautical licenses.<sup>117</sup> Currently, there is no fee for a 310(b) petition for declaratory ruling or associated applications.

155. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
Section 310(b) petitions for declaratory ruling	n/a	\$2,485
Waiver	n/a	\$335

156. Section 310(b) petitions for declaratory ruling to exceed the statutory benchmarks in sections 310(b)(3) and 310(b)(4) for a common carrier wireless license are filed online using IBFS and involve staff review. The Commission also coordinates the 310(b) petition for declaratory ruling with other federal agencies, as necessary.<sup>118</sup> Currently there is no fee for a 310(b) petition for declaratory

<sup>112</sup> 47 CFR § 63.19(a); *see id.* (“(b) The following procedures shall apply to any international carrier that the Commission has classified as dominant in the provision of a particular international service because the carrier possesses market power in the provision of that service on the U.S. end of the route. Any such carrier that seeks to retire international facilities, dismantle or remove international trunk lines, but does not discontinue, reduce or impair the dominant services being provided through these facilities, shall only be subject to the notification requirements of paragraph (a) of this section. If such carrier discontinues, reduces or impairs the dominant service, or retires facilities that impair or reduce the service, the carrier shall file an application pursuant to §§ 63.62 and 63.500.”).

<sup>113</sup> 47 U.S.C. § 310(b).

<sup>114</sup> 47 U.S.C. § 310(b)(3).

<sup>115</sup> 47 U.S.C. § 310(b)(4).

<sup>116</sup> 47 CFR §§ 1.5000-1.5004.

<sup>117</sup> The Media Bureau processes petitions for declaratory ruling seeking approval to exceed the benchmarks set out in section 310(b) for broadcast licenses. *See supra* paras. 57, 79, 83, 89.

<sup>118</sup> *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket No. 16-155, Notice of Proposed Rulemaking, 31 FCC Rcd 7456, 7458-59, paras. 6-8 (2016).

ruling but typically the petition includes complex ownership structures and requires substantial review by staff. We estimate the Commission's resources in processing a 310(b) petition for declaratory ruling to exceed the statutory benchmark in section 310(b)(3) or 310(b)(4) consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$2,485 in costs.

157. We propose to charge a fee for waiver requests related to a 310(b) petition for declaratory ruling. An individual or entity may request a waiver of the requirements under sections 1.5000-1.5004.<sup>119</sup> Currently, there is no fee for such a waiver request. A standalone waiver request related to the foreign ownership rules is filed online using IBFS and involves International Bureau staff review.<sup>120</sup> We estimate the Commission's resources in processing a typical waiver request filed separately from a 310(b) petition for declaratory ruling consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$335 in costs for a typical request to waive the foreign ownership rules that is filed separately from a 310(b) petition for declaratory ruling. We seek comment on these proposals.

#### **d. Recognized Operating Agency**

158. Any individual or corporation, other than a government establishment, that seeks recognition to operate an international public correspondence or radio service capable of causing harmful interference and upon which are imposed obligations provided for in Article 44 of the International Telecommunication Convention, must file an ROA application via IBFS.<sup>121</sup> The purpose of the ROA is to assure members of the International Telecommunication Union (ITU) that private communications entities that are not themselves parties to the Convention will nonetheless be required to observe the rights of other member states under the treaty.<sup>122</sup> If the application is approved, a recommendation letter is sent to the State Department.<sup>123</sup> Currently, there is a fee for an ROA application but no fees for any associated requests, such as waivers.

159. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

<b>Application</b>	<b>Current fee</b>	<b>Cost-based estimate for typical application</b>
ROA	\$1,195	\$1,145
Waiver	n/a	\$335

160. We estimate that the Commission's resources in processing an ROA application consist of the following: program analyst review and processing, attorney legal review, and attorney supervisor legal review. Our estimate is that this process involves \$1,145 in costs.

161. We propose to charge a fee for waiver requests related to an ROA. An individual or entity may request a waiver of the requirements under section 63.701.<sup>124</sup> A standalone waiver request

<sup>119</sup> See 47 CFR § 1.3.

<sup>120</sup> We do not propose to impose a fee for waiver requests that are included in a petition for declaratory ruling since review of the waiver request will be part of the review of the petition for declaratory ruling.

<sup>121</sup> See 47 CFR § 63.701.

<sup>122</sup> *International Communications Policies Governing Designation of Recognized Private Operating Agencies, Grants of IRUs in International Facilities and Assignment of Data Network Identification Codes*, CC Docket No. 83-1230, Order on Reconsideration, 2 FCC Rcd 7375, n.6 (1987).

<sup>123</sup> The State Department would then submit a ROA application on behalf of the applicant to the ITU.

<sup>124</sup> 47 CFR § 63.701.

related to an ROA is filed online using IBFS and involves International Bureau staff review.<sup>125</sup> We estimate the Commission's resources in processing a separately filed waiver request consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$335 in costs for a typical request to waive the ROA application rules that is filed separately from an application. We seek comment on these proposals.

**e. Data Network Identification Code**

162. The data network identification code (DNIC) is a four-digit number used to identify data networks and is the central device of the international data numbering plan developed by the ITU and set forth in Recommendation X.121.<sup>126</sup> The primary function of the DNIC is to identify and to facilitate routing of traffic to a particular data-network subscriber. Any public network provider seeking to obtain a DNIC must file an application through IBFS for a request for assignment of a DNIC. Currently, there is no fee for a DNIC.

163. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
DNIC	n/a	\$785
Waiver	n/a	\$335

164. We propose to charge a fee for requesting a DNIC. We estimate that the Commission's resources in processing a DNIC application consist of the following: program analyst review and processing, attorney legal review, and attorney supervisor legal review. Our estimate is that this process involves \$785 in costs. We seek comment on this proposal.

165. We propose to charge a fee for waiver requests related to a DNIC. An individual or entity may request a waiver of the DNIC requirements set forth in the ITU's DNIC guidance. A standalone waiver request related to the DNIC use is filed online using IBFS and involves International Bureau staff review.<sup>127</sup> We estimate the Commission's resources in processing a separately filed waiver request consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$335 in costs for a typical request to waive the DNIC requirements that is filed separately from an application. We seek comment on these proposals.

**f. International Signaling Point Code**

166. The ITU defines a signaling point code as a "part of the label in a signalling [sic] message that uniquely identifies each signalling point which belongs to the international signalling network" and is used for signaling message routing and identification of signaling points at the

<sup>125</sup> We do not propose to impose a fee for waiver requests that are included in an application since review of the waiver request will be part of the review of the application.

<sup>126</sup> *International Communications Policies Governing Designation of Recognized Private Operating Agencies, Grants of IRUs in International Facilities and Assignment of Data Network Identification Codes*, CC Docket No. 83-1230, Report and Order, 104 FCC 2d 208, 262-7, paras. 70-77 (1986), *recon. granted in part*, 2 FCC Rcd 7375, 7378-80, paras. 26-34 (1987). The International Telegraph and Telephone Consultative Committee (CCITT), now known as ITU-T, developed Recommendation X.121. See X.121: International numbering plan for public data networks, <https://www.itu.int/rec/T-REC-X.121/en> (visited Aug. 14, 2019).

<sup>127</sup> We do not propose to impose a fee for waiver requests that are included in an application since review of the waiver request will be part of the review of the application.

international level.<sup>128</sup> Such signaling points are within a Signaling System 7 switch. For this reason, only carriers that operate their own switch would need a signaling point code. Carriers that need an international signaling point code must file an application through IBFS for a Request for Assignment of International Signaling Point Codes (ISPC) for Signaling System No. 7. The ISPC application must include information demonstrating compliance with the standards set forth in ITU-T Recommendation Q.708. Currently, there is no fee for an ISPC or associated requests, such as amendments.

167. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

Application	Current Fee	Cost-based Fee
ISPC	n/a	\$785
Transfer of Control	n/a	\$675
Modification	n/a	\$675
Waiver	n/a	\$335

168. We propose to charge a fee for filing an ISPC. We estimate that the Commission's resources in processing an ISPC application consist of the following: program analyst review and processing, attorney legal review, and attorney supervisor legal review. Our estimate is that this process involves \$785 in costs.

169. We also propose to charge a fee for notification of a transfer of an ISPC from one entity to another in the course of a merger, acquisition, divestiture, or joint venture. FCC staff must review a notification of an ISPC transfer. Although an ISPC transfer application is likely to be filed only in connection with the transfer of control or assignment of the signaling point operator's international section 214 authorization, we believe a fee for the ISPC notification is warranted. Transfer of an ISPC is not necessarily a component of every section 214 transaction,<sup>129</sup> and staff review and processing of the notification will be necessary. Staff review would include coordination with staff reviewing the underlying section 214 transaction. We estimate the Commission's resources in processing a transfer notification consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$675 in costs.

170. Signaling point operators may modify how they use an assigned ISPC. ITU Q.708 requires a notification for changes such as name changes and changing the city where the ISPC is located. Operators must file a modification notification application in the event that they implement such changes. We propose to charge a fee for modification of an ISPC assignment. FCC staff must review an ISPC modification notification and notify the ITU of such changes. We estimate the Commission's resources in processing a modification notification consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$675 in costs.

171. We propose to charge a fee for waiver requests related to an ISPC. An individual or

<sup>128</sup> Standardization (ITU-T), Definition, <https://www.itu.int/rec/T-REC-Q.708/en> (last visited Aug. 14, 2019).

<sup>129</sup> For example, in the event that signaling point operator A is acquired by Company X which already has its own ISPCs, X may not need A's ISPC. In that case, A would instead notify the Commission of the inactivation of its code. We do not propose a fee for code inactivation.

entity may request a waiver of the ISPC requirements set forth in the ITU's ISPC guidance.<sup>130</sup> A standalone waiver request related to the ISPC use is filed online using IBFS and involves International Bureau staff review.<sup>131</sup> We estimate the Commission's resources in processing a separately filed waiver request consist of the following: industry analyst processing and review, staff attorney review, and supervisory review. Our estimate is that this process involves \$335 in costs for a typical request to waive the ISPC requirements that is filed separately from an application. We seek comment on these proposals.

**g. Satellite Earth Stations**

172. Below is a table showing the current fees and proposed fees based on costs for the processing of filings related to earth stations, up to the release of public notice of acceptance for filing and through the first-level of supervision. We propose and seek comment on elimination of some current filing fees, creation of new cost-based filing fees, and addition of filing fees by subdividing some existing fees into separate fees for single and multiple sites.

<b>Application</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
Fixed or Temporary Fixed Transmit or Transmit/Receive Earth Stations, per Call Sign		
Initial application, single site	\$2,985	\$360
Initial application, multiple sites	n/a	\$6,515
Fixed Satellite transmit/receive Earth Stations (2 meters or less operating in the 4/6 GHz band)	\$6,615	Eliminate (use Fixed or Temporary Fixed Transmit or Transmit/Receive Earth Stations, per Call Sign)
Receive Only Earth Stations License or Registration, per Call Sign or Registration		
Initial application or registration, single site, per site	\$450	\$175
Initial application or registration, multiple sites, per system	n/a	\$465
Fixed Satellite Very Small Aperture Terminal (VSAT) Systems, per Call Sign	\$11,015	Eliminate (use Blanket Earth Stations, per Call Sign)
Blanket Earth Stations, per Call Sign	\$11,015 for VSAT Systems	\$360
Mobile Earth Stations, per Call Sign		
Initial Application for Blanket Authorization, per system, per	\$11,015	\$815

<sup>130</sup> Assignment procedures for international signaling point codes, ITU-T Recommendation Q.708, <https://www.itu.int/rec/T-REC-Q.708/en> (last visited May 26, 2020).

<sup>131</sup> We do not propose to impose a fee for waiver requests that are included in an application since review of the waiver request will be part of the review of the application.

Cal Sign		
Initial Application for Individual Earth Station	\$2,645	Eliminate
Amendments to Earth Station Applications or Registrations		
Single Site	\$210	\$430
Multiple Sites	\$210	\$630
Modification of Earth Station Licenses or Registrations, per Call Sign	\$210	\$545
Assignment or Transfer of Control of Earth Station Licenses or Registrations, per Call Sign	\$590 to \$2,945	\$745
Pro Forma Assignment or Transfer of Control of Earth Station Licenses or Registrations, per Call Sign	n/a	\$400
Renewals of Earth Station Licenses, per Call Sign		
Single Site	\$210	\$115
Multiple Sites	n/a	\$145
Earth Station Extension of Construction Permit	\$210	Eliminate
Requests for US Market for Non-US Licensed Space Stations, per request		See Space Stations below

173. We first seek comment on cost-based application fees for licenses for earth stations transmitting, or transmitting and receiving signals, either at a fixed location or temporarily at a fixed location.<sup>132</sup> These licensees include entities that operate earth stations to provide fixed-satellite service (FSS)<sup>133</sup> as well as other services.<sup>134</sup> We propose adopting separate filing fees for applications involving a

<sup>132</sup> Valid authorization must be obtained prior to the use and operation of transmitting earth station facilities within the United States. 47 CFR § 25.102(a). A fixed earth station is “[a]n earth station intended to be used at a fixed position. The position may be a specified fixed point or any fixed point within a specified area.” 47 CFR § 25.103. A temporary fixed earth station is one that is to remain at a single location for fewer than six months. See 47 CFR § 25.277(a).

<sup>133</sup> FSS is “[a] radiocommunication service between earth stations at given positions, when one or more satellites are used; the given position may be a specified fixed point or any fixed point within specified areas; in some cases this service includes satellite-to-satellite links, which may also be operated in the inter-satellite service; the [FSS] may also include feeder links of other space radiocommunication services.” 47 CFR § 25.103.

<sup>134</sup> For example, this fee category would apply to Satellite Digital Audio Radio Service (SDARS) terrestrial repeaters that are licensed on a site-by-site basis. See 47 CFR § 25.144(e)(9)

single site and applications involving multiple sites.<sup>135</sup>

174. We estimate that the Commission's processing of the following types of applications involves five steps, with the particular estimated costs below: program analyst processing the application; program analyst initial review; engineer technical review; program analyst placing the application on public notice; and first-level supervision. Those types of applications are: an initial application for a fixed or temporary fixed transmit or transmit receive earth station: \$360; an initial application for a license or registration of a single receive-only earth station, \$175; an initial application for a license or registration of multiple receive-only earth stations at multiple sites, \$465; an initial application for a blanket earth station license, \$360; an initial application for a mobile earth station fixed blanket license, \$815; amendment to application involving a single earth station site, \$430; an amendment to application involving multiple earth station sites, \$630; a modification application requiring prior Commission approval, \$545; an application for an STA, \$205; an application for renewal of an earth station license involving a single earth station site, \$112; and an application for renewal of an earth station license involving multiple earth station sites, \$145.

175. We propose to create a new application fee for typical applications for initial authority for earth stations with multiple sites, per call sign, including fixed and temporary fixed and transmit and transmit/receive earth stations. We estimate that the Commission's resources in processing an initial application consist of the following: one program analyst processing the application; initial program analyst review; engineer technical review; program analyst placing the application on public notice; and first-level supervision. We estimate this process costs \$6,515.

176. The current application fee for Fixed Satellite transmit/receive Earth Stations (2 meters or less operating in the 4/6 GHz band) is \$6,615. We propose to eliminate this category and replace it with the proposed fee categories for Fixed or Temporary Fixed Transmit or Transmit/Receive Earth Stations. There is no substantive difference in the review process for fixed or temporary fixed earth station applications in the 4/6 GHz band compared with such applications in other frequency bands. Consolidating the filing fee categories for fixed or temporary fixed transmit/receive earth station applications will streamline the fee filing process by eliminating potential mis-categorization and unnecessary sub-categories.

177. We next seek comment on cost-based application fees for earth stations that do not emit radiofrequency signals, but rather are used exclusively to receive signals transmitted by space stations. A license from the FCC is not generally required to operate a receive-only earth station, but a license may be electively requested.<sup>136</sup> Alternatively, a party may seek to register a receive-only FSS earth station with the FCC. Registration of receive-only earth stations does not constitute a license, but rather is a method to record the existence of the earth station so that it may be taken into account for regulatory purposes, such as for coordination with other services to avoid radiofrequency interference. Currently, the initial application fee for licensing or registration of Receive Only Earth Stations is \$465. This fee is for the licensing or registration of a single earth station. As was the case for Fixed or Temporary Fixed Transmit or Transmit/Receive Earth Stations, we propose to adopt separate filing fees for applications involving a single earth station and for those involving multiple earth stations.

178. We seek comment as well on cost-based application fees for blanket earth station facilities, which are earth station systems authorized pursuant to blanket licensing procedures in part 25 of

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<sup>135</sup> An example of a single site application would be one for authority to operate a single transmit/receive gateway station operating under a single call sign in the FSS. An example of a multiple site application would be multiple stations at a single geographic location operating under a single call sign in the FSS.

<sup>136</sup> A license is required for a receive-only earth station if it is receiving signals from a non-US licensed space station that does not have a valid grant of US-market access. See 47 CFR § 25.115(b)(1) (allowing registration, instead of licensing, for receive-only earth stations in the FSS that operate with U.S.-licensed space stations, or with non-U.S. licensed space stations that have been duly approved for U.S. market access).



the Commission's rules.<sup>137</sup> Applications for licenses for Earth Stations in Motion (ESIM)<sup>138</sup> and certain SDARS terrestrial repeaters are included in this fee category.<sup>139</sup> This filing fee category replaces the filing fee category for Very Small Aperture Terminal (VSAT) systems, since the definition of blanket license includes – but also goes beyond – the category of services included in VSAT systems. The Commission eliminated VSAT-specific rules in 2015,<sup>140</sup> and we therefore propose to eliminate the filing fees for VSAT, but the previous VSAT fees will be used as the baseline for evaluating the change in filing fees for blanket licensed earth stations.

179. For Mobile Earth Stations,<sup>141</sup> the Commission has provided for filing fees for blanket licenses which permit the licensing of multiple mobile earth stations under a single application and filing fee. We propose to continue this procedure. We propose and seek comment on cost-based application fees for blanket license applications involving mobile earth stations, communicating with geostationary and non-geostationary satellites.

180. Next, we propose to create separate fee categories for (1) license renewal applications, (2) license modification applications, (3) amendments to applications, and (4) applications for STAs for all categories of earth station licenses, on a per call sign basis. Currently, each earth station fee category includes sub-categories of fees for each of these types of applications. However, the current fees are identical—\$210 in all earth station categories. Consistent with the existing practice, we anticipate that the costs involved in processing applications within any of these four application types will not vary significantly across different earth station categories up through the first-level of supervision. Although in some instances the cost incurred for reviewing an amendment to an application is the same or greater than the application fee itself, it will be more concise to have a single fee category for each of the four types of applications, rather than including separate sub-categories for each category of earth station licenses. Similar to earth station license fee categories, we propose to have separate fees for applications involving a single site and those involving multiple earth station sites. We propose and seek comment on these cost-based application fees.

181. We also propose to create a separate fee category for assignment or transfer of control of all categories of earth station licenses on a per call sign basis. Currently, separate filing fees are assessed for assignment or transfer of control of each category of earth station licenses. Current fees range from \$590 for assignment or transfer of the first station of a Fixed Satellite Transmit/Receive Earth Station license, to \$2,945 for assignment or transfer of a Mobile Satellite Earth Station (per system).<sup>142</sup> In our experience, however, the review of assignment or transfer applications is largely the same regardless of the service being provided, up to the release of public notice of acceptance for filing and up through the first-level of supervision. Accordingly, we propose to create a new cost-based separate fee for all assignments or transfers of control of earth station licenses per call sign, rather than including a separate

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<sup>137</sup> A blanket license is “a license for: (1) [m]ultiple earth stations in the FSS or MSS, or for SDARS terrestrial repeaters, that may be operated anywhere within a geographic area specified in the license; or (2) [m]ultiple space stations in non-geostationary-orbit.” 47 CFR § 25.103.

<sup>138</sup> ESIM is a term that collectively designates Earth Stations on Vessels (ESV), Vehicle-Mounted Earth Stations (VMES), and Earth Station Aboard Aircraft (ESAA) as defined in Commission rules. 47 CFR § 25.103.

<sup>139</sup> See, e.g., 47 CFR § 25.144(e)(2) (stating eligibility requirements for blanket licensing of SDARS terrestrial repeaters).

<sup>140</sup> See *Comprehensive Review of Licensing and Operating Rules for Satellite Services*, Second Report and Order, 30 FCC Rcd 14713, 14778, para. 191 (2015) (deleting the VSAT-specific rules contained in former section 25.134 because they were duplicative of blanket licensing provisions contained in other rule sections).

<sup>141</sup> See 47 CFR § 25.103 (defining “mobile earth station”). We consider a typical mobile earth station application to be one involving communications with a satellite or satellites in geostationary orbit, although communications with non-geostationary satellites are also possible.

<sup>142</sup> 47 CFR § 1.1107.

sub-category for each category of earth station licenses.

182. We estimate that the Commission's resources in processing an assignment or transfer of control consist of the following:<sup>143</sup> program analyst handling the application intake, attorney determining acceptability for filing, program analyst preparing weekly public notice for applications accepted for filing, and Policy Branch Chief first-level supervision. Our estimate is that this process will involve \$745 in costs. In establishing a separate fee category for assignments and transfers that are non-substantial (pro forma) in nature, public notice and prior Commission approval are not needed.<sup>144</sup> Accordingly, the estimated Commission's resources in processing a pro forma assignment or transfer will be consist of the following: program analyst handling the application intake; Policy Branch chief first-level supervision. Our estimate is that this process will involve \$400 in costs.

183. We propose to eliminate the fee category for extensions of construction permits, as earth station construction permits are no longer required under the Commission's rules.<sup>145</sup>

184. Applicants and licensees may request authority to communicate with a non-U.S. licensed space station as part of an earth station application.<sup>146</sup> Currently, there is no additional fee associated with such a request. Below, we propose to adopt a fee based on the costs associated with processing and reviewing requests for U.S. market access involving non-U.S. licensed space stations. We propose that any earth station application that includes a request to communicate with a non-U.S. licensed space station that does not have a valid grant of U.S. market access also pay the filing fees proposed below for space station petitions for declaratory ruling for U.S. market access. An earth station application including a request for U.S. market access involves the same process and review as a space station petition for market access. In addition, unless the same fees are assessed for earth station applications involving requests for U.S. market access, parties may seek to arbitrage the system by shifting all market access requests to earth station filings in order to avoid any future fees adopted for filings of requests for market access by space stations.

#### **h. Space Stations**

185. A space station is a station located on an object which is beyond, is intended to go beyond, or has been beyond, the major portion of the Earth's atmosphere.<sup>147</sup> Valid authorization must be obtained from the Commission prior to the use and operation of a space station.<sup>148</sup> With limited exceptions, approval for orbital deployment and a station license (i.e., operating authority) must be applied for and granted before a space station may be deployed and operated in orbit.<sup>149</sup>

186. The table below summarizes the current application fees where they exist, the proposed cost-based fees, and proposed fees to be eliminated.<sup>150</sup> We propose and seek comment on adopting the

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<sup>143</sup> Typical assignment or transfer of control does not include pro forma assignments or transfer of controls involve non-substantial changes in the control of the license. *See* 47 CFR §§ 25.119(h) and (i).

<sup>144</sup> 47 CFR §§ 25.119 (h) and (i).

<sup>145</sup> 47 CFR § 25.113(a).

<sup>146</sup> 47 CFR § 25.137(a).

<sup>147</sup> 47 CFR 25.103.

<sup>148</sup> 47 CFR § 25.102(a) (stating that "[n]o person shall use or operate apparatus for the transmission of energy or communications or signals by space or earth stations except under, and in accordance with, an appropriate authorization granted by the Federal Communications Commission.")

<sup>149</sup> 47 CFR § 25.113(g).

<sup>150</sup> The term "geostationary space station" has the same meaning as "geostationary-orbit (GSO) satellite" under our rules; that is, "[a] geosynchronous satellite whose circular and direct orbit lies in the plane of the Earth's equator and which thus remains fixed relative to the Earth; by extension, a geosynchronous satellite which remains approximately fixed relative to the Earth." 47 CFR § 25.103.

following cost-based fees for these applications—and we give as an example the current fees for these services.

<b>Filing Category</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
<b>Space Stations, Geostationary Orbit</b>		
Application for Authority to Construct, Deploy, and Operate, per satellite	\$136,930	\$3,555
Application for Authority to Operate, per satellite	n/a	\$3,555
Extension of Launch Authority	\$980	Eliminate <sup>151</sup>
<b>Space Stations, Non-Geostationary Orbit</b>		
Application for Authority to Construct, Deploy, and Operate, per system of technically identical satellites, per Call Sign	\$471,575	\$14,536
Application for Authority to Operate, per system of technically identical satellites, per Call Sign	n/a	\$15,050
Extension of Launch Authority	\$980	Eliminate <sup>152</sup>
<b>Space Stations, Petition for Declaratory Ruling for a Foreign Space Station to Access the United States Market</b>		
Geostationary Orbit	n/a	\$3,555
Non-Geostationary Orbit	n/a	\$15,050
<b>Space Stations, Small Satellites, per Call Sign</b>		
Application to Construct, Deploy, and Operate, per	\$30,000	\$2,175

<sup>151</sup> We propose removing the application fee for extension of launch authority for Geostationary Space Stations as it is the same as a modification. Any request to change to the terms or conditions of an authorization can and should be filed through a request for modification of the authorization. We do not see any reason to preserve a separate application fee for requests to extend authority for launch of geostationary satellites, and elimination of this separate fee category helps to streamline and simplify our fee structures. We seek comment on this proposal.

<sup>152</sup> We propose removing the application fee for extension of launch authority for NGSOs for the same reasons as explained for removal of the application fee for extension of launch authority for GSOs. We seek comment on this proposal.

Call Sign		
Space Stations, Amendments, per Call Sign	\$1,960 for GSO \$6,740 for NGSO	\$1,620
Space Stations, Modifications, per Call Sign	\$9,785 for GSO \$33,685 for NGSO	\$2,495
Space Stations, Assignment or Transfer of Control, per Call Sign	\$9,785 for GSO \$13,480 for NGSO	\$745
Space Stations, Pro Forma Assignment or Transfer of Control, per Call Sign	n/a	\$400
Space Stations, Special Temporary Authority, per Call Sign	\$980 for GSO \$3,375 for NGSO	\$1,435

187. We estimate that the Commission's resources in processing an application to construct, deploy, and operate a GSO consist of the following: industry analyst handling the application intake, attorney determining acceptability for filing, engineer determining acceptability for filing, industry analyst releasing the accepted for filing public notice, Policy Branch chief first-level supervision, and Engineering Branch chief first-level supervision. Our estimate is that this process involves \$3,555 in costs.

188. We seek comment on a new fee category: application for authority to operate per satellite, a space station that is already in orbit as a U.S. licensed space station. We expect that the costs involved in this process are identical to those for authority to construct, deploy, and operate a GSO, since the information required to be reviewed is the same in both cases.

189. We propose to remove the application fee for extension of launch authority as it is the same as a space station modification. Any request to change to the terms or conditions of an authorization can and should be filed through a request for modification of the authorization. We do not see any reason to preserve a separate application fee for requests to extend authority for launch of geostationary satellites, and elimination of this separate fee category helps to streamline and simplify our fee structures.

190. For applications for authority to construct, deploy, and operate, per system of technically identical satellites, per call sign include NGSO satellites<sup>153</sup> providing fixed-, mobile-, and earth-exploration satellite services,<sup>154</sup> we estimate that the Commission's resources in processing the application consist of the following: industry analyst handling the application intake, attorney determining acceptability for filing, engineer determining acceptability for filing, industry analyst preparing weekly accepted for filing public notice, Policy Branch chief first-level supervision, and Engineering Branch

<sup>153</sup> Simply put, a non-geostationary space station is a space station operated in any orbit other than geostationary orbit. It includes space stations in low-Earth orbit (LEO), medium-Earth orbit (MEO), and highly-elliptical orbit (HEO).

<sup>154</sup> NGSO satellites have also been used in the past to provide Satellite Digital Audio Radio Service (SDARS), although none do so at this time.

chief first-level supervision. Our estimate is that this process involves \$15,050 in costs.

191. We seek comment on a new fee category: application for authority to operate per system, a space station that is already in orbit, as a U.S. licensed space station. We expect that the costs involved in this process are identical to those for authority to construct, deploy, and operate Non-Geostationary Space Stations, per system, since the information required to be reviewed is the same in both cases.

192. The Commission assesses application fees involving space stations (both in geostationary and in non-geostationary orbits) licensed, or to be licensed, by the Commission, but does not currently have an application fee for petitions for foreign-licensed space stations to access the U.S. market. These petitions involve the submission and review of essentially the same information as provided in applications (that is, Form 312, Schedule S, and Technical and Legal Narratives) involving U.S.-licensed space stations,<sup>155</sup> with very similar costs of processing. The costs up through the first-level of supervision are identical for both applications for U.S. licenses and petitions for declaratory ruling to access the U.S. market. In both cases, the same documentation is required to be prepared and reviewed. Thus, pursuant to the requirement of the RAY BAUM'S Act that we recover the costs of processing filings,<sup>156</sup> we seek comment on adopting a new application fee for petitions for declaratory ruling to access the U.S. market by foreign licensed space stations.

193. Small satellites typically are associated with small size, short duration missions, and relatively low cost. In the *Small Satellite Report and Order*,<sup>157</sup> the Commission adopted rules governing licensing of these small satellites and adopted an interim application fee for small satellites of \$30,000.<sup>158</sup> After review of anticipated costs involved with the processing of all space station filing fees, we propose and seek comment on a new cost-based application fees for satellites that are able to be licensed under the small satellite rules, based on the estimated costs involved in processing the applications. We estimate that the Commission's resources in processing a small satellite application to construct, deploy, and operate, per system, will consist of the following: industry analyst handling the application intake, including checking fee payment, entering data in IBFS, and routing application to branch chiefs, attorney determining acceptability for filing, engineer determining acceptability for filing, industry analyst preparing weekly public notice for applications accepted for filing, Policy Branch chief first-level supervision, and Engineering Branch chief first-level supervision. Our estimate is that this process will involve \$2,103 in costs.

194. We propose to create a separate fee category for amendments of all categories of space filings on a per call sign basis. There are currently separate fees for amendments of filings involving geostationary and non-geostationary satellites; the fee for amendments for Space Stations (Geostationary) is currently \$1,960; the fee for amendments for Space Stations (NGSO) is \$6,740. The costs involved with amendments up through the first-level of supervision are likely to be similar for both geostationary and non-geostationary space stations, as well as for small satellites, since the information reviewed in all cases will be the same and the standard for acceptability for filing is also the same.<sup>159</sup> It will be more

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<sup>155</sup> 47 CFR § 25.137(b) (requiring an entity seeking U.S. market access by a non-U.S. licensed space station to provide "an exhibit providing legal and technical information for the non-U.S. licensed space station of the kind that § 25.114 would require in a license application for that space-station, including but not limited to, information required to complete Schedule S.")

<sup>156</sup> 47 U.S.C. § 158(a).

<sup>157</sup> *Streamlining Licensing Procedures for Small Satellites*, IB Docket No. 18-86, Report and Order, 34 FCC Rcd 13077 (2019) (*Small Satellite Report and Order*).

<sup>158</sup> This application fee is not yet effective. See *Small Satellite Report and Order* (clarifying as of May 2020 that the small satellite application fee will be effective 30 days following publication of the *Small Satellite Report and Order* in the Federal Register).

<sup>159</sup> 47 CFR § 25.116(e) (stating that "[a]mendments to space station applications must be filed on Form 312 and Schedule S" without distinction to whether application involves geostationary or non-geostationary satellites.)

concise to have a single fee category for all amendments to space station applications, rather than including a separate sub-category for amendments for each category of space station licenses.

195. An application for amendment of a pending application or petition for declaratory ruling involving geostationary, non-geostationary satellites, or small satellites, adds satellites, frequencies, or changes orbital location, but does not constitute a major amendment resulting in loss of place in the processing round.<sup>160</sup> Under existing Commission rules, an entity requesting access to the United States market through a non-U.S.-licensed space station pursuant to a petition for declaratory ruling may amend its request by submitting an additional petition for declaratory ruling.<sup>161</sup> We estimate that the Commission's resources in processing amendments to applications for space stations consist of the following:<sup>162</sup> industry analyst handling the application intake, including checking fee payment, entering data in IBFS, and routing application to branch chiefs, attorney determining acceptability for filing, engineer determining acceptability for filing, industry analyst preparing weekly public notice for applications accepted for filing, Policy Branch chief first-level supervision, and Engineering Branch chief first-level supervision. Our estimate is that this process will involve \$1,620 in costs.

196. Currently there is no fee associated with requests involving U.S. market access by non-U.S.-licensed space stations, so the fee is zero regardless of whether the amendment is made through another petition for declaratory ruling, or through an amendment, and in practice many petitioners for U.S. market access have sought to amend their pending petitions through amendments, rather than new petitions for declaratory ruling. Because we are proposing to assess fees on requests for U.S. market access in order to recover the costs involved with these requests, we propose to include amendments to a pending petition for U.S. market access in the Space Stations, Amendments fee category and we seek comment on this proposal.

197. As a general matter, no modification of a station license that affects the parameters or terms and conditions of the station authorization can be made except upon application to and grant of such application by the Commission.<sup>163</sup> We propose to create a separate fee category for filings to modify all categories of space station license approvals on a per call sign basis. Currently, there are separate fees for modifications depending on whether the space station involved is in geostationary or non-geostationary orbit: the fee for modification for Space Stations (GSO) is currently \$9,785; the fee for modification for Space Stations (NGSO) is \$33,685. The costs involved with applications for modification through accepted for filing public notice and up to first-level supervision are similar for both geostationary and non-geostationary space stations, as well as for small satellites, since the information reviewed in all cases will be the same and the standard for acceptability for filing is also the same.<sup>164</sup> We estimate that the Commission's resources in processing modification requests will consist of the following: industry analyst handling the application intake, attorney determining acceptability for filing, engineer determining acceptability for filing, industry analyst preparing weekly public notice for applications accepted for filing, Policy Branch chief first-level supervision, and Engineering Branch chief first-level supervision. Our estimate is that this process will involve \$2,495 in costs.

198. Commission rules permit requests for modification of U.S. market access grants.<sup>165</sup>

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<sup>160</sup> 47 CFR § 25.116(c).

<sup>161</sup> 47 CFR § 25.137(e).

<sup>162</sup> A typical amendment does not rise to the level of a major amendment as set forth by Commission's rules. *See* 47 CFR §§ 25.116(b) and (c).

<sup>163</sup> 47 CFR § 25.117a).

<sup>164</sup> 47 CFR §§ 25.117(d)(1) (stating that "applications for modifications of space station authorizations shall be filed in accordance with § 25.114, but only those items of information listed in § 25.114 that change need to be submitted, provided the applicant certifies that the remaining information has not changed" without regard to whether the space station authorization is for a geostationary or non-geostationary satellite).

<sup>165</sup> 47 CFR §§ 25.117(d) and 25.137(f).

Currently, no fee is assessed for such modification applications, consistent with Commission policy of not assessing fees involving grants of U.S. market access. The process and costs involved in reviewing modification requests involving non-U.S. licensed satellites are generally the same as those for modifications of licenses issued by the FCC. Because we are proposing to assess fees on filings involving requests for U.S. market access in order to recover the costs involved with these requests, we propose to include modifications to a grant of U.S. market access in the Space Stations, Modifications fee category.

199. An application is required to be filed and granted before a space station license can be transferred, assigned, or disposed of (voluntarily or involuntarily, directly or indirectly, or by transfer of control of any corporation or any other entity).<sup>166</sup> We propose to create a separate fee category for filings to assign or transfer control of all categories of space station licenses on a per call sign basis. Currently, there are separate fees for assignments and transfers of control depending on whether the space station involved is in geostationary or non-geostationary orbit: the fee for assignment or transfer of control for Space Stations (GSO) is currently \$9,785; the fee for assignment or transfer of control for Space Stations (NGSO) is \$13,480. The costs involved with applications for assignment or transfer of control up through the first-level of supervision are likely to be similar for both geostationary and non-geostationary space stations, as well as for small satellites, since the information reviewed in all cases will be the same and the standard for acceptability for filing is also the same. We estimate that the Commission's resources in processing of applications for assignment or transfer of control include the following:<sup>167</sup> industry analyst handling the application intake, attorney determining acceptability for filing, industry analyst preparing weekly public notice for applications accepted for filing, and Policy Branch chief first-level supervision. Our estimate is that this process will involve \$719 in costs.

200. Commission rules do not require prior Commission consent to an assignment or transfer of control of a grant of U.S. market access by a non-U.S. licensed space station. Instead, a non-U.S. licensed satellite operator that acquires control of a non-U.S. licensed space station that has been permitted to serve the United States must notify the Commission within 30 days after consummation of the transaction so that the Commission can afford interested parties an opportunity to comment on whether the transaction affected any of the considerations we made when we allowed the satellite operator to enter the U.S. market.<sup>168</sup> Currently, no fee is assessed for such assignments or transfers of control involving non-U.S. licensed space stations, consistent with Commission policy of not assessing fees involving grants of U.S. market access. The process and costs involved in reviewing assignments and transfers of control involving non-U.S. licensed satellites are generally the same as those for assignments and transfers of control of licenses issued by the FCC up through the first-level of supervision. Because we are proposing to assess fees on filings involving requests for U.S. market access in order to recover the costs involved with these requests, we propose to include assignment and transfer of control of a grant of U.S. market access in the Space Stations, Assignment or Transfer of Control fee category. We also seek comment on whether a separate fee category should be established for assignments and transfers that are non-substantial (pro forma) in nature. In these instances, public notice and prior Commission approval are not needed.<sup>169</sup> Accordingly, the estimated Commission's costs in processing a typical pro forma assignment or transfer will consist of the following: program analyst handling the application intake, Policy Branch chief first-level supervision. Our estimate is that this process will involve \$400 in costs.

201. In circumstances requiring immediate or temporary use of facilities, request may be made

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<sup>166</sup> 47 CFR § 25.119(a).

<sup>167</sup> Typical assignment or transfer of control does not include pro forma assignments or transfer of controls involve non-substantial changes in the control of the license. *See* 47 CFR §§ 25.119(h) and (i). Such pro forma assignments or transfers of control would constitute "simple" filings.

<sup>168</sup> 47 CFR § 25.137(g).

<sup>169</sup> 47 CFR §§ 25.119 (h) and (i).

for STA to install and/or operate new or modified equipment.<sup>170</sup> The Commission may grant a temporary authorization only upon a finding that there are extraordinary circumstances requiring temporary operations in the public interest and that delay in the institution of these temporary operations would seriously prejudice the public interest.<sup>171</sup> The Commission may grant a temporary authorization for a period not to exceed 180 days, with additional periods not exceeding 180 days, if the Commission has placed the STA request on public notice.<sup>172</sup> The Commission may grant STA without placing the request on public notice first, if the request is for a period not to exceed 30 days, or the period is not to exceed 60 days and the applicant plans to file a request for regular authority for the service.<sup>173</sup>

202. We propose to create a separate fee category for an STA for all categories of space station license applications on a per call sign basis.<sup>174</sup> Currently, there are separate fees for an STA depending on whether the space station involved is in geostationary or non-geostationary orbit: the fee for an STA for Space Stations (GSO) is currently \$980; the fee for an STA for Space Stations (NGSO) is \$3,375. The costs involved with applications for an STA through accepted for filing public notice and up to first-level supervision are likely to be similar for both geostationary and non-geostationary space stations, as well as for small satellites, since the information reviewed in all cases will be the same and the standard for acceptability for filing is also the same.<sup>175</sup>

203. We estimate that the Commission's resources in processing an application for Space Stations STA, per call sign, consist of the following: industry analyst handling the application intake, attorney determining acceptability for filing, engineer determining acceptability for filing, industry analyst preparing weekly public notice for applications accepted for filing, Policy Branch chief first-level supervision, and Engineering Branch chief first-level supervision. Our estimate is that this process will involve \$1,435 in costs.

#### **i. Direct Broadcast Satellites**

204. We propose removing this fee category and using application fees and categories for Geostationary Space Stations instead. In September 2019, the Commission revised and updated the rules governing DBS processing procedures to align them with the streamlined processing procedures for GSO FSS satellites.<sup>176</sup> The Commission found that there is little difference technically between GSO FSS satellite systems and DBS systems in geostationary orbit, and that DBS license applications could be processed in the same manner as GSO FSS satellites under a first-come, first-served basis.<sup>177</sup> Given the technical and regulatory similarities between GSO FSS satellites and DBS satellites, there is no need to maintain a separate filing fee for DBS satellites, and we propose to assess filing fees for DBS satellites

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<sup>170</sup> 47 CFR § 25.120(a).

<sup>171</sup> 47 CFR § 25.120(b)(1).

<sup>172</sup> 47 CFR § 25.120(b)(2).

<sup>173</sup> 47 CFR §§ 25.120(b)(3) & (4).

<sup>174</sup> Because grants of U.S. market access are not authorizations and non-U.S. licensed space stations are not licensed by the FCC, an STA is not available for space stations operations involved with access to the U.S. markets. Accordingly, no filing fees are being proposed for STAs involving grants of market access. Earth station licensees, however, have and may continue to request an STA to communicate with non-U.S. licensed space stations, and filing fees for such requests are covered by the proposed filing fee for Earth Stations, Special Temporary Authority, above.

<sup>175</sup> 47 CFR §§ 25.120(a) (setting forth the requirement for all requests for STA, namely that "[t]he request must contain the full particulars of the proposed operation including all facts sufficient to justify the temporary authority sought and the public interest therein.")

<sup>176</sup> *Amendment of the Commission's Policies and Rules for Processing Applications in the Direct Broadcast Satellite Service*, Report and Order, 34 FCC Rcd 9016 (2019) (*DBS Streamlining Report and Order*).

<sup>177</sup> *DBS Streamlining Report and Order*, 34 FCC Rcd at 9016-17, para. 8.



under the proposed fees for geostationary space stations, which also apply to GSO FSS satellite applications.

**j. Unified Space and Earth Station Licenses**

205. The Commission has sought comment on a proposal to create a new unified license that would include authority for both space stations and earth stations in a single grant.<sup>178</sup> Currently, the Commission issues separate licenses for earth stations and space stations and has separate, and different, application requirements for each.<sup>179</sup> As a result, there are separate fees associated with applications for earth or space station licenses, which we have proposed to update as set forth above. The proposal to create a unified earth and licensing regime is pending before the Commission at the time of the release of this item.

206. As part of the proposal, the Commission sought comment on creating a new application fee category for unified space station/earth station licenses based on the fees for space station applications and sought comment on the appropriate values for the various types of applications.<sup>180</sup> Alternatively, the Commission sought comment on applying the space station application fees to unified license applications as well.<sup>181</sup>

207. In light of the changes proposed above to space and earth station filing fees, we seek additional comment on the appropriate fees that would apply to applications for unified licenses if this proposal is adopted in some form. Because the proposal is pending before the Commission, the exact nature and scope of any unified license, or the precise mechanics for applying for it, have not yet been decided. Nonetheless, we seek comment on what the appropriate fee would be for applications for unified space station/earth station licenses based on the prior proposal and taking into account the revised fees proposed above.

208. The RAY BAUM'S Act requires that application fees recover the Commission's costs in processing the application.<sup>182</sup> Accordingly, should any new fee for a unified license simply be the sum of the filing fees for the component space and earth station authorizations, since the unified license would require review of legal and technical parameters of both space and earth station operations? Do the revised filing fees proposed above sufficiently account for any reduction in the information required to be submitted and reviewed under the proposal for a unified license, or any other administrative efficiencies of a unified license? For example, under the Commission's proposal, a unified license applicant would be allowed to omit certain earth station information that is redundant with the information provided for the space station, thereby saving Commission staff review time.<sup>183</sup> It may be the case that including blanket earth station authorization in a unified license requires little more information, or review, than the satellite network description already provided in a space station license application. If so, and depending on the implementation of any new, unified license, would it be appropriate to apply the space station application

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<sup>178</sup> *Further Streamlining Part 25 Rules Governing Satellite Services*, Notice of Proposed Rulemaking, 33 FCC Rcd 11502 (2018) (*Part 25 Streamlining NPRM*).

<sup>179</sup> *Part 25 Streamlining NPRM*, 33 FCC Rcd at 11503, para. 4.

<sup>180</sup> *Id.* at 11505, para. 12. The Commission proposed that this new application fee category could include initial license applications, license modifications, license transfers, and requests for STA. *Id.*

<sup>181</sup> *Id.*

<sup>182</sup> 47 U.S.C. § 158(a).

<sup>183</sup> See, e.g., *Part 25 Streamlining NPRM*, 33 FCC Rcd at 11504-05, para. 10 (proposing that if a unified license applicant for a GSO FSS network "certified compliance with standard uplink power levels in Section 25.140, it would not need to provide any additional information on earth station performance or verified performance currently required by sections 25.115(a) or 25.132"). In an earth station license application, however, this earth station information may continue to be filed, and reviewed, and considered when calculating the general earth station application fees.

fee schedule to unified license applications, or to create a new category of filing fees that would be less than the sum of the fees of the comparable space and earth station filings? How should filing fees be applied to requests for modification of licenses or amendments to pending applications that affect only the information provided for either the space station operations or the earth station operations? Should new unified license filing fee categories be created in each of those instances, or should the fee assessed be the fee for the equivalent space or earth station filing?

209. Furthermore, how would filing fees for unified license applications apply to requests for access to the U.S. market by non-U.S. licensed satellites? Would the manner of application of the fees differ depending on whether we adopt the proposal above to apply filing fees to requests for U.S. market access?

#### **k. International Broadcast Stations**

210. An International Broadcast Station (IBS) uses broadcast frequencies between 5,950 kHz and 26,100 kHz to provide its broadcast service which is intended to be received in foreign countries.<sup>184</sup> This service also is known as High Frequency Broadcasting (HF) or Shortwave Broadcasting. Unlike other broadcasting services, HF broadcasters are authorized frequencies on a seasonal basis. Currently, two seasons exist: a Summer season and a Winter season. The adjustment of frequencies between seasons results mainly from changes in propagation conditions, altered programming needs, and objectionable interference situations.

211. The following table summarizes the current application fees where they exist and the proposed cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

<b>Application</b>	<b>Current Fee</b>	<b>Cost-Based Fee</b>
IBS New Construction Permit	\$3,340	\$4,010
IBS Construction Permit Modification	\$3,340	\$4,010
IBS New License	\$755	\$905
IBS License Renewal	\$190	\$230
IBS Frequency Assignment	\$70 (per frequency hour)	\$80
IBS Transfer of Control	\$120	\$595
IBS STA	\$200	\$395

212. Applications for a new construction permits and those for modified construction permits have a high level of complexity and requires significant engineering analysis to process. We estimate that the Commission's resources in processing either an application for a new IBS construction permit or a construction permit modification consist of the following: engineer technical and administrative review, engineer supervisory review. Our cost estimate of this process for either type of application is \$4,010.

213. Applications for a new license require moderate engineering technical and administrative attention. We estimate that the Commission's resources in processing an application for an IBS License

<sup>184</sup> See 47 CFR § 73.701(a) (defining IBS as “[a] broadcasting station employing frequencies allocated to the broadcasting service between 5900 and 26100 kHz, the transmissions of which are intended to be received directly by the general public in foreign countries. (A station may be authorized more than one transmitter.) There are both Federal and non-Federal Government international broadcast stations; only the latter are licensed by the Commission . . . .”

consist of the following: engineer administrative review, engineer supervising. Our cost estimate of this process is \$905. An IBS license renewal application involves moderate engineering technical and administrative attention. We estimate that the Commission's resources in processing an application for renewal consist of the following: engineer administrative review. Our cost estimate of this process is \$230.

214. Other applications require significant or moderate engineering or legal analysis. An application for frequency assignment requires significant engineering analysis to process. We estimate that the Commission's resources in processing an application for a new IBS Construction Permit consist of the following: engineer technical and administrative review. Our cost estimate of this process is \$80 per frequency hour. An IBS transfer of control involves significant legal analysis. We estimate that the Commission's resources in processing an IBS Transfer of Control application consist of the following: attorney review of application, attorney supervising, attorney reviewing multiple ownership, attorney reviewing pleadings, attorney reviewing written disposition. Our cost estimate is of this process is \$595. An STA involves moderate engineering and administrative processing. We estimate that the Commission's resources in processing an IBS STA consist of the following: engineer technical and administrative review, supervisory engineer review. Our cost estimate of this process is \$395. We seek comment on these proposals.

#### **I. Permit to Deliver Programs to Foreign Broadcast Stations**

215. An application for 325(c) authorization for a new license, license renewal, license transfer of control, or STA is received in electronic or hard copy format and reviewed for completeness. If the application is complete, then it will be placed on Public Notice for 30 days and reviewed. The application also is reviewed by IB/Cross Border Staff Engineer (AM, FM or TV) to ensure foreign station facilities are accurate and approved via Treaty guidelines. Upon a positive review of application by IB engineering and legal the application is uploaded into IBFS. The application is coordinated with the Media Bureau and Enforcement Bureau for further analysis, enforcement violations, and possible ownership/applicant issues. If there are no problems, then the application will be granted, and the Public Notice of the grant will be released.

216. The following table summarizes the current application fees where they exist and the proposed cost-based fees. We propose and seek comment on adopting the following cost-based fees for these applications—and we give as an example the current fees for these services.

<b>Application</b>	<b>Current Fee</b>	<b>Cost-based Fee</b>
325(c) New License	\$110	\$360
325(c) License Modification	\$110	\$185
325(c) License Renewal	\$110	\$155
325(c) STA	\$110	\$155
325(c) Transfer of Control	\$110	\$260

217. Applications related to 325(c) require the filing of FCC form 308 under a new authorization (except applications for license renewal, which may be made under extension of existing authority). We estimate that the Commission's resources in processing 325(c) applications for a new 325(c) license consist of the following: engineer technical and compliance review, attorney review. Applications for a new 325(c) license involve legal analysis and minor engineering and technical compliance review. Our estimate is that the cost of this process is \$360. Applications for a 325(c) license modification involve legal analysis and minor engineering and technical compliance review. Our estimate is that the cost of this process is \$180. Applications for a 325(c) license renewal involve legal analysis. Our estimate is that the cost of this process is \$155.

218. Applications for a 325(c) STA involve legal analysis and minor engineering and technical compliance review. Our estimate is that the cost of this process is \$150. Applications for a 325(c) transfer of control involve legal analysis.<sup>185</sup> We estimate that the Commission's costs in processing a 325(c) transfer of control application consist of the following: attorney review. Our estimate is that the cost of this process is \$260. We seek comment on these proposals.

**m. International Fixed Public Radio**

219. We propose eliminating this fee category from the application fee schedule because this service was removed from the Commission's rules in 2010.<sup>186</sup> We seek comment on this proposal.

**B. Exemptions**

220. Among the changes made by the RAY BAUM's Act is the inclusion of noncommercial radio station and television station licensees as statutorily exempt from fees.<sup>187</sup> Because this new statutory exemption codifies the regulatory exemption found in section 1.1116 of the Commission's rules, no amendment to the rule in regard to noncommercial radio station and television station licenses is necessary. Congress did not otherwise add further exemptions to the statutory list of exempt entities and therefore we do not propose further exemptions to section 1.1116 here. We further note that because Congress elected not to update the list of application fees, but instead directed the Commission to do so, applications that were previously not subject to fees will now be subject to fees under our proposals above. If additional exemptions are sought by commenters, we direct commenters to provide relevant authority and/or legislative history that would support modifying the limited Congressional list of exemptions. Moreover, commenters should address the legal effect of the limited list of exemptions adopted by Congress.

221. In 2019, as part of the Commission's ongoing effort to maximize spectrum use in the commercial marketplace, the Commission issued an order in which it eliminated eligibility, educational use and leasing restrictions for EBS licenses, clearing the way for commercial, non-educational use of the channels within the 2.5 GHz Band previously reserved for EBS services.<sup>188</sup> In light of these transformational changes, we propose to eliminate section 1.1116(e)(4) of the Commission's regulations, which exempts EBS licensees from application fees. We seek comment on this proposal.

222. Section 8(d)(2) of the RAY BAUM'S Act allows the Commission to eliminate an application fee when the Commission determines that the cost of collecting the fee exceeds the amount collected.<sup>189</sup> Specifically, section 8(d)(2) provides that "[i]f in the judgment of the Commission, the cost of collecting an application fee established under this section would exceed the amount collected, the Commission may by rule eliminate such fee."<sup>190</sup>

223. In the FY 2019 regulatory fee proceeding we discussed implementation of a similar provision, section 9(e)(2) of the RAY BAUM's Act, which permits the Commission to exempt a

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<sup>185</sup> We note that this category of fees is solely for transfer of control requests of an existing section 325(c) permit. If any other aspect of the relevant section 325(c) permit is changing, along with the transfer of control, such as the programming content or language permitted under the existing section 325(c) permit, such an application would fall outside of this category of fees.

<sup>186</sup> In 2010, the Commission eliminated Part 23 of its rules governing International Fixed Public Radiocommunication Services. *Elimination of Part 23 of the Commission's Rules*, IB Docket No. 05-216, Report and Order, 25 FCC Rcd 541 (2010).

<sup>187</sup> 47 U.S.C. §158(d)(1)(C).

<sup>188</sup> *Transforming the 2.5 GHz Band*, Report and Order, 34 FCC Rcd 5446, 5450, para. 14 (2019).

<sup>189</sup> 47 U.S.C. § 158(d)(2).

<sup>190</sup> 47 U.S.C. § 158(d)(2).

regulatory fee if the cost of collecting the fee is more than the fee itself.<sup>191</sup> We then adopted a \$1,000 de minimis regulatory fee exemption based on our estimate that the cost of collecting a delinquent regulatory fee debt would exceed \$1000.<sup>192</sup>

224. Unlike delinquent regulatory fees, the Commission has no or nominal collection costs for delinquent application fees, for the simple reason that we do not consider or grant applications for which application fees are owed unless the fee is paid at the time of filing. Occasionally, an applicant will, in lieu of paying an application fee, file a waiver and deferral request when it files its application, and under those circumstances the relevant bureau may process the pending application before a decision on the waiver request has issued. If the waiver request is denied thereafter, the Commission may incur costs to collect the application fee debt. These circumstances however are infrequent and do not merit implementation of a rule based on section 9(e)(2) of the statute. We therefore do not propose to create such a rule at this time.

### C. Large and Small Application Fees

225. Under section 9A(e)(1) of the RAY BAUM'S Act, the Commission must permit payment of large application fees in installments.<sup>193</sup> Neither the RAY BAUM'S Act itself nor the act's legislative history defines "large" fees. In determining how to define "large" for the purpose of implementing this provision, we aim to adopt a rule for large fee installment payments that can be fairly and efficiently administered, without undue administrative burden or cost. With that aim in mind, we seek comment on how to define "large" fees. Should we define a fee as large if it exceeds a specified amount, for example \$20,000, or should we define a fee as large on some other basis, and if so, on what basis and why? Also pertinent to the determination of what constitutes a large fee is whether we should consider individual application fees or whether we should aggregate application fees in some way, for example, by licensee and/or by fees that arise within a specified timeframe, in defining "large" fees. We note that many of the fees that we have proposed in this item are lower than their current counterparts; even so, those or other fees when aggregated, as in the case of a bidder that wins multiple licenses at auction, could be large.

226. We also seek comment on how to structure an installment payment program for large fees. For example, should we require payment of all fee installments for an application before the application is filed, or should we permit an application to be filed with less than full payment of the fee, with fee or the balance of the fee to be paid in installments? Or should we require the installments to be paid while the application is pending but before final disposition? We seek comment on how we should protect the Commission against the risk of non-payment if we permit an applicant to pay its fee in installments after the application is filed. For example, should we condition a grant on full payment of the fee, the effect of which would void any grant in the event of nonpayment? Bearing in mind that the Supreme Court's decision in the *Nextwave* case<sup>194</sup> severely curtails the Commission's ability to cancel a license for nonpayment when a licensee files bankruptcy, are there other protections against nonpayment risk that the Commission should consider? In certain circumstances, (e.g., when a party demonstrates financial inability to pay a fee or other debt to the Commission), the Commission will permit the debt then due to be repaid in installments. In those cases, we fix the terms of repayment, such as the interest rate to be assessed, based on our determination of the risk of nonpayment. If we permit a large fee to be paid in installments after an application is filed, should we employ a similar construct? And more generally, how many installment payments should we permit and over what term?

227. Under section 9A(e)(2) of the RAY BAUM'S Act, the Commission must permit payment of application fees "in small amounts, in advance for a number of years not to exceed the term of the

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<sup>191</sup> 47 U.S.C. § 159(e)(2).

<sup>192</sup> *FY 2019 Report and Order*, 34 FCC Rcd at 8206, para. 47.

<sup>193</sup> 47 U.S.C. § 159a(e)(1).

<sup>194</sup> *F.C.C. v. NextWave Personal Communications Inc.*, 537 U.S. 293 (2003).

license held by the payor.”<sup>195</sup> Again, the RAY BAUM’S Act does not define “small” for the purpose of implementing section 9A(e)(2). In the regulatory fee context, where a similar statutory provision was enacted in 1994,<sup>196</sup> we began by defining “small” fees as fees that would be inefficient to collect on an annual basis and more efficient to collect in total upfront,<sup>197</sup> and by permitting a small fee licensee to prepay its annual regulatory fees for the entire term of their license by paying an amount equal to the first year regulatory fee times the number of years in the license term concurrently with the licensee’s new, renewal or reinstatement application.<sup>198</sup> That precedent, while helpful in considering how to define “small” fees, is not helpful in otherwise fashioning a companion rule for application fees, which unlike regulatory fees, are neither regular nor predictable during the term of a license. Though construction related applications and fees are sometimes required of licenses won at auction, the great majority of licensees do not know what applications they might need or want to file during a license term. We therefore seek comment on how and under what circumstances to implement such a rule, as well as how to define “small” fees for the purpose of the rule. Specifically, should we focus our efforts on defining small fees in the auction context or are there other circumstances in which this rule can be usefully applied? How should we define small fees in the auction or other contexts and how should we structure payment of those fees? To the latter question, should we simply permit an applicant to pay all of its anticipated small fees at rates then applicable, as we have for small regulatory fees?

#### **D. Framework for Section 8 Fees**

228. Above we explained the specific fee proposals under the reformulated Section 8. In this section, we describe our section 8 authority in context with our other fee setting authority, we discuss economic concepts related to our fee statute, and we also seek proposals to make our process less burdensome for all entities. In particular, we seek comment on whether our proposed fee setting methodologies could be improved or changed to ensure that our application fees accurately reflect the Commission’s cost of processing the applications. Moreover, we seek comment on how the reformulation of our authority under Section 8 impacts the Commission’s responsibilities in assessing and collecting application fees. Commenters should discuss any effect on the Commission’s proposed application fee methodology explained in detail above as it relates to the reformulation of the requirements under section 8.

229. In seeking comment, we remind commenters that our section 8 authority is distinct from the Commission’s authority with respect to other collections. In particular, the Commission is required by Congress to assess and collect as an offsetting collection regulatory fees each year in an amount that can reasonably be expected to equal the amount of the Commission’s Salaries and Expenses (S&E) annual appropriation.<sup>199</sup> The Commission is also directed by Congress to recover, as an offsetting collection, against auction proceeds costs incurred, subject to an annual cap, in developing and implementing our section 309(j) spectrum auctions program.<sup>200</sup> Both such collections are deposited with

<sup>195</sup> 47 U.S.C. § 159A(e)(2).

<sup>196</sup> 47 U.S.C. § 159A(f).

<sup>197</sup> *Implementation of Section 9 of the Communications Act, Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year*, Report and Order, 9 FCC Rcd 5333, para. 47 (1994) (*FY 1994 Report and Order*).

<sup>198</sup> *Id.* at para. 46.

<sup>199</sup> 47 U.S.C. § 159. Thus, in fiscal year (FY) 2019, Congress appropriated to the Commission \$339,000,000.00 for its S&E appropriation. Consolidated Appropriations Act, 2019, Pub. L. No. 116-6, Division D—Financial Services and General Government Appropriations Act, 2019, Title V—Independent Agencies (2019) (FY 2019 Appropriation). The Commission, in turn, adopted a schedule of regulatory fees reasonably expected to equal the amount of the appropriation. *Assessment and Collection of Regulatory Fees for Fiscal Year 2019*, Report and Order and Further Notice of Proposed Rulemaking, 34 FCC Rcd 8189 (2019).

<sup>200</sup> 47 U.S.C. § 309(j)(8)(B) (providing that “the salaries and expenses account of the Commission shall retain as an offsetting collection such sums as may be necessary from such proceeds for the costs of developing and

(continued....)

the U.S. Treasury and credited to the Commission's account.<sup>201</sup> The Commission also administers two permanent indefinite appropriations, the Telecommunications Relay Service Fund and Universal Service Fund. Both funds are held in the Treasury under a dedicated account as a special fund.<sup>202</sup>

230. Application fees collected by the Commission are deposited in the general fund of the U.S. Treasury. Thus, while the determination of the fee amount will be based on cost, the collected fees are not used to fund Commission activities. This is in contrast, for example to the treatment of fees as enacted in COBRA-85.<sup>203</sup> In this context, we view the Congressional direction here as a narrowly tailored task – a conclusion bolstered by limitations on review included in the statute.<sup>204</sup> Accordingly, as previously detailed in this Notice, we propose to interpret processing under our section 8 authority as a limited set of activities and seek comment on this proposal.

231. The specific application fee proposals included above are based on using direct costs as the measure of costs for purposes of establishing application fees. Direct application processing costs for a particular type of application are costs attributable to processing an application. Although our specific fee proposals included above are based on solely on direct labor cost, we also seek comment on using other direct costs to process an application. Moreover, we seek comment on whether direct costs are a reasonable methodology to implement the requirements of the RAY BAUM'S Act. Labor costs generally are traceable to activities, such as application processing. Non-labor costs often are not traceable, tending to be common costs, or are traceable but only with a lot of effort and at great expense.

232. In our fee proposals, we have based direct labor costs on time estimates and staff compensation (salaries and the cost of employer-paid benefits). We recognize, however, that there are different ways to estimate the direct labor cost to process an application. We have estimated direct costs in our proposals on an estimate of the cost of staff that process a particular application, based on the time spent processing that application and the compensation received for that work time. We seek comment on whether direct labor cost estimates based on such an approach are likely to be reliable estimates. As we explained above, our specific fee proposals include first line supervisory direct labor costs. We seek comment, however, on whether direct labor costs should exclude those first line supervisory costs. We also seek comment on whether direct labor costs should include costs for beyond the supervisory level and include second or third supervisory direct labor? As explained above, our proposals include the cost of employer-paid benefits. We seek comment, however, on whether such costs should be included and how they should be estimated?

233. We generally have not proposed to recover non-labor costs in application fees but we seek comment on whether we should include some of them. If commenters contend that some non-labor

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implementing the program required by this subsection.”). For FY 2019, the cap on offsetting collections from auction proceeds was \$130,284,000. FY 2019 Appropriation (“[N]otwithstanding 47 U.S.C. 309(j)(8)(B), proceeds from the use of a competitive bidding system that may be retained and made available for obligation shall not exceed \$130,284,000 for fiscal year 2019...”)

<sup>201</sup> 47 U.S.C. §§ 159(f), 156(a), and 309(j)(8)(B). For more information about the Commission's collections and budgetary authority, the Commission's annual financial statement and budget estimates for Congress provide helpful material. Available at <https://docs.fcc.gov/public/attachments/DOC-360844A1.pdf> (FY 2019 Agency Financial Report) and <https://docs.fcc.gov/public/attachments/DOC-356607A1.pdf> (FY 2020 Budget Estimates to Congress).

<sup>202</sup> Pursuant to 47 U.S.C §§ 254 and 225 the FCC has a permanent indefinite appropriation to fund its universal service programs, including Telecommunications Relay Service Fund.

<sup>203</sup> Under COBRA-85 version of section 8(e), “Moneys received from charges established under this section shall be deposited in the general fund of the Treasury to reimburse the United States for amounts appropriated for use by the Commission in carrying out its functions under this Act.”

<sup>204</sup> This is bolstered by Congressional direction to limit review of actions taken under section 8(b) or (c) of the Communication's Act. 47 U.S.C. § 159A (“(a) *Judicial Review Prohibited*. Any adjustment or amendment to a schedule of fees under subsection (b) or (c) of section 158 of this title or subsection (c) or (d) of section 159 of this title is not subject to judicial review.”)

direct cost should be included in the application fees, they should identify with specificity the non-labor direct costs to be included. For example, each employee that processes applications typically does so using standard desktop hardware issued for that employee's exclusive use. Many employees that process applications, however, also work on projects in addition to processing applications. Should an estimate of the cost for desktop hardware be developed and included in the application fees along with the direct labor costs? Should an allowance for depreciation expense associated with the Commission's investment in desktop hardware (reflecting the loss in economic value of such a long-lived asset over time) and a return on the undepreciated portion of that investment (reflecting the opportunity cost of the money invested in desktop hardware) be estimated, and included and if so, how? Should we take into consideration the fact that regulatory fees are an offsetting collection for our annual S&E appropriation in deciding on whether to include non-labor costs in addition to direct labor costs. Is the fact that some of the same entities that pay application fees also pay regulatory fees relevant to the determining the scope of costs to include in the application fees?

234. We seek comment on whether fees based on direct costs promote the same efficiencies as fees based on incremental or marginal cost. The concept of direct costs on which the Commission relied to establish the application fees it proposes in this rulemaking is more of an accounting concept than an economic concept. Economic reasoning suggests that an application fee could be efficient only if it discourages (encourages) the filing of applications for which the benefit to the applicant is less (greater) than the cost to the Commission (or more broadly to society at large) to process it.<sup>205</sup> Economic theory would suggest that we base application fees on marginal or incremental cost instead of direct costs.<sup>206</sup> If, for example, an application fee is set below marginal cost, marginal cost exceeds the price applicants are willing to pay. In that case, too many of the Commission's resources are devoted to processing applications. Commenters should discuss whether the costs of an application should be based on the marginal cost or the incremental cost to process an additional application. Marginal or incremental cost is an esoteric concept and as defined by economists is difficult to measure to an economist's satisfaction in practice.<sup>207</sup> Do estimates of the direct cost to process an application, developed as described above, roughly approximate incremental or marginal cost, and do fees based on direct cost roughly promote the same efficiencies as fees based on marginal or incremental cost? We seek comment on the advantages and the disadvantages of the direct cost versus the marginal or incremental approaches, including the administrability of the two approaches.

235. While not included in our specific fee proposals above, commenters should discuss whether application processing fees should recover common costs. Common costs include costs incurred to operate the Commission as a whole, not for any singular regulatory activity. Such costs include, for example, the salaries of the Commissioners and employees who work in personnel, accounting, payroll, information technology, and security, and payments for rent, and utilities. Commenters should discuss

<sup>205</sup> Even if the Commission's available appropriated funds are relatively fixed, there is opportunity cost to process an application. The labor and other resources the Commission dedicates to processing an application could have been devoted to an alternative regulatory activity (or deployed to produce a good or service in the private sector) other than that of processing applications. The value of the foregone output is an opportunity cost.

<sup>206</sup> Marginal cost can be defined either as the rate of change in total cost when output changes by an infinitesimal unit or as the change in total cost when output changes by a single unit. The term incremental cost refers to a discrete change in total cost when output changes by any non-infinitesimal amount, which might range from a single unit to a large increment representing a firm's entire output. If  $C(q)$  represents the cost of producing an output  $q$  and  $\Delta q$  represents an increment of output, then incremental cost is equal to  $C(q+\Delta q) - C(q)$ . If incremental cost is used as a guide to pricing, then price should be set equal to the average incremental cost  $(C(q+\Delta q) - C(q))/\Delta q$ . If there are no fixed costs and initial output  $q = 0$ , then incremental cost pricing is equivalent to average cost pricing. If  $\Delta q$  is small, then incremental cost pricing approximates marginal cost pricing. See *Local Competition Order*, 11 FCC Rcd at 15844, para. 675.

<sup>207</sup> Alfred E. Kahn, *The Economics of Regulation: Principles and Institutions*, Volume 1, Chapters 3 and 4, pp. 63-122 (1970).



whether any of these common costs should be reflected in the application fees, how these costs should be estimated, and the basis for allocating these costs between application processing activities and the Commission's other regulatory activities, and among the different types of applications.

236. The direct labor costs of processing applications vary widely across the Commission. Some applications take considerable Commission resources to process, particularly if the application is contested. The Commission has, however, automated the application process for other services and there is little input from Commission staff in these instances. For applications that involve considerable staff review and analysis, such as space station applications, we recognize that these application fees must consider the significant staff input and analysis involved in each application. For applications that are wholly or largely automated, in this rulemaking we propose a fee to account for the nominal direct labor costs needed to maintain the automation over time, and to process the small percentages in these categories that are not automated.

237. We seek comment on which tasks should be included in application processing. In our proposals above, we have provided estimates of the Commission's costs in processing applications. In many examples we have included the estimated costs up through the first level supervisor reviewing the application. Commenters should discuss whether this is the appropriate amount of costs to include or if we should include more, or fewer, levels of processing. We seek comment on which staff inputs we should use in defining the application process. Some applications involve complex policy issues that may also affect Commission proceedings beyond the application at issue. As explained above, the specific fee proposals in most instances use as the basis of the application fees the initial steps in the application process, and exclude costs relating to steps that take place after the first level of supervisory review. We also propose basing the application fee on costs for an unopposed application. Commenters should discuss the appropriate definition of application process for each service. In the estimates we provided above, we have included various activities by attorneys, analysts, engineers, and others that are part of processing an application and we invite comment on those estimates and how they should be used in determining the application fee. Our estimates of costs for processing applications are based on staff estimates of the amount of time it takes to perform various steps in processing an application that the staff has determined to be typical. Each step may be considered a potential cost and commenters should discuss which steps should be used, and which should be excluded, in the estimate of cost for determining an appropriate application fee. Not all applications for a given service are the same and we invite comment on whether we have over-estimated or under-estimated a level of complexity for cost-based fees.

#### **E. Restatement of Certain Rules Fundamental to Waiver, Enforcement, and Collection of Application Fees**

238. Section 9A of the RAY BAUM'S Act moved, reformatted and changed certain provisions of prior sections 8 and 9 relating to waiver, enforcement and collection of application and regulatory fees.<sup>208</sup> The section 9A provisions are virtually identical for application fees and regulatory fees.<sup>209</sup> Because we took great care in our *FY 2019 Report and Order* to explain the RAY BAUM'S Act revisions to those essential aspects of old section 9,<sup>210</sup> we will not belabor the same points here as relate to old section 8, but only summarize them and note, as we did in the *FY 2019 Report and Order*, that our application of the provisions remains largely unchanged.<sup>211</sup>

239. *Waiver of Application Fees.* The Commission continues to interpret its statutory waiver

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<sup>208</sup> Compare old sections 8(c) and(d)(2) and 9(c) and (d) with new section 9A(c) and (d).

<sup>209</sup> Section 9A(c)(4), pertaining to revocation of licenses for nonpayment of regulatory fees, is modeled on old section 9. There is no comparable provision permitting license revocation for nonpayment of application fees under either old section 8 or sections 8 or 9A of the RAY BAUM'S Act.

<sup>210</sup> *FY 2019 Report and Order*, 34 FCC Rcd at p. 8207-8208, paras 49-53.

<sup>211</sup> *Id.* at 8207, para. 49.

authority narrowly, to permit only those waivers “unambiguously articulating ‘extraordinary circumstances’ outweighing the public interest in recouping the cost of the Commission’s regulatory services for a particular regulatee.”<sup>212</sup> While financial hardship may justify waiving and/or deferring a party’s application fees,<sup>213</sup> the circumstances must be extraordinary and conclusively proven through full and complete documentation provided by the requesting party.<sup>214</sup>

240. *Dismissal and other enforcement remedies.* An application fee must be paid when the application to which it pertains is filed.<sup>215</sup> Failure to timely pay an application fee may result in the dismissal of the application.<sup>216</sup> In the event an application for which a fee is due has not been dismissed, the Commission will impose a 25% late payment penalty on the unpaid application fee debt, and the application fee plus the penalty will accrue interest, until the debt is paid in full.<sup>217</sup> An applicant that fails to pay its application fee debt will also be on “red light” and the Commission will withhold action on and subsequently dismiss all applications and other requests for benefits by the applicant, until all debt owed by the applicant is paid in full.<sup>218</sup> The Commission will pursue collection of all past due application fees, including penalties and accrued interest, using collection remedies available to it under the Debt Collection Improvement Act of 1996, its implementing regulations and federal common law, including offsetting application fee debt against monies owed to the debtor by the Commission, and referral of the debt to the United States Treasury for further collection efforts, including centralized offset against monies other federal agencies may owe the debtor.<sup>219</sup>

#### IV. PROCEDURAL MATTERS

241. *Paperwork Reduction Act Analysis.* This document does not contain new or modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104-13. In addition, therefore, it does not contain any new or modified information collection burden for small business concerns with fewer than 25 employees, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198, *see* 44 U.S.C. § 3506(c)(4).

242. *Initial Regulatory Flexibility Analysis.* As required by the Regulatory Flexibility Act of 1980 (RFA)<sup>220</sup> the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) relating to this Further Notice of Proposed Rulemaking. The IRFA is contained in Appendix B.

243. *Filing Instructions.* Pursuant to sections 1.415 and 1.419 of the Commission’s rules, 47

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<sup>212</sup> *Id.* at 8207, para. 50.

<sup>213</sup> As we noted in the *FY 2019 Report and Order*, we do not ordinarily consider the mere fact of a bankruptcy or receivership filing as conclusive proof the regulatee lacks sufficient funds to pay fees and maintain its service to the public. *Id.* at 8208, para. 51.

<sup>214</sup> *Id.* at 8207, para. 50. We also emphasize that parties seeking waiver relief based on financial hardship must provide all of the documentation they wish the Commission to consider, regardless of whether such documentation exists in the Commission’s records, except administrative or judicial decisions, for which a citation will suffice. *Id.*

<sup>215</sup> *But see* paras. 246 and 247, *supra*. Payment in full when an application is filed may be adjusted if the Commission adopts an installment payment option.

<sup>216</sup> 47 USC § 159A(c)(3); 47 CFR § 1.1111. The Commission may no longer assess the administrative costs of collecting delinquent regulatory fee debt or the additional 6% annual penalty on delinquent debt prescribed by 31 U.S.C. § 3717. *See* 47 USC § 159A(c)(2).

<sup>217</sup> 47 U.S.C. § 159A(c)(1) and (2).

<sup>218</sup> 47 CFR § 1.1910.

<sup>219</sup> *See, e.g.* 31 U.S.C. §§ 3701, *et seq.*, 31 CFR §§ 901, *et seq.* 47 CFR §§ 1.1901, *et. seq.*

<sup>220</sup> *See* 5 U.S.C. § 603. The RFA, *see* 5 U.S.C. §§ 601-612, has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Pub. L. No. 104-121, Title II, 110 Stat. 847 (1996). The SBREFA was enacted as Title II of the Contract with America Advancement Act of 1996 (CWAAA).

CFR §§ 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS)<sup>221</sup> or by paper. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- Electronic Filers: Comments may be filed electronically by accessing ECFS at <http://apps.fcc.gov/ecfs/>.
- *Paper Filers*: Parties who choose to file by paper must file an original and one copy of each filing.
  - Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail.<sup>222</sup> All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
  - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
  - U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12<sup>th</sup> Street, SW, Washington, DC 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer and Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty).

244. *Ex Parte Information*. This proceeding shall be treated as a permit-but-disclose proceeding in accordance with the Commission's ex parte rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with section 1.1206(b) of the Commission's rules. In proceedings governed by section 1.49(f) of the Commission's rules or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral ex parte presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that

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<sup>221</sup> See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

<sup>222</sup> In response to the COVID-19 pandemic, the FCC has closed its current hand-delivery filing location at FCC Headquarters. We encourage outside parties to take full advantage of the Commission's electronic filing system. Any party that is unable to meet the filing deadline due to the building closure may request a waiver of the comment or reply comment deadline, to the extent permitted by law. *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Filing*, Public Notice, DA 20-304 (rel. Mar. 19, 2020). <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>.

proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

**V. ORDERING CLAUSES**

245. Accordingly, **IT IS ORDERED** that, pursuant to section 8 of the Communications Act of 1934, as amended, 47 U.S.C. § 158, this Notice of Proposed Rulemaking **IS HEREBY ADOPTED**.

246. **IT IS FURTHER ORDERED** that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch  
Secretary

## APPENDIX A

### Proposed Rules

Part 1 of Title 47 of the Code of Federal Regulations is amended to read as follows:

#### **PART 1 – PRACTICE AND PROCEDURE**

**The authority citation for Part 1 continues to read as follows:**

Authority: 47 U.S.C. §§ 151, 154(i), 154(j), 155, 157, 225, 227, 303(r), 309, 1403, 1404, 1451, and 1452.

2. Section 1.767(e) of the Commission’s rules is revised to read as follows:

§ 1.1101 Cable landing licenses.

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(e) A separate application shall be filed with respect to each individual cable system for which a license is requested or a modification of the cable system, renewal, or extension of an existing license is requested.

Applicants for common carrier cable landing licenses shall also separately file an international section 214 authorization for overseas cable construction.

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3. Section 1.1101 of the Commission’s rules is revised to read as follows:

#### **§ 1.1101 Authority.**

(a) Authority to impose and collect these charges is contained in section 8 of the Communications Act, as amended by sections 102 and 103 of title I of the Consolidated Appropriations Act of 2018 (Pub. L. 115-141, 132 Stat. 1084), 47 U.S.C. §158, which directs the Commission to assess and collect application fees to recover the costs of the Commission to process applications. .

3. Section 1.1102 is revised to read as follows:

§1.1102 Schedule of charges for applications and other filings in the wireless telecommunications services.

In the table below, the amounts appearing in the column labeled “Fee Amount” are for application fees only. Those services designated in the table below with an asterisk (\*) in the column labeled “Payment Type Code” also have associated regulatory fees that must be paid at the same time the application fee is paid. Please refer to the FY \_\_\_\_\_ Wireless Telecommunications Fee Filing Guide (updated and effective \_\_\_\_\_) for the corresponding regulatory fee amount located at [https://www.fcc.gov/document/wtb-fee-filing-guide-effective-\\_\\_\\_\\_\\_](https://www.fcc.gov/document/wtb-fee-filing-guide-effective-_____). For additional guidance, please refer to [§ 1.1152](#). Payment can be made electronically using the Commission's electronic filing and payment system “Fee Filer” ([www.fcc.gov/feefiler](http://www.fcc.gov/feefiler)). Remit manual filings and/or payments for these

services to: Federal Communications Commission, Wireless Bureau Applications, P.O. Box 979097, St. Louis, MO 63197-9000.

<b>Service</b>	<b>FCC Form No.</b>	<b>Fee Amount</b>	<b>Payment Type Code</b>
<b>1. Site-Based Wireless Licenses</b>			
a. New; Major Modification	601 & 159	\$190.00	
b. Minor Modification	601 & 159	\$50.00	
c. Special Temporary Authority	601 & 159	\$135.00	
d. Assignment/Transfer of Control	603 & 159	\$50.00	
e. Renewal	601 & 159	\$50.00	
e. Rule Waiver	601, 603, 608 or 609-T & 159	\$380.00	
f. Construction Notification	608 & 159	\$50.00	
g. Spectrum Leasing	608 & 159	\$50.00	
<b>2. Personal Wireless Licenses</b>			
a. New; Major Modification; Amateur Vanity Callsign	601 & 159	\$50.00	
b. Minor Modification	601 & 159	\$50.00	

Service	FCC Form No.	Fee Amount	Payment Type Code
c. Special Temporary Authority	601 & 159	\$135.00	
d. Rule Waiver	601, 603 or 608 & 159	\$50.00	
e. Renewal	601 & 159	\$50.00	
<b>3. Geographic-Based Wireless Licenses</b>	601 & 159	\$305.00	
a. New (other than auction long form); Major Modification			
New License (Pre-Auction Short Form Application) (per application; NOT per call sign)		\$575	
b. New (auction long form, spectrum auction; per application)	601 & 159	\$2,600	
c. Renewal		\$50.00	
d. Minor Modification	601 & 159	\$200.00	
e. Construction Notification/Extensions		\$290.00	
f. Special Temporary Authority	601 & 159	\$335.00	
g. Assignment of Authorization; Transfer of Control;	603 & 159	\$195.00	

Service	FCC Form No.	Fee Amount	Payment Type Code
h. Spectrum Leasing	608 & 159	\$165.00	
i. Rule Waiver		\$380.00	
j. Designated Entity Licensee Reportable Eligibility Event		\$50.00	

4. Section 1.1103 is revised to read as follows:

§1.1103 Schedule of charges for assignment of grantee codes, experimental radio services (or service).

Payment can be made electronically using the Commission's electronic filing and payment system Fee Filer ([www.fcc.gov/feefiler](http://www.fcc.gov/feefiler)). Remit manual filings and/or payments for these services to: Federal Communications Commission, OET Services, P.O. Box 979095, St. Louis, MO 63197-9000.

Service	FCC Form No.	Fee Amount	Payment Type Code
<b>1. Assignment of Grantee Code</b>	159, 702, 703	\$50.00	EAG

Service	FCC Form No.	Fee Amount	Payment Type Code
<b>2. Experimental Radio Service</b>			
a. New Station Authorization	442 & 159	\$125.00	EAE
b. Modification of Authorization	442 & 159	\$125.00	EAE



Service	FCC Form No.	Fee Amount	Payment Type Code
c. Renewal of Station Authorization	405 & 159	\$125.00	EAE
d. Assignment of License or Transfer of Control	702 or 703 & 159	\$125.00	EAE
e. Special Temporary Authority	STA & Correspondence	\$125.00	EAE
f. Confidentiality Request	Correspondence	\$50.00	EAE

5.. Section 1.1104 is revised to read as follows:

§1.1104 Schedule of charges for applications and other filings for media services.

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Payment can be made electronically using the Commission's electronic filing and payment system Fee Filer ([www.fcc.gov/feefiler](http://www.fcc.gov/feefiler)). Remit manual filings and/or payments for these services to: Federal Communications Commission, Media Bureau Services, P.O. Box 979089, St. Louis, MO 63197-9000. The asterisk (\*) indicates that multiple stations and multiple fee submissions are acceptable within the same post office box.

Service	FCC Form No.	Fee Amount	Payment Type Code
<b>1. Commercial Full Service TV Services and Class A Stations</b>			
a. New and Major Modification Construction Permits	301 & 159 301-CA & 159	\$4,260.00	MVT
b. Minor Modification	301 & 159	\$1,335.00	MPT
c. New License	302-TV & 159 302-CA & 159	\$380.00	MJT

Service	FCC Form No.	Fee Amount	Payment Type Code
d. License Renewal	303-S & 159	\$330.00	MGT
e. License Assignment (i) Long Form	314 & 159	\$ 1,245.00	MPT
(ii) Short Form	316 & 159	\$405.00	MDT
f. Transfer of Control (i) Long Form	315 & 159	\$1,245.00	MPT
(ii) Short Form	316 & 159	\$405.00	MDT
g. Call Sign	380 & 159	\$170.00	MBT
h. Special Temporary Authority	Corres & 159	\$270.00	MGT
i. Petition for Rulemaking for New Community of License	301 & 159 302-TV & 159	\$3,395.00	MRT
j. Ownership Report	323 & 159	\$85.00	MAT
<b>2. TV Translators and LPTV Stations</b>			
a. New or Major Change Construction Permit	346 & 159	\$775.00	MOL
b. New License	347 & 159	\$215.00	MEL
c. License Renewal	303-S & 159	\$145.00	MAL

Service	FCC Form No.	Fee Amount	Payment Type Code
d. Special Temporary Authority	Corres & 159	\$270.00	MGL
e. License Assignment	345 & 159 314 & 159 316 & 159	\$335.00	MDL
f. Transfer of Control	345 & 159 315 & 159 316 & 159	\$335.00	MDL
g. Call Sign	380 & 159	\$170.00	MBT
<b>4. Cable Television Services</b>			
a. CARS license	327 & 159	\$450.00	TIC
b. CARS Major Modification	327 & 159	\$345.00	TIC
c. CARS Minor Modification	327 & 159	\$50.00	TIC
d. CARS renewal	327 & 159	\$260.00	TIC
e. CARS assignment	327 & 159	\$365.00	TIC
f. CARS transfer of control	327 & 159	\$465.00	TIC
g. CARS special temporary authority	Corres & 159	\$225.00	TGC
h. Special relief petition	Corres & 159	\$1,615.00	TQC

Service	FCC Form No.	Fee Amount	Payment Type Code
i. CARS registration statement	322 & 159	\$105.00	TAC
j. MVPD aeronautical frequency usage notification	321 & 159	\$90.00	TAC
<b>5. Commercial AM Application Fees</b>			
a. New Construction Permit	301 & 159	\$3,980.00	MUR
b. Minor modification	301 & 159	\$1,625.00	MPR
c. New License	302-AM & 159	\$645.00	MMR
d. Directional antenna	302-AM & 159	\$1,260.00	MOR
e. License Renewal	303-S & 159	\$325.00	MGR
f. License Assignment (i) Long Form	314 & 159	\$1,005.00	MPR
(ii) Short Form	316 & 159	\$425.00	MDR
g. Transfer of Control (i) Long Form	315 & 159	\$1,005.00	MPR
(ii) Short Form	316 & 159	\$425.00	MDR

Service	FCC Form No.	Fee Amount	Payment Type Code
h. Call Sign	380 & 159	\$170.00	MBR
i. Special temporary authority	Corres & 159	\$290.00	MGR
j. Ownership Report	323 & 159 or Corres & 159	\$85.00	MAR
<b>6. Commercial FM Application Fees</b>			
a. New or Major Change Construction Permit	301 & 159	\$3,295.00	MTR
b. Minor modification	301 & 159	\$1,265.00	MPR
c. New License	302-FM & 159	\$235.00	MHR
d. Directional antenna	302-FM & 159	\$630.00	MLR
e. License Renewal	303-S & 159	\$325.00	MGR
f. License Assignment (i) long form	314 & 159	\$1,005.00	MPR
(ii) short form	316 & 159	\$425.00	MDR
g. Transfer of Control (i) long form	315 & 159	\$1,005.00	MPR

Service	FCC Form No.	Fee Amount	Payment Type Code
(ii) short form	316 & 159	\$425.00	MDR
h. Call sign	380 & 159	\$170.00	MBR
i. Special temporary authority	Corres & 159	\$210.00	MGR
j. Petition for rulemaking	301 & 159 or 302-FM & 159	\$3,180.00	MRR
k. Ownership report	323 & 159 or Corres & 159	\$85.00	MAR
<b>7. FM Translators and Boosters</b>			
a. Translator, new construction permit	349 & 159	\$705.00	MOF
b. Translator, minor modification		\$210.00	
c. Translator, new license	350 & 159	\$180.00	MEF
d. Translator, renewal	303-S & 159	\$175.00	MAF
e. Translator, special temporary authority	Corres & 159	\$170.00	MGF
f. Translator, assignment	345 & 159 314 & 159 316 & 159	\$290.00	MDF

Service	FCC Form No.	Fee Amount	Payment Type Code
g. Translator, transfer of control	345 & 159 315 & 159 316 & 159	\$290.00	MDF
h. Booster, new or major change construction permit	346 & 159	\$705.00	MOF
i. Booster, new license	347 & 159	\$180.00	MEF
j. Booster, special temporary authority	Corres & 159	\$170.00	MGF
8. Special Media Service Filing a. Broadcast Services Short-Form Application	175 & 159	\$575.00	
b. Section 310(b) petitions for declaratory ruling	Corres & 159	\$2,485	

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6. Section 1.1105 is revised to read as follows:

§1.1105 Schedule of charges for applications and other filings for the wireline competition services.

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Payments should be made electronically using the Commission's electronic filing and payment system Fee Filer ([www.fcc.gov/feefiler](http://www.fcc.gov/feefiler)). Manual filings and/or payments for these services are no longer accepted.

Service	FCC Form No.	Fee Amount	Payment Type Code
<b>1. Domestic 214 Applications</b> <b>a. Part 63 Transfers of Control</b>	Corres & 159	\$1,230.00	CDT
<b>b. Special Temporary Authority</b>	Corres & 159	\$675.00	

Service	FCC Form No.	Fee Amount	Payment Type Code
<b>2. Domestic 214 Applications— Part 63 Discontinuances a. Non-Standard Review</b>	Corres & 159	\$1,230.00	
b. Standard Streamlined Review	Corres & 159	\$335	
<b>3. Interconnection VoIP Numbering Authorization—Part 51</b>	Corres & 159	\$1,330.00	
<b>4. Tariff Filings</b>	Corres & 159	\$930.00	CQK
<b>5. Complex Tariff Filings (Large)</b>		\$6,540.00	
<b>6. Complex Tariff Filings (Small)</b>		\$3,270.00	
<b>7. Application for Special Permission for Waiver of Tariff Rules</b>	Corres & 159	\$375.00	
<b>8. Universal Service Short-Form Auction Application</b>		\$1,030	
<b>9. Universal Service Long Form Auction Application</b>		\$1,935.00	
<b>10. Waiver of Accounting Rules</b>	Corres & 159	\$4,415.00	BEA



7. Section 1.1106 is revised to read as follows:

§1.1106 Schedule of charges for applications and other filings for the enforcement services.

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Remit payment for these services electronically using the Commission's electronic payment system in accordance with the procedures set forth on the Commission's website, [www.fcc.gov/licensing-databases/fees](http://www.fcc.gov/licensing-databases/fees).

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
<b>1. Formal Complaints and Pole Attachment Complaints</b>	Corres & 159	\$540.00	CIZ

8. Section 1.1107 is revised to read as follows:

§1.1107 Schedule of charges for applications and other filings for the international services.

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Payment can be made electronically using the Commission's electronic filing and payment system Fee Filer ([www.fcc.gov/feefiler](http://www.fcc.gov/feefiler)). Remit manual filings and/or payments for these services to: Federal Communications Commission, International Bureau Applications, P.O. Box 979093, St. Louis, MO 63197-9000.

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
<b>1. Cable Landing License</b>			
a. New license	Corres & 159	\$3,835.00	CXT
b. Assignment/transfer of control, substantive	Corres & 159	\$1,230.00	CUT
c. Assignment/transfer of control, pro forma	Corres & 159	\$675.00	CUT
d. Foreign Carrier Affiliation Notification		\$495.00	

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
e. Modification	Corres & 159	\$1,230.00	
f. Renewal	Corres & 159	\$2,440.00	
g. Special Temporary Authority	Corres & 159	\$675.00	CUT
h. Waiver	Corres & 159	\$335.00	
<b>2. International Section 214 Applications</b>			
a. New authorization	Corres & 159	\$785.00	
b. Assignment/transfer of control, substantive	Corres & 159	\$1,230.00	
c. Assignment/transfer of control, pro forma	Corres & 159	\$675.00	
d. Foreign Carrier Affiliation Notification	Corres & 159	\$495.00	
e. Modification	Corres & 159	\$675.00	
f. Special Temporary Authority	Corres & 159	\$675.00	
g. Waiver	Corres & 159	\$335.00	

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
h. Discontinuance of services	Corres & 159	\$335.00	
<b>3. Section 310(b) Foreign Ownership Petitions for Declaratory Ruling</b>			
a. Petition	Corres & 159	\$2,485.00	
b. Waiver	Corres & 159	\$335.00	
<b>4. Recognized Operating Agency</b>			
a. ROA application	Corres & 159	\$1,145.00	CUG
b. Waiver	Corres & 159	\$335.00	
<b>5. Data Network Identification Code</b>			
a. DNIC application	Corres & 159	\$785.00	
<b>b Waiver</b>		\$335.00	
<b>6. International Signaling Point Code</b>			
a. ISPC application	Corres & 159	\$785.00	
b. Transfer of Control	Corres & 159	\$675.00	
c. Modification		\$675.00	
d. Waiver		\$335.00	
<b>7. Fixed or Temporary Fixed Transmit or Transmit/Receive Earth Stations, per call sign</b>	312 Main & Schedule B & 159	\$360.00	BAX
a. Initial Application, single site			

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
b. Initial application, multiple sites	312 Main & Schedule B & 159	\$6,515.00	BAX
<b>8. Receive Only Earth Stations</b> a. Initial Applications for Registration or License, single site, per site	312 Main & Schedule B & 159	\$175.00	CMO
b Initial application or registration, multiple sites, per system	312 Main & Schedule B & 159	\$465.00	CMO
<b>9. Blanket Earth Stations, per call sign</b> a. Initial Applications for Registration or License	312 Main & Schedule B & 159	\$360.00	BGB
<b>10. Mobile Earth Stations, per call sign</b> a. Initial application for blanket authorization, per system, per call sign	312 Main & Schedule B & 159	\$815.00	BGB
<b>11. Amendments to Earth Station Applications or Registrations</b> a. Single site	312 Main & Schedule A or B & 159	\$430.00	
b Multiple sites	312 Main & Schedule A or B & 159	\$630.00	
<b>12. Modifications of Earth Station Licenses or Registrations</b>	312 Main & Schedule B & 159	\$545.00	
<b>13. Assignment or Transfer of Control of Earth Station Licenses or Registrations, per call sign</b>	312 Main & Schedule A & 159	\$745.00	
<b>14. Pro Forma Assignment or Transfer of Control of Earth Station Licenses or Registrations, per call sign</b>	312 Main & Schedule A & 159	\$400.00	
<b>15. Renewals of Earth Station Licenses, per call sign</b> a. Single site	312-R & 159	\$115.00	

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
b. Multiple sites	312-R & 159	\$145.00	
<b>16. Earth Station Special Temporary Authority, per call sign</b>	312 & 159	\$195.00	
<b>17. Space Stations –Geostationary Orbit</b> a. Application for Authority to Construct, Deploy, & Operate, per satellite	312 Main & Schedule S & 159	\$3,555.00	BNY
b Application for authority to operate, per satellite	312 Main & Schedule S & 159	\$ 3,555.00	
<b>18. Space Stations, Non-Geostationary Orbit</b> a. Application for authority to construct, deploy, & operate, per system of technically identical satellites, per call sign	312 Main & Schedule S & 159	\$15,050.00	CLW
b. Application for authority to operate, per system of technically identical satellites, per call sign	312 Main & Schedule S & 159	\$15,050.00	
<b>19. Space Stations, Petition for declaratory ruling for a foreign space station to access the U.S. market</b> a. Geostationary orbit	Corres & 159	\$3,555.00	
b. Non-Geostationary Orbit	Corres & 159	\$15,050.00	
<b>20. Space Stations, Small Satellites, per call sign</b> a. Application for authority to construct, deploy, & operate, per call sign	312 Main & Schedule S & 159	\$2,175.00	

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
<b>21. Space Stations, Amendments, per call sign</b>	312 Main & Schedule S & 159	\$1,620.00	
<b>22. Space Stations, Modifications, per call sign</b>	312 Main & Schedule S (if needed) & 159	\$2,495.00	
<b>23. Space Stations, Assignment or Transfer of Control, per call sign</b>	312 Main & Schedule A & 159	\$745.00	
<b>24. Space Stations, Pro Forma Assignment or Transfer of Control, per call sign</b>	312 Main & Schedule A & 159	\$400.00	
<b>25. Space Stations, Special Temporary Authority, per call sign</b>	312 Main & Corres & 159	\$1,435.00	
<b>26. International Broadcast Stations</b>			
a. New Station & Facilities Change Construction Permit	309 & 159	\$4,010.00	
b. New License	310 & 159	\$905.00	
c. License Renewal	311 & 159	\$230.00	
d. License Assignment/Transfer of Control	314, 315, 3,16, & 159	\$80.00	
e. Frequency Assignment & Coordination	Written Request & 159	\$595.00	
f. Special Temporary Authorization	Written Request & 159	\$395.00	

Service	FCC Form No.	Proposed Fee Amount	Payment Type Code
<b>27. Permit to Deliver Programs to Foreign Broadcast Stations</b>			
a. New License	308 & 159	\$360.00	
b. Modification	308 & 159	\$185.00	
c. License Renewal	308 & 159	\$155.00	
d. STA	308 & 159	\$155.00	
e. Transfer of Control	308 & 159	\$260.00	

10. Section 1.1109 is revised to read as follows:

§1.1109 Schedule of charges for applications and other filings for the Homeland services.

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Payments should be made electronically using the Commission's electronic filing and payment system Fee Filer ([www.fcc.gov/feefiler](http://www.fcc.gov/feefiler)). Manual filings and/or payments for these services are no longer accepted.

Service	FCC Form No.	Fee Amount	Payment Type Code
<b>1. Communication Assistance for Law Enforcement (CALEA) Petitions</b>	Corres & 159	\$3,875.00	CLEA

11. Section 1.1112 of the Commission's rules is revised to read as follows:

**§ 1.1112 Form of payment.**

(a) Annual and multiple year regulatory fees must be paid electronically as described in paragraph (e) of this section. Except as otherwise permitted under these rules, application fees and fees for other filings must also be paid electronically in accordance with paragraph (e) of this section. Fee payments that are permitted to be paid manually under these rules should be in the form of a check, cashier's check, or money order denominated in U.S. dollars and drawn on a United States financial institution and made

payable to the Federal Communications Commission or by a Visa, MasterCard, American Express, or Discover credit card. No other credit card is acceptable. Fees for applications and other filings paid by credit card will not be accepted unless the credit card section of FCC Form 159 is completed in full. For those fees payable manually under these rules, (i) the Commission discourages applicants from submitting cash and will not be responsible for cash sent through the mail; (ii) personal or corporate checks dated more than six months prior to their submission to the Commission's lockbox bank and postdated checks will not be accepted and will be returned as deficient and (iii) third party checks (i.e., checks with a third party as maker or endorser) will not be accepted.

(1) Payors of fees that may be paid manually under these rules are encouraged to submit these payments electronically under the procedures described in paragraph (e) of this section.

(2) Specific procedures for electronic payments are announced in Bureau/Office fee filing guides.

(3) It is the responsibility of the payer to insure that any electronic payment is made in the manner required by the Commission. Failure to comply with the Commission's procedures will result in the return of the application or other filing.

(4) To insure proper credit, applicants making wire transfer payments must follow the instructions set out in the appropriate Bureau Office fee filing guide.

(b) Applicants are required to submit one payment instrument (check, cashier's check, or money order) and FCC Form 159 with each application or filing; multiple payment instruments for a single application or filing are not permitted. A separate Fee Form (FCC Form 159) will not be required once the information requirements of that form (the Fee Code, fee amount, and total fee remitted) are incorporated into the underlying application form.

(c) The Commission may accept multiple money orders in payment of a fee for a single application where the fee exceeds the maximum amount for a money order established by the issuing agency and the use of multiple money orders is the only practical method available for fee payment. (d) The Commission may require payment of fees with a cashier's check upon notification to an applicant or filer or prospective group of applicants under the conditions set forth below in paragraphs (d) (1) and (2) of this section.

(1) Payment by cashier's check may be required when a person or organization has made payment on one or more occasions with a payment instrument on which the Commission does not receive final payment and such failure is not excused by bank error.

(2) The Commission will notify the party in writing that future payments must be made by cashier's check until further notice. If, subsequent to such notice, payment is not made by cashier's check, the party's payment will not be accepted and its application or other filing will be returned.

(e) Annual and multiple year regulatory fee payments, and except as otherwise permitted under these rules, application and other fee payments shall be submitted by online ACH payment, online Visa, MasterCard, American Express, or Discover credit card payment, or wire transfer payment denominated in U.S. dollars and drawn on a United States financial institution and made payable to the Federal Communications Commission. No other credit card is acceptable. Any other form of payment (e.g., paper checks) will be rejected and sent back to the payor.

(f) All fees collected will be paid into the general fund of the United States Treasury in accordance with [Public L. 115-141](#).

(g) The Commission will furnish a stamped receipt of an application filed by mail or in person only upon request that complies with the following instructions. In order to obtain a stamped receipt for an application (or other filing), the application package must include a copy of the first page of the application, clearly marked "copy", submitted expressly for the purpose of serving as a receipt of the filing. The copy should be the top document in the package. If hand delivered, the copy will be date-stamped immediately and provided to the bearer of the submission. For submissions by mail, the receipt copy will be provided through return mail if the filer has attached to the receipt copy a stamped self-addressed envelope of sufficient size to contain the date stamped copy of the application. No remittance receipt copies will be furnished. Stamped receipts of electronically-filed applications will not be provided.

12, Section 1.1113 of the Commission's rules is revised to read as follows:



**§ 1.1113 Filing locations.**

(a) Except as noted in this section, applications and other filings, with attached fees and FCC Form 159, must be submitted to the locations and addresses set forth in [§§ 1.1102](#) through [1.1109](#).

(1) Tariff filings shall be filed with the Secretary, Federal Communications Commission, Washington, DC 20554. On the same day, the filer should submit a copy of the cover letter, the FCC Form 159, and the appropriate fee in accordance with the procedures established in [§ 1.1105](#).

(2) Bills for collection must be paid in accordance with the payment instructions set forth on the bill sent by the Commission. To ensure proper credit, payments must be accompanied by the bill. Electronic payments must include the reference number contained on the bill sent by the Commission.

(3) Petitions for reconsideration or applications for review of fee decisions pursuant to [§ 1.1119\(b\)](#) of this subpart must be accompanied by the required fee for the application or other filing being considered or reviewed.

(4) Applicants claiming an exemption from a fee requirement for an application or other filing under [47 U.S.C. 158\(d\)\(1\)](#) or [§ 1.1116](#) of this subpart shall file their applications in the appropriate location as set forth in the rules for the service for which they are applying, except that request for waiver accompanied by a tentative fee payment should be filed as set forth in [§§ 1.1102](#) through [1.1109](#).

(b) Except as provided for in paragraph (c) of this section, all materials must be submitted as one package. The Commission will not take responsibility for matching fees, forms and applications submitted at different times or locations. Materials submitted at other than the location and address required by [§ 0.401\(b\)](#) and paragraph (a) of this section will be returned to the applicant or filer.

(c) Fees for applications and other filings pertaining to the Wireless Radio Services that are submitted electronically via ULS may be paid electronically or sent to the Commission's lock box bank manually. When paying manually, applicants must include the application file number (assigned by the ULS electronic filing system on FCC Form 159) and submit such number with the payment in order for the Commission to verify that the payment was made. Manual payments must be received no later than ten (10) days after receipt of the application on ULS or the application will be dismissed. Payment received more than ten (10) days after electronic filing of an application on a Bureau/Office electronic filing system (e.g., ULS) will be forfeited (see [§§ 1.934](#) and [1.1111](#).)

(d) Fees for applications and other filings pertaining to the Multichannel Video and Cable Television Service (MVCTS) and the Cable Television Relay Service (CARS) that are submitted electronically via the Cable Operations and Licensing System (COALS) may be paid electronically or sent to the Commission's lock box bank manually. When paying manually, applicants must include the FCC Form 159 generated by COALS (pre-filled with the transaction confirmation number) and completed with the necessary additional payment information to allow the Commission to verify that payment was made. Manual payments must be received no later than ten (10) days after receipt of the application or filing in COALS or the application or filing will be dismissed.

13. Section 1.1114 of the Commission's rules is revised to read as follows:

**§ 1.1114 Conditionality of Commission or staff authorizations.**

(a) Any instrument of authorization granted by the Commission, or by its staff under delegated authority, will be conditioned upon final payment of the applicable fee or delinquent fees and timely payment of bills issued by the Commission. As applied to checks, bank drafts and money orders, final payment shall mean receipt by the Treasury of funds cleared by the financial institution on which the check, bank draft or money order is drawn.

(1) If, prior to a grant of an instrument of authorization, the Commission is notified that final payment has not been made, the application or filing will be:

(i) Dismissed and returned to the applicant;

- (ii) Shall lose its place in the processing line;
- (iii) And will not be accorded nunc pro tunc treatment if resubmitted after the relevant filing deadline.
- (2) If, subsequent to a grant of an instrument of authorization, the Commission is notified that final payment has not been made, the Commission will:
  - (i) Automatically rescind that instrument of authorization for failure to meet the condition imposed by this subsection; and
  - (ii) Notify the grantee of this action; and
  - (iii) Not permit nunc pro tunc treatment for the resubmission of the application or filing if the relevant deadline has expired.
- (3) Upon receipt of a notification of rescission of the authorization, the grantee will immediately cease operations initiated pursuant to the authorization.
- (b) In those instances where the Commission has granted a request for deferred payment of a fee or issued a bill payable at a future date, further processing of the application or filing, or the grant of authority, shall be conditioned upon final payment of the fee, plus other required payments for late payments, by the date prescribed by the deferral decision or bill. Failure to comply with the terms of the deferral decision or bill shall result in the automatic dismissal of the submission or rescission of the Commission authorization for failure to meet the condition imposed by this subpart. The Commission reserves the right to return payments received after the date established on the bill and exercise the conditions attached to the application. The Commission shall:
  - (1) Notify the grantee that the authorization has been rescinded;
  - (i) Upon such notification, the grantee will immediately cease operations initiated pursuant to the authorization.
  - (ii) [Reserved by [74 FR 3446](#)]
  - (2) Not permit nunc pro tunc treatment to applicants who attempt to refile after the original deadline for the underlying submission.
- (c)(1) Where an applicant is found to be delinquent in the payment of an application fee, including any installment payment, the Commission will make a written request for the delinquent fee or installment payment, together with any penalty and interest that may be due. Such request shall inform the applicant/filer that failure to pay or make satisfactory payment arrangements with the Commission will result in the Commission's withholding action on, and/or as appropriate, dismissal of, any applications or requests filed by the applicant. The staff shall also inform the applicant of the procedures for seeking Commission review of the staff's fee determination.
- (2) If, after final determination that the fee is due or that the applicant is delinquent in the payment of fees, and payment is not made in a timely manner, the staff will withhold action on the application or filing until payment or other satisfactory arrangements is made with the Commission. If payment or satisfactory arrangement with the Commission is not made within 30 days of the date of the original notification, the application will be dismissed.

14. Section 1.1117 of the Commission's rules is revised to read as follows:

**§ 1.1117 Adjustments and amendments to charges.**

(a) The Schedule of Charges established by §§ [1.1102](#) through [1.1109](#) of this subpart shall be reviewed by the Commission on October 1, \_\_\_\_\_ and every two years thereafter, and adjustments and amendments made, if any, will be reflected in the next publication of Schedule of Charges in accordance with section 8 of the Communications Act, as amended by sections 102 and 103 of title I of the Consolidated Appropriations Act of 2018 (Pub. L. 1115-141, 132 Stat. 1084), 47 U.S.C. §158.

15. Section 1.1118 of the Commission's rules is revised to read as follows:

**§ 1.1118 Penalty for late or insufficient payments.**

(a) Filings subject to fees and accompanied by defective fee submissions will be dismissed under [§ 1.1111 \(d\)](#) of this subpart where the defect is discovered by the Commission's staff within 30 calendar days from the receipt of the application or filing by the Commission.

(1) A defective fee may be corrected by resubmitting the application or other filing, together with the entire correct fee.

(2) For purposes of determining whether the filing is timely, the date of resubmission with the correct fee will be considered the date of filing. However, in cases where the fee payment fails due to error of the applicant's bank, as evidenced by an affidavit of an officer of the bank, the date of the original submission will be considered the date of filing.

(b) Applications or filings accompanied by insufficient fees or no fees, or where such applications or filings are made by persons or organizations that are delinquent in fees owed to the Commission, that are inadvertently forwarded to Commission staff for substantive review will be billed for the amount due if the discrepancy is not discovered until after 30 calendar days from the receipt of the application or filing by the Commission. Applications or filings that are accompanied by insufficient fees or no fees will have a penalty charge equaling 25 percent of the amount due added to each bill. Any Commission action taken prior to timely payment of these charges is contingent and subject to rescission.

(c) Applicants to whom a deferral of payment is granted under the terms of this subsection will be billed for the amount due plus a penalty charge equaling 25 percent of the amount due. Any Commission actions taken prior to timely payment of these charges are contingent and subject to rescission.

(d) Failure to submit fees, following notice to the applicant of failure to submit the required fee, is subject to collection of the fee, the 25 percent penalty, and interest thereon pursuant to Section 9A of the Communications Act, as amended, and the provisions of the Debt Collection Improvement Act of 1996 (DCIA), [Public Law 104-134, 110 Stat. 1321](#), 1358 (Apr. 26, 1996), codified at [31 U.S.C. 3701 et seq.](#) See [47 CFR 1.1901](#) through [1.1952](#). The debt collection processes described above may proceed concurrently with any other sanction in this paragraph and elsewhere in the Commission's rules.

16. Section 1.1119 of the Commission's rules is revised to read as follows:

**§ 1.1119 Petitions and applications for review.**

(a) The fees established by this subpart and any associated penalties and interest charges may be waived, reduced or deferred in specific instances where good cause is shown and where waiver, reduction or deferral of the fee would promote the public interest.

(b) Requests for waiver, reduction or deferral will only be considered when received from applicants acting in respect to their own applications. Requests for waiver, reduction or deferral of entire classes of services will not be considered.

(c) Petitions for waiver, reduction or deferral of fees, fee determinations, reconsiderations and applications for review will be acted upon by the Managing Director with the concurrence of the General Counsel. All such filings within the scope of the fee rules shall be filed as a separate pleading and clearly marked to the attention of the Managing Director. Any such request that is not filed as a separate pleading will not be considered by the Commission. Requests for deferral of a fee payment for financial hardship must be accompanied by supporting documentation.

(1) Petitions and applications for review submitted with a fee must be submitted electronically or to the Commission's lock box bank at the address for the appropriate service as set forth in [§§ 1.1102](#) through [1.1109](#).

(2) If no fee payment is submitted, the request should be filed electronically through the Commission's Electronic Comment Filing System or with the Commission's Secretary.

(d) Deferrals of fees will be granted for an established period of time not to exceed six months.

(e) Applicants seeking waivers must submit the request for waiver with the application or filing, required fee and FCC Form 159, or a request for deferral. Petitions for waiver, reduction and/or deferral of payment must be submitted to the Office of the Managing Director as specified in paragraph (c) of this section. Requests that do not comply with this regulation will be dismissed in accordance with [§ 1.1111](#)

of this subpart. Submitted fees will be returned in whole if a waiver is granted and in part if a reduction is granted. The Commission will not be responsible for delays in acting upon these requests.

(f) Petitions for waiver of a fee based on financial hardship will be subject to the provisions of paragraph 1.1166(e).

17. Section 1.1120 of the Commission's rules is revised to read as follows:

**§ 1.1120 Error claims.**

(a) Applicants who wish to challenge a staff determination of an insufficient fee payment or delinquent debt may do so in writing. A challenge to a determination that a party is delinquent in paying the full application fee must be accompanied by suitable proof that the fee payment had been paid or waived (or deferred from payment during the period in question), or by the required application fee payment and any assessed penalty and interest (see [§ 1.1118](#)). Failure to comply with these procedures will result in dismissal of the challenge. These claims should be addressed to the Federal Communications Commission, Attention: Financial Operations, 445 12th St., SW., Washington, DC 20554 or e-mailed to [ARINQUIRIES@fcc.gov](mailto:ARINQUIRIES@fcc.gov).

(b) Actions taken by Financial Operations staff are subject to the reconsideration and review provisions of [§§ 1.106](#) and [1.115](#) of this part, EXCEPT THAT reconsideration and/or review will only be available where the applicant has made the full and proper payment of the underlying fee as required by this subpart.

(1) Petitions for reconsideration and/or applications for review submitted by applicants that have not made the full and proper fee payment will be dismissed; and

(2) If the fee payment should fail while the Commission is considering the matter, the petition for reconsideration or application for review will be dismissed.

## APPENDIX B

### Initial Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended (RFA)<sup>1</sup> the Commission prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities by the policies and rules proposed in the Notice of Proposed Rulemaking (*Notice*). Written comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadline for comments on this *Notice*. The Commission will send a copy of the *Notice*, including the IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA).<sup>2</sup> In addition, the *Notice* and IRFA (or summaries thereof) will be published in the Federal Register.<sup>3</sup>

#### A. Need for, and Objectives of, the Proposed Rules

2. The *Notice* seeks comment on new cost-based application fees, which will replace an outdated schedule of fees that was established by Congress over 30 years ago. The RAY BAUM'S Act requires the Commission to establish fees for all applications filed with the Commission based on the cost to process such applications.<sup>4</sup> The proposed fees, which are rules, are needed to meet the statutory requirement. The objective of this rulemaking is to provide an opportunity to bring this set of fees into the 21<sup>st</sup> century by lowering fees to account for processing efficiencies where appropriate, adding new fees for applications that were implemented after the original fee schedule was adopted, and eliminating fees for applications that no longer exist. The proposed actions will further simplify and streamline an overly complex schedule of fees by proposing significant fee consolidation in matters overseen by both the Wireless Telecommunications Bureau and the International Bureau. We believe that these objectives and the proposed rules are in the public interest and will benefit both large and small entities.

3. The *Notice* proposes a methodology to establish the direct costs of processing applications and, using such methodology, sets forth the Commission's costs in processing applications in services, for the Wireless Telecommunications Bureau, Media Bureau, Wireline Competition Bureau, Enforcement Bureau, International Bureau, Public Safety and Homeland Security Bureau, Office of Engineering and Technology, and Office of Economic Analysis. The *Notice* seeks comment on the calculation of costs, on eliminating some application fees from the fee schedule, on consolidating some fees, and on new application fees.

#### B. Legal Basis

4. This action, including publication of proposed rules, is authorized under sections (4)(i) and (j), 8, and 303(r) of the Communications Act of 1934, as amended.<sup>5</sup>

#### C. Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply

5. The RFA directs agencies to provide a description of, and where feasible, an estimate of the number of small entities that may be affected by the proposed rules and policies, if adopted.<sup>6</sup> The

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<sup>1</sup> 5 U.S.C. § 603. The RFA, 5 U.S.C. §§ 601-612 has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Pub. L. No. 104-121, Title II, 110 Stat. 847 (1996).

<sup>2</sup> 5 U.S.C. § 603(a).

<sup>3</sup> *Id.*

<sup>4</sup> 47 U.S.C. § 158(a).

<sup>5</sup> 47 U.S.C. §§ 154(i) and (j), 159, 159A, and 303(r).

<sup>6</sup> 5 U.S.C. § 603(b)(3).

RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.”<sup>7</sup> In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act.<sup>8</sup> A “small business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.<sup>9</sup>

6. **Small Businesses, Small Organizations, Small Governmental Jurisdictions.** Our actions, over time, may affect small entities that are not easily categorized at present. We therefore describe here, at the outset, three broad groups of small entities that could be directly affected herein.<sup>10</sup> First, while there are industry specific size standards for small businesses that are used in the regulatory flexibility analysis, according to data from the SBA’s Office of Advocacy, in general a small business is an independent business having fewer than 500 employees.<sup>11</sup> These types of small businesses represent 99.9% of all businesses in the United States which translates to 28.8 million businesses.<sup>12</sup>

7. Next, the type of small entity described as a “small organization” is generally “any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.”<sup>13</sup> Nationwide, as of August 2016, there were approximately 356,494 small organizations based on registration and tax data filed by nonprofits with the Internal Revenue Service (IRS).<sup>14</sup>

8. Finally, the small entity described as a “small governmental jurisdiction” is defined generally as “governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.”<sup>15</sup> U.S. Census Bureau data from the 2012 Census of Governments<sup>16</sup> indicate that there were 90,056 local governmental jurisdictions consisting of general

<sup>7</sup> 5 U.S.C. § 601(6).

<sup>8</sup> 5 U.S.C. § 601(3) (incorporating by reference the definition of “small-business concern” in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies “unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register.”

<sup>9</sup> 15 U.S.C. § 632.

<sup>10</sup> See 5 U.S.C. § 601(3)-(6).

<sup>11</sup> See SBA, Office of Advocacy, “Frequently Asked Questions, Question 1 – What is a small business?” [https://www.sba.gov/sites/default/files/advocacy/SB-FAQ-2016\\_WEB.pdf](https://www.sba.gov/sites/default/files/advocacy/SB-FAQ-2016_WEB.pdf) (June 2016).

<sup>12</sup> See SBA, Office of Advocacy, “Frequently Asked Questions, Question 2- How many small businesses are there in the U.S.?” [https://www.sba.gov/sites/default/files/advocacy/SB-FAQ-2016\\_WEB.pdf](https://www.sba.gov/sites/default/files/advocacy/SB-FAQ-2016_WEB.pdf) (June 2016).

<sup>13</sup> 5 U.S.C. § 601(4).

<sup>14</sup> Data from the Urban Institute, National Center for Charitable Statistics (NCCS) reporting on nonprofit organizations registered with the IRS was used to estimate the number of small organizations. Reports generated using the NCCS online database indicated that as of August 2016 there were 356,494 registered nonprofits with total revenues of less than \$100,000. Of this number, 326,897 entities filed tax returns with 65,113 registered nonprofits reporting total revenues of \$50,000 or less on the IRS Form 990-N for Small Exempt Organizations and 261,784 nonprofits reporting total revenues of \$100,000 or less on some other version of the IRS Form 990 within 24 months of the August 2016 data release date. See <http://nccs.urban.org/sites/all/nccs-archive/html/tablewiz/tw.php> where the report showing this data can be generated by selecting the following data fields: Report: “The Number and Finances of All Registered 501(c) Nonprofits”; Show: “Registered Nonprofits”; By: “Total Revenue Level (years 1995, Aug to 2016, Aug)”; and For: “2016, Aug” then selecting “Show Results.”

<sup>15</sup> 5 U.S.C. § 601(5).

<sup>16</sup> See 13 U.S.C. § 161. The Census of Government is conducted every five (5) years compiling data for years ending with “2” and “7”. See also Program Description Census of Government <https://factfinder.census.gov/faces/affhelp/jsf/pages/metadata.xhtml?lang=en&type=program&id=program.en.COG#>



purpose governments and special purpose governments in the United States.<sup>17</sup> Of this number there were 37, 132 General purpose governments (county<sup>18</sup>, municipal and town or township<sup>19</sup>) with populations of less than 50,000 and 12,184 Special purpose governments (independent school districts<sup>20</sup> and special districts<sup>21</sup>) with populations of less than 50,000. The 2012 U.S. Census Bureau data for most types of governments in the local government category show that the majority of these governments have populations of less than 50,000.<sup>22</sup> Based on this data we estimate that at least 49,316 local government jurisdictions fall in the category of “small governmental jurisdictions.”<sup>23</sup> Governmental entities are, however, exempt from application fees.<sup>24</sup>

9. **Wired Telecommunications Carriers.** The U.S. Census Bureau defines this industry as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable and IPTV) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”<sup>25</sup> The SBA has developed a

<sup>17</sup> See U.S. Census Bureau, 2012 Census of Governments, Local Governments by Type and State: 2012 - United States-States, <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG02.US01>. Local governmental jurisdictions are classified in two categories - General purpose governments (county, municipal and town or township) and Special purpose governments (special districts and independent school districts).

<sup>18</sup> See U.S. Census Bureau, 2012 Census of Governments, County Governments by Population-Size Group and State: 2012 - United States-States. <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG06.US01>. There were 2,114 county governments with populations less than 50,000.

<sup>19</sup> See U.S. Census Bureau, 2012 Census of Governments, Subcounty General-Purpose Governments by Population-Size Group and State: 2012 - United States – States. <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG07.US01>. There were 18,811 municipal and 16,207 town and township governments with populations less than 50,000.

<sup>20</sup> See U.S. Census Bureau, 2012 Census of Governments, Elementary and Secondary School Systems by Enrollment-Size Group and State: 2012 - United States-States. <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG11.US01>. There were 12,184 independent school districts with enrollment populations less than 50,000.

<sup>21</sup> See U.S. Census Bureau, 2012 Census of Governments, Special District Governments by Function and State: 2012 - United States-States. <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG09.US01>. The U.S. Census Bureau data did not provide a population breakout for special district governments.

<sup>22</sup> See U.S. Census Bureau, 2012 Census of Governments, County Governments by Population-Size Group and State: 2012 - United States-States - <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG06.US01>; Subcounty General-Purpose Governments by Population-Size Group and State: 2012 - United States-States - <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG07.US01>; and Elementary and Secondary School Systems by Enrollment-Size Group and State: 2012 - United States-States. <https://factfinder.census.gov/bkmk/table/1.0/en/COG/2012/ORG11.US01>. While U.S. Census Bureau data did not provide a population breakout for special district governments, if the population of less than 50,000 for this category of local government is consistent with the other types of local governments the majority of the 38, 266 special district governments have populations of less than 50,000.

<sup>23</sup> *Id.*

<sup>24</sup> 47 U.S.C. § 158(d)(1)(A).

<sup>25</sup> See 13 CFR § 120.201. The Wired Telecommunications Carrier category formerly used the NAICS code of 517110. As of 2017 the U.S. Census Bureau definition shows the NAICS code as 517311 for Wired Telecommunications Carriers. See U.S. Census Bureau, 2017 NAICS Definition, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517311&search=2017>.

small business size standard for Wired Telecommunications Carriers, which consists of all such companies having 1,500 or fewer employees.<sup>26</sup> U.S. Census Bureau data for 2012 show that there were 3,117 firms that operated that year.<sup>27</sup> Of this total, 3,083 operated with fewer than 1,000 employees.<sup>28</sup> Thus, under this size standard, the majority of firms in this industry can be considered small.

10. **Local Exchange Carriers (LECs).** Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to local exchange services. The closest applicable NAICS Code category is Wired Telecommunications Carriers.<sup>29</sup> Under the applicable SBA size standard, such a business is small if it has 1,500 or fewer employees.<sup>30</sup> U.S. Census Bureau data for 2012 show that there were 3,117 firms that operated for the entire year.<sup>31</sup> Of that total, 3,083 operated with fewer than 1,000 employees.<sup>32</sup> Thus under this category and the associated size standard, the Commission estimates that the majority of local exchange carriers are small entities.

11. **Incumbent LECs.** Neither the Commission nor the SBA has developed a small business size standard specifically for incumbent local exchange services. The closest applicable NAICS Code category is Wired Telecommunications Carriers.<sup>33</sup> Under the applicable SBA size standard, such a business is small if it has 1,500 or fewer employees.<sup>34</sup> U.S. Census Bureau data for 2012 indicate that 3,117 firms operated the entire year.<sup>35</sup> Of this total, 3,083 operated with fewer than 1,000 employees.<sup>36</sup> Consequently, the Commission estimates that most providers of incumbent local exchange service are small businesses that may be affected by our actions. According to Commission data, one thousand three hundred and seven (1,307) Incumbent Local Exchange Carriers reported that they were incumbent local exchange service providers.<sup>37</sup> Of this total, an estimated 1,006 have 1,500 or fewer employees.<sup>38</sup> Thus,

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<sup>26</sup> See 13 CFR § 120.201, NAICS Code 517311 (previously 517110).

<sup>27</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* (517110 Wired Telecommunications Carriers). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517110](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517110).

<sup>28</sup> *Id.*

<sup>29</sup> See 13 CFR § 121.201. The Wired Telecommunications Carrier category formerly used the NAICS code of 517110. As of 2017 the U.S. Census Bureau definition shows the NAICS code as 517311 for Wired Telecommunications Carriers. See <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517311&search=2017>.

<sup>30</sup> *Id.*

<sup>31</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* (517110 Wired Telecommunications Carriers). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517110](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517110).

<sup>32</sup> *Id.*

<sup>33</sup> See 13 CFR § 121.201. The Wired Telecommunications Carrier category formerly used the NAICS code of 517110. As of 2017 the U.S. Census Bureau definition shows the NAICS code as 517311 for Wired Telecommunications Carriers. See, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517311&search=2017>.

<sup>34</sup> *Id.*

<sup>35</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* (517110 Wired Telecommunications Carriers). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517110](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517110).

<sup>36</sup> *Id.*

<sup>37</sup> See *Trends in Telephone Service*, Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division at Table 5.3 (Sept. 2010) (*Trends in Telephone Service*).

<sup>38</sup> *Id.*



using the SBA's size standard the majority of incumbent LECs can be considered small entities.

12. **Competitive Local Exchange Carriers (Competitive LECs), Competitive Access Providers (CAPs), Shared-Tenant Service Providers, and Other Local Service Providers.** Neither the Commission nor the SBA has developed a small business size standard specifically for these service providers. The appropriate NAICS Code category is Wired Telecommunications Carriers and under that size standard, such a business is small if it has 1,500 or fewer employees.<sup>39</sup> U.S. Census Bureau data for 2012 indicate that 3,117 firms operated during that year.<sup>40</sup> Of that number, 3,083 operated with fewer than 1,000 employees.<sup>41</sup> Based on these data, the Commission concludes that the majority of Competitive LECs, CAPs, Shared-Tenant Service Providers, and Other Local Service Providers, are small entities. According to Commission data, 1,442 carriers reported that they were engaged in the provision of either competitive local exchange services or competitive access provider services.<sup>42</sup> Of these 1,442 carriers, an estimated 1,256 have 1,500 or fewer employees.<sup>43</sup> In addition, 17 carriers have reported that they are Shared-Tenant Service Providers, and all 17 are estimated to have 1,500 or fewer employees.<sup>44</sup> Also, 72 carriers have reported that they are Other Local Service Providers.<sup>45</sup> Of this total, 70 have 1,500 or fewer employees.<sup>46</sup> Consequently, based on internally researched FCC data, the Commission estimates that most providers of competitive local exchange service, competitive access providers, Shared-Tenant Service Providers, and Other Local Service Providers are small entities.

13. **Interexchange Carriers (IXCs).** Neither the Commission nor the SBA has developed a small business size standard specifically for Interexchange Carriers. The closest applicable NAICS Code category is Wired Telecommunications Carriers.<sup>47</sup> The applicable size standard under SBA rules is that such a business is small if it has 1,500 or fewer employees.<sup>48</sup> U.S. Census Bureau data for 2012 indicate that 3,117 firms operated for the entire year.<sup>49</sup> Of that number, 3,083 operated with fewer than 1,000 employees.<sup>50</sup> According to internally developed Commission data, 359 companies reported that their

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<sup>39</sup> See 13 CFR § 121.201. The Wired Telecommunications Carrier category formerly used the NAICS code of 517110. As of 2017 the U.S. Census Bureau definition shows the NAICS code as 517311 for Wired Telecommunications Carriers. See, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517311&search=2017>.

<sup>40</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* (517110 Wired Telecommunications Carriers). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517110.s](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517110.s)

<sup>41</sup> *Id.*

<sup>42</sup> See Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division, Trends in Telephone Service at Table 5.3 (Sept. 2010) (*Trends in Telephone Service*), [https://apps.fcc.gov/edocs\\_public/attachmatch/DOC-301823A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DOC-301823A1.pdf).

<sup>43</sup> *Id.*

<sup>44</sup> *Id.*

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

<sup>47</sup> See 13 CFR § 121.201. The Wired Telecommunications Carrier category formerly used the NAICS code of 517110. As of 2017 the U.S. Census Bureau definition shows the NAICS code as 517311 for Wired Telecommunications Carriers. See U.S. Census Bureau, *2017 NAICS Definition*, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517311&search=2017>.

<sup>48</sup> *Id.*

<sup>49</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* (517110 Wired Telecommunications Carriers). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517110](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517110).

<sup>50</sup> *Id.*

primary telecommunications service activity was the provision of interexchange services.<sup>51</sup> Of this total, an estimated 317 have 1,500 or fewer employees.<sup>52</sup> Consequently, the Commission estimates that the majority of interexchange service providers are small entities.

14. **Prepaid Calling Card Providers.** Neither the Commission nor the SBA has developed a small business size standard specifically for prepaid calling card providers. The appropriate NAICS code category for prepaid calling card providers is Telecommunications Resellers. This industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. Mobile virtual network operators (MVNOs) are included in this industry.<sup>53</sup> The SBA has developed a small business size standard for the category of Telecommunications Resellers.<sup>54</sup> Under that size standard, such a business is small if it has 1,500 or fewer employees.<sup>55</sup> U.S. Census Bureau data for 2012 show that 1,341 firms provided resale services during that year.<sup>56</sup> Of that number, 1,341 operated with fewer than 1,000 employees.<sup>57</sup> Thus, under this category and the associated small business size standard, the majority of these resellers can be considered small entities. According to Commission data, 193 carriers have reported that they are engaged in the provision of prepaid calling cards.<sup>58</sup> All 193 carriers have 1,500 or fewer employees.<sup>59</sup> Consequently, the Commission estimates that the majority of prepaid calling card providers are small.

15. **Local Resellers.** The SBA has not developed a small business size standard specifically for Local Resellers. The SBA category of Telecommunications Resellers is the closest NAICS code category for local resellers. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. Mobile virtual network operators (MVNOs) are included in this industry.<sup>60</sup> Under the SBA's size standard, such a business is small if it has 1,500 or fewer employees.<sup>61</sup>

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<sup>51</sup> See *Trends in Telephone Service*, Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division at Table 5.3 (Sept. 2010) (*Trends in Telephone Service*).  
[https://apps.fcc.gov/edocs\\_public/attachmatch/DOC-301823A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DOC-301823A1.pdf).

<sup>52</sup> *Id.*

<sup>53</sup> U.S. Census Bureau, 2017 NAICS Definition, NAICS Code 517911 "Telecommunications Resellers",  
<https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517911&search=2017%20NAICS%20Search>.

<sup>54</sup> 13 CFR § 121.201 (NAICS code 517911).

<sup>55</sup> *Id.*

<sup>56</sup> See U.S. Census Bureau, 2012 *Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* NAICS Code 517911,  
[https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517911](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517911).

<sup>57</sup> *Id.* Available census data does not provide a more precise estimate of the number of firms that have employment of 1,500 or fewer employees; the largest category provided is for firms with "1000 employees or more."

<sup>58</sup> See *Trends in Telephone Service*, at tbl. 5.3.

<sup>59</sup> *Id.*

<sup>60</sup> U.S. Census Bureau, 2017 NAICS Definition, 517911 Telecommunications Resellers,  
<https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517911&search=2017%20NAICS%20Search>.

<sup>61</sup> 13 CFR § 121.201, NAICS code 517911.

U.S. Census Bureau data from 2012 show that 1,341 firms provided resale services during that year.<sup>62</sup> Of that number, all operated with fewer than 1,000 employees.<sup>63</sup> Thus, under this category and the associated small business size standard, the majority of these resellers can be considered small entities. According to Commission data, 213 carriers have reported that they are engaged in the provision of local resale services.<sup>64</sup> Of these, an estimated 211 have 1,500 or fewer employees and two have more than 1,500 employees.<sup>65</sup> Consequently, the Commission estimates that the majority of local resellers are small entities.

16. **Toll Resellers.** The Commission has not developed a definition for Toll Resellers. The closest NAICS Code Category is Telecommunications Resellers. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they do not operate transmission facilities and infrastructure. MVNOs are included in this industry.<sup>66</sup> The SBA has developed a small business size standard for the category of Telecommunications Resellers.<sup>67</sup> Under that size standard, such a business is small if it has 1,500 or fewer employees.<sup>68</sup> 2012 Census Bureau data show that 1,341 firms provided resale services during that year.<sup>69</sup> Of that number, 1,341 operated with fewer than 1,000 employees.<sup>70</sup> Thus, under this category and the associated small business size standard, the majority of these resellers can be considered small entities. According to Commission data, 881 carriers have reported that they are engaged in the provision of toll resale services.<sup>71</sup> Of this total, an estimated 857 have 1,500 or fewer employees.<sup>72</sup> Consequently, the Commission estimates that the majority of toll resellers are small entities. The closest NAICS Code Category is Telecommunications Resellers. The Telecommunications Resellers industry comprises establishments engaged in purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services (except satellite) to businesses and households. Establishments in this industry resell telecommunications; they

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<sup>62</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012 NAICS Code 517911*, [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517911](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517911).

<sup>63</sup> *Id.* Available census data does not provide a more precise estimate of the number of firms that have employment of 1,500 or fewer employees; the largest category provided is for firms with “1000 employees or more.”

<sup>64</sup> See *Trends in Telephone Service*, Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division at Table 5.3 (Sept. 2010) (*Trends in Telephone Service*).

<sup>65</sup> See *id.*

<sup>66</sup> U.S. Census Bureau, 2017 NAICS Definition, 517911 Telecommunications Resellers, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517911&search=2017%20NAICS%20Search>.

<sup>67</sup> 13 CFR § 121.201, NAICS code 517911.

<sup>68</sup> *Id.*

<sup>69</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012 NAICS Code 517911*, [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517911](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517911).

<sup>70</sup> *Id.* Available census data does not provide a more precise estimate of the number of firms that have employment of 1,500 or fewer employees; the largest category provided is for firms with “1000 employees or more.”

<sup>71</sup> See *Trends in Telephone Service*, Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division at Table 5.3 (Sept. 2010) (*Trends in Telephone Service*).

<sup>72</sup> See *id.*

do not operate transmission facilities and infrastructure. MVNOs are included in this industry.<sup>73</sup> The SBA has developed a small business size standard for the category of Telecommunications Resellers.<sup>74</sup> Under that size standard, such a business is small if it has 1,500 or fewer employees.<sup>75</sup> 2012 Census Bureau data show that 1,341 firms provided resale services during that year.<sup>76</sup> Of that number, 1,341 operated with fewer than 1,000 employees.<sup>77</sup> Thus, under this category and the associated small business size standard, the majority of these resellers can be considered small entities. According to Commission data, 881 carriers have reported that they are engaged in the provision of toll resale services.<sup>78</sup> Of this total, an estimated 857 have 1,500 or fewer employees.<sup>79</sup> Consequently, the Commission estimates that the majority of toll resellers are small entities.

17. **Other Toll Carriers.** Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to Other Toll Carriers. This category includes toll carriers that do not fall within the categories of interexchange carriers, operator service providers, prepaid calling card providers, satellite service carriers, or toll resellers. The closest applicable NAICS code category is for Wired Telecommunications Carriers, as defined in paragraph 6 of this IRFA. Under that size standard, such a business is small if it has 1,500 or fewer employees.<sup>80</sup> U.S. Census Bureau data for 2012 show that there were 3,117 firms that operated that year.<sup>81</sup> Of this total, 3,083 operated with fewer than 1,000 employees.<sup>82</sup> Thus, under this size standard, the majority of firms in this industry can be considered small. According to Commission data, 284 companies reported that their primary telecommunications service activity was the provision of other toll carriage.<sup>83</sup> Of these, an estimated 279 have 1,500 or fewer employees.<sup>84</sup> Consequently, the Commission estimates that most Other Toll Carriers are small entities.

18. **Wireless Telecommunications Carriers (except Satellite).** This industry comprises establishments engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular services, paging services, wireless internet access, and

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<sup>73</sup> U.S. Census Bureau, 2017 NAICS Definition, 517911 Telecommunications Resellers, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517911&search=2017%20NAICS%20Search>.

<sup>74</sup> 13 CFR § 121.201, NAICS code 517911.

<sup>75</sup> *Id.*

<sup>76</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012 NAICS Code 517911*, [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5//naics~517911](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5//naics~517911).

<sup>77</sup> *Id.* Available census data does not provide a more precise estimate of the number of firms that have employment of 1,500 or fewer employees; the largest category provided is for firms with “1000 employees or more.”

<sup>78</sup> See *Trends in Telephone Service*, Federal Communications Commission, Wireline Competition Bureau, Industry Analysis and Technology Division at Table 5.3 (Sept. 2010) (*Trends in Telephone Service*).

<sup>79</sup> See *id.*

<sup>80</sup> See 13 CFR § 120.201, NAICS Code 517311 (previously 517110).

<sup>81</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012 (517110 Wired Telecommunications Carriers)*, [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5//naics~517110](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5//naics~517110).

<sup>82</sup> *Id.*

<sup>83</sup> *Trends in Telephone Service*, at tbl. 5.3.

<sup>84</sup> *Id.*

wireless video services.<sup>85</sup> The appropriate size standard under SBA rules is that such a business is small if it has 1,500 or fewer employees.<sup>86</sup> For this industry, U.S. Census Bureau data for 2012 show that there were 967 firms that operated for the entire year.<sup>87</sup> Of this total, 955 firms had employment of 999 or fewer employees and 12 had employment of 1000 employees or more.<sup>88</sup> Thus under this category and the associated size standard, the Commission estimates that the majority of wireless telecommunications carriers (except satellite) are small entities.

19. **Television Broadcasting.** This Economic Census category “comprises establishments primarily engaged in broadcasting images together with sound.”<sup>89</sup> These establishments operate television broadcast studios and facilities for the programming and transmission of programs to the public.<sup>90</sup> These establishments also produce or transmit visual programming to affiliated broadcast television stations, which in turn broadcast the programs to the public on a predetermined schedule. Programming may originate in their own studio, from an affiliated network, or from external sources. The SBA has created the following small business size standard for such businesses: those having \$38.5 million or less in annual receipts.<sup>91</sup> The 2012 Economic Census reports that 751 firms in this category operated in that year.<sup>92</sup> Of that number, 656 had annual receipts of \$25,000,000 or less.<sup>93</sup> Based on this data we therefore estimate that the majority of commercial television broadcasters are small entities under the applicable SBA size standard.

20. The Commission has estimated the number of licensed commercial television stations to be 1,377.<sup>94</sup> Of this total, 1,258 stations (or about 91%) had revenues of \$38.5 million or less, according to Commission staff review of the BIA Kelsey Inc. Media Access Pro Television Database (BIA) on November 16, 2017, and therefore these licensees qualify as small entities under the SBA definition. In addition, the Commission has estimated the number of licensed noncommercial educational television stations to be 384.<sup>95</sup> Notwithstanding, the Commission does not compile and otherwise does not have access to information on the revenue of noncommercial educational broadcast services stations that would permit it to determine how many such stations would qualify as small entities. There are also 2,300 low power television stations, including Class A stations (LPTV) and 3,681 TV translator stations.<sup>96</sup> Given

<sup>85</sup> U.S. Census Bureau, 2012 NAICS Definitions, “517210 Wireless Telecommunications Carriers (Except Satellite).” See <https://factfinder.census.gov/faces/affhelp/jsf/pages/metadata.xhtml?lang=en&type=ib&id=ib.en/ECN.NAICS2012.517210>.

<sup>86</sup> 13 CFR § 121.201, NAICS code 517210.

<sup>87</sup> U.S. Census Bureau, *2012 Economic Census of the United States*, Table EC1251SSSZ5, Information: Subject Series: Estab and Firm Size: Employment Size of Firms for the U.S.: 2012 NAICS Code 517210. [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517210](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517210).

<sup>88</sup> *Id.* Available census data does not provide a more precise estimate of the number of firms that have employment of 1,500 or fewer employees; the largest category provided is for firms with “1000 employees or more.”

<sup>89</sup> U.S. Census Bureau, 2017 NAICS Definitions, “515120 Television Broadcasting,” <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?input=515120&search=2017+NAICS+Search&search=2017>.

<sup>90</sup> *Id.*

<sup>91</sup> 13 CFR § 121.201; 2012 NAICS code 515120.

<sup>92</sup> U.S. Census Bureau, Table No. EC1251SSSZ4, *Information: Subject Series - Establishment and Firm Size: Receipts Size of Firms for the United States: 2012* (515120 Television Broadcasting). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ4/naics~515120](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ4/naics~515120).

<sup>93</sup> *Id.*

<sup>94</sup> *Broadcast Station Totals* as of June 30, 2018, Press Release (MB, rel. Jul. 3, 2018) (June 30, 2018 Broadcast Station Totals Press Release), <https://docs.fcc.gov/public/attachments/DOC-352168A1.pdf>.

<sup>95</sup> *Id.*

<sup>96</sup> *Id.*



the nature of these services, we will presume that all of these entities qualify as small entities under the above SBA small business size standard.

21. We note, however, that in assessing whether a business concern qualifies as “small” under the above definition, business (control) affiliations<sup>97</sup> must be included. Our estimate, therefore likely overstates the number of small entities that might be affected by our action, because the revenue figure on which it is based does not include or aggregate revenues from affiliated companies. In addition, another element of the definition of “small business” requires that an entity not be dominant in its field of operation. We are unable at this time to define or quantify the criteria that would establish whether a specific television broadcast station is dominant in its field of operation. Accordingly, the estimate of small businesses to which rules may apply does not exclude any television station from the definition of a small business on this basis and is therefore possibly over-inclusive. Also, as noted above, an additional element of the definition of “small business” is that the entity must be independently owned and operated. The Commission notes that it is difficult at times to assess these criteria in the context of media entities and its estimates of small businesses to which they apply may be over-inclusive to this extent.

22. **Radio Stations.** This Economic Census category “comprises establishments primarily engaged in broadcasting aural programs by radio to the public. Programming may originate in their own studio, from an affiliated network, or from external sources.”<sup>98</sup> The SBA has established a small business size standard for this category as firms having \$38.5 million or less in annual receipts.<sup>99</sup> Economic Census data for 2012 show that 2,849 radio station firms operated during that year.<sup>100</sup> Of that number, 2,806 firms operated with annual receipts of less than \$25 million per year, 17 with annual receipts between \$25 million and \$49,999,999 million and 26 with annual receipts of \$50 million or more.<sup>101</sup> Therefore, based on the SBA’s size standard the majority of such entities are small entities.

23. According to Commission staff review of the BIA/Kelsey, LLC’s Media Access Pro Radio Database as of January 2018, about 11,261 (or about 99.9%) of 11,383 commercial radio stations had revenues of \$38.5 million or less and thus qualify as small entities under the SBA definition.<sup>102</sup> The Commission has estimated the number of licensed commercial AM radio stations to be 4,633 stations and the number of commercial FM radio stations to be 6,738, for a total number of 11,371.<sup>103</sup> We note the Commission has also estimated the number of licensed noncommercial FM radio stations to be 4,128.<sup>104</sup> Nevertheless, the Commission does not compile and otherwise does not have access to information on the revenue of noncommercial stations that would permit it to determine how many such stations would qualify as small entities. We also note, that in assessing whether a business entity qualifies as small under the above definition, business control affiliations must be included.<sup>105</sup> The Commission’s estimate

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<sup>97</sup> “[Business concerns] are affiliates of each other when one concern controls or has the power to control the other or a third party or parties controls or has the power to control both.” 13 CFR § 21.103(a)(1).

<sup>98</sup> U.S. Census Bureau, 2017 NAICS Definitions, “515112 Radio Stations,” <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?input=515112&search=2017+NAICS+Search&search=2017>.

<sup>99</sup> 13 CFR § 121.201; NAICS code 515112.

<sup>100</sup> U.S. Census Bureau, Table No. EC1251SSSZ4, *Information: Subject Series – Establishment and Firm Size: Receipts Size of Firms for the United States: 2012* NAICS Code 515112, [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ4/naics~515112](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ4/naics~515112).

<sup>101</sup> *Id.*

<sup>102</sup> BIA/Kelsey, MEDIA Access Pro Database (viewed Jan. 26, 2018).

<sup>103</sup> Broadcast Station Totals as of June 30, 2018, Press Release (MB Jul. 3, 2018) (June 30, 2018 Broadcast Station Totals), <https://docs.fcc.gov/public/attachments/DOC-352168A1.pdf>.

<sup>104</sup> *Id.*

<sup>105</sup> “[Business concerns] are affiliates of each other when one concern controls or has the power to control the other, or a third party or parties controls or has power to control both.” 13 CFR § 121.103(a)(1).

therefore likely overstates the number of small entities that might be affected by its action, because the revenue figure on which it is based does not include or aggregate revenues from affiliated companies. In addition, to be determined a “small business,” an entity may not be dominant in its field of operation.<sup>106</sup> We further note, that it is difficult at times to assess these criteria in the context of media entities, and the estimate of small businesses to which these rules may apply does not exclude any radio station from the definition of a small business on these basis, thus our estimate of small businesses may therefore be over-inclusive. Also, as noted above, an additional element of the definition of “small business” is that the entity must be independently owned and operated. The Commission notes that it is difficult at times to assess these criteria in the context of media entities and the estimates of small businesses to which they apply may be over-inclusive to this extent.

24. **Cable Companies and Systems (Rate Regulation).** The Commission has developed its own small business size standards for the purpose of cable rate regulation. Under the Commission’s rules, a “small cable company” is one serving 400,000 or fewer subscribers nationwide.<sup>107</sup> Industry data indicate that there are 4,600 active cable systems in the United States.<sup>108</sup> Of this total, all but seven cable operators nationwide are small under the 400,000-subscriber size standard.<sup>109</sup> In addition, under the Commission’s rate regulation rules, a “small system” is a cable system serving 15,000 or fewer subscribers.<sup>110</sup> Commission records show 4,600 cable systems nationwide.<sup>111</sup> Of this total, 3,900 cable systems have fewer than 15,000 subscribers, and 700 systems have 15,000 or more subscribers, based on the same records.<sup>112</sup> Thus, under this standard as well, we estimate that most cable systems are small entities.

25. **Cable System Operators (Telecom Act Standard).** The Communications Act of 1934, as amended also contains a size standard for small cable system operators, which is “a cable operator that, directly or through an affiliate, serves in the aggregate fewer than one percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed \$250,000,000.”<sup>113</sup> As of 2018, there were approximately 50,504,624 cable video subscribers in the United States.<sup>114</sup> Accordingly, an operator serving fewer than 505,046 subscribers shall be deemed a small operator if its annual revenues, when combined with the total annual revenues of all its affiliates, do not exceed \$250 million in the aggregate.<sup>115</sup> Based on available data, we find that all but six incumbent cable operators are small entities under this size standard.<sup>116</sup> We note that the Commission neither requests nor collects information on whether cable system operators are affiliated with entities whose

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<sup>106</sup> 13 CFR § 121.102(b).

<sup>107</sup> 47 CFR § 76.901(e).

<sup>108</sup> The number of active, registered cable systems comes from the Commission’s Cable Operations and Licensing System (COALS) database on August 15, 2015. *See* FCC, *Cable Operations and Licensing System (COALS)*, [www.fcc.gov/coals](http://www.fcc.gov/coals) (last visited Oct. 25, 2016).

<sup>109</sup> S&P Global Market Intelligence, Top Cable MSOs as of 12/2016.

<sup>110</sup> 47 CFR § 76.901(c).

<sup>111</sup> *See supra* Note 108.

<sup>112</sup> *See* FCC, *Cable Operations and Licensing System (COALS)*, [www.fcc.gov/coals](http://www.fcc.gov/coals) (last visited Oct. 25, 2016).

<sup>113</sup> 47 CFR § 76.90(f) and notes ff. 1, 2, and 3.

<sup>114</sup> S&P Global Market Intelligence, U.S. Cable Subscriber Highlights, Basic Subscribers(actual) 2018, U.S. Cable MSO Industry Total.

<sup>115</sup> 47 CFR § 76.901(f) and notes ff. 1, 2, and 3.

<sup>116</sup> S&P Global Market Intelligence, Top Cable MSOs 12/18Q. [The six cable operators all had more than 505,046 basic cable subscribers.](#)

gross annual revenues exceed \$250 million.<sup>117</sup> Therefore we are unable at this time to estimate with greater precision the number of cable system operators that would qualify as small cable operators under the definition in the Communications Act.

26. **Direct Broadcast Satellite (DBS) Service.** DBS service is a nationally distributed subscription service that delivers video and audio programming via satellite to a small parabolic “dish” antenna at the subscriber’s location. DBS is included in SBA’s economic census category “Wired Telecommunications Carriers.”<sup>118</sup> The Wired Telecommunications Carriers industry comprises establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired telecommunications networks.<sup>119</sup> Transmission facilities may be based on a single technology or combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution; and wired broadband internet services.<sup>120</sup> By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.<sup>121</sup> The SBA determines that a wireline business is small if it has fewer than 1,500 employees.<sup>122</sup> U.S. Census Bureau data for 2012 indicates that 3,117 wireline companies were operational during that year.<sup>123</sup> Of that number, 3,083 operated with fewer than 1,000 employees.<sup>124</sup> Based on that data, we conclude that the majority of wireline firms are small under the applicable SBA standard. Currently, however, only two entities provide DBS service, which requires a great deal of capital for operation: DIRECTV (owned by AT&T) and DISH Network.<sup>125</sup> DIRECTV and DISH Network each report annual revenues that are in excess of the threshold for a small business. Accordingly, we must conclude that internally developed FCC data are persuasive that, in general, DBS service is provided only by large firms.

27. **All Other Telecommunications.** The “All Other Telecommunications” category is comprised of establishments primarily engaged in providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation.<sup>126</sup> This industry also

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<sup>117</sup> The Commission receives such information on a case-by-case basis if a cable operator appeals a local franchise authority’s finding that the operator does not qualify as a small cable operator pursuant to section 76.901(f) of the Commission’s rules. See 47 CFR § 76.901(f).

<sup>118</sup> See 13 CFR § 120.201. The Wired Telecommunications Carrier category formerly used the NAICS code of 517110. As of 2017 the U.S. Census Bureau definition shows the NAICS code as 517311 for Wired Telecommunications Carriers. See, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517311&search=2017>.

<sup>119</sup> *Id.*

<sup>120</sup> See *id.* Examples of this category are: broadband Internet service providers (e.g., cable, DSL); local telephone carriers (wired); cable television distribution services; long-distance telephone carriers (wired); CCTV services; VoIP service providers, using own operated wired telecommunications infrastructure; DTH services; telecommunications carriers (wired); satellite television distribution systems; and MMDS.

<sup>121</sup> *Id.*

<sup>122</sup> 13 CFR § 121.201, NAICS CODE 517110.

<sup>123</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* (517110 Wired Telecommunications Carriers). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5/naics~517110](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5/naics~517110).

<sup>124</sup> *Id.*

<sup>125</sup> See *Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, Eighteenth Report*, Table III.A.5, 32 FCC Rcd 568, 595 (Jan. 17, 2017).

<sup>126</sup> See U.S. Census Bureau, 2017 NAICS Definitions, NAICS Code “517919 All Other Telecommunications”, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?input=517919&search=2017+NAICS+Search&search=2017>.



includes establishments primarily engaged in providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems.<sup>127</sup> Establishments providing Internet services or voice over Internet protocol (VoIP) services via client-supplied telecommunications connections are also included in this industry.<sup>128</sup> The SBA has developed a small business size standard for All Other Telecommunications, which consists of all such firms with annual receipts of \$35 million or less.<sup>129</sup> For this category, U.S. Census Bureau data for 2012 shows that there were 1,442 firms that operated for the entire year.<sup>130</sup> Of those firms, a total of 1,400 had annual receipts less than \$25 million and 15 firms had annual receipts of \$25 million to \$49,999,999.<sup>131</sup> Thus, the Commission estimates that the majority of “All Other Telecommunications” firms potentially affected by our action can be considered small.

28. **RespOrgs.** Responsible Organizations, or RespOrgs, are entities chosen by toll free subscribers to manage and administer the appropriate records in the toll free Service Management System for the toll free subscriber.<sup>132</sup> Although RespOrgs are often wireline carriers, they can also include non-carrier entities. Therefore, in the definition herein of RespOrgs, two categories are presented, i.e., Carrier RespOrgs and Non-Carrier RespOrgs.

29. **Carrier RespOrgs.** Neither the Commission, the U.S. Census, nor the SBA have developed a definition for Carrier RespOrgs. Accordingly, the Commission believes that the closest NAICS code-based definitional categories for Carrier RespOrgs are Wired Telecommunications Carriers,<sup>133</sup> and Wireless Telecommunications Carriers (except satellite).<sup>134</sup>

30. The U.S. Census Bureau defines **Wired Telecommunications Carriers** as “establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry.”<sup>135</sup> The SBA has developed a small business size standard for Wired Telecommunications Carriers, which consists of all such companies having 1,500 or fewer employees.<sup>136</sup> U.S. Census Bureau data for 2012 show that there were 3,117 firms

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<sup>127</sup> *Id.*

<sup>128</sup> *Id.*

<sup>129</sup> See 13 CFR § 121.201, NAICS code 517919.

<sup>130</sup> U.S. Census Bureau, *2012 Economic Census of the United States*, Table EC1251SSSZ4, Information: Subject Series - Estab and Firm Size: Receipts Size of Firms for the United States: 2012, NAICS code 517919, [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ4/naics~517919](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ4/naics~517919).

<sup>131</sup> *Id.*

<sup>132</sup> See 47 CFR § 52.101(b).

<sup>133</sup> 13 CFR § 121.201, NAICS code 517110.

<sup>134</sup> *Id.*

<sup>135</sup> See 13 CFR § 120.201. The Wired Telecommunications Carrier category formerly used the NAICS code of 517110. As of 2017 the U.S. Census Bureau definition shows the NAICS code as 517311 for Wired Telecommunications Carriers. See U.S. Census Bureau, *2017 NAICS Definition*, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?code=517311&search=2017>.

<sup>136</sup> See 13 CFR § 120.201, NAICS Code 517311 (previously 517110).

that operated that year.<sup>137</sup> Of this total, 3,083 operated with fewer than 1,000 employees.<sup>138</sup> Based on that data, we conclude that the majority of Carrier RespOrgs that operated with wireline-based technology are small.

31. The U.S. Census Bureau defines **Wireless Telecommunications Carriers (except satellite)** as establishments engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves, such as cellular services, paging services, wireless internet access, and wireless video services.<sup>139</sup> The appropriate size standard under SBA rules is that such a business is small if it has 1,500 or fewer employees.<sup>140</sup> Census data for 2012 show that 967 Wireless Telecommunications Carriers operated in that year. Of that number, 955 operated with less than 1,000 employees.<sup>141</sup> Based on that data, we conclude that the majority of Carrier RespOrgs that operated with wireless-based technology are small.

32. **Non-Carrier RespOrgs.** Neither the Commission, the U.S. Census, nor the SBA have developed a definition of Non-Carrier RespOrgs. Accordingly, the Commission believes that the closest NAICS code-based definitional categories for Non-Carrier RespOrgs are “Other Services Related to Advertising”<sup>142</sup> and “Other Management Consulting Services.”<sup>143</sup>

33. The U.S. Census defines **Other Services Related to Advertising** as comprising establishments primarily engaged in providing advertising services (except advertising agency services, public relations agency services, media buying agency services, media representative services, display advertising services, direct mail advertising services, advertising material distribution services, and marketing consulting services).<sup>144</sup> The SBA has established a size standard for this industry as annual receipts of \$15 million dollars or less.<sup>145</sup> Census data for 2012 show that 5,804 firms operated in this industry for the entire year. Of that number, 5,612 operated with annual receipts of less than \$10 million.<sup>146</sup> Based on that data we conclude that the majority of Non-Carrier RespOrgs who provide toll-free number (TFN)-related advertising services are small.

34. The U.S. Census defines **Other Management Consulting Services** as establishments primarily engaged in providing management consulting services (except administrative and general management consulting; human resources consulting; marketing consulting; or process, physical distribution, and logistics consulting). Establishments providing telecommunications or utilities

<sup>137</sup> See U.S. Census Bureau, *2012 Economic Census of the United States*, Table No. EC1251SSSZ5, *Information: Subject Series - Estab & Firm Size: Employment Size of Firms: 2012* (517110 Wired Telecommunications Carriers). [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5//naics~517110](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5//naics~517110).

<sup>138</sup> *Id.*

<sup>139</sup> U.S. Census Bureau, 2012 NAICS Definitions, “517210 Wireless Telecommunications Carriers (Except Satellite).” See <https://factfinder.census.gov/faces/affhelp/jsf/pages/metadata.xhtml?lang=en&type=ib&id=ib.en/ECN.NAICS2012.517210>.

<sup>140</sup> 13 CFR § 120.201, NAICS code 517120.

<sup>141</sup> U.S. Census Bureau, *2012 Economic Census of the United States*, Table EC1251SSSZ5, *Information: Subject Series: Estab and Firm Size: Employment Size of Firms for the U.S.: 2012 NAICS Code 517210*. [https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012\\_US/51SSSZ5//naics~517210pid=ECN\\_2012\\_US\\_51SSSZ4&prodType=table](https://factfinder.census.gov/bkmk/table/1.0/en/ECN/2012_US/51SSSZ5//naics~517210pid=ECN_2012_US_51SSSZ4&prodType=table).

<sup>142</sup> 13 CFR § 120.201, NAICS code 541890.

<sup>143</sup> 13 CFR § 120.201, NAICS code 541618.

<sup>144</sup> <http://www.census.gov/cgi-bin/sssd/naics.naicsrch>.

<sup>145</sup> 13 CFR § 120.201, NAICS code 541890.

<sup>146</sup> [https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN\\_2012\\_US\\_51SSSZ4&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ4&prodType=table).

management consulting services are included in this industry.<sup>147</sup> The SBA has established a size standard for this industry of \$15 million dollars or less.<sup>148</sup> Census data for 2012 show that 3,683 firms operated in this industry for that entire year. Of that number, 3,632 operated with less than \$10 million in annual receipts.<sup>149</sup> Based on this data, we conclude that a majority of non-carrier RespOrgs who provide TFN-related management consulting services are small.<sup>150</sup>

35. In addition to the data contained in the four (see above) U.S. Census NAICS code categories that provide definitions of what services and functions the Carrier and Non-Carrier RespOrgs provide, Somos, the trade association that monitors RespOrg activities, compiled data showing that as of July 1, 2016 there were 23 RespOrgs operational in Canada and 436 RespOrgs operational in the United States, for a total of 459 RespOrgs currently registered with Somos.

**D. Description of Projected Reporting, Recordkeeping and Other Compliance Requirements for Small Entities**

36. This *Notice* does not propose any changes to the Commission's current information collection, reporting, recordkeeping, or compliance requirements. Licensees, including small entities, will be required to pay application fees after such fees are adopted.

**E. Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered**

37. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its approach, which may include the following four alternatives, among others: (1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities.<sup>151</sup>

38. This *Notice* seeks comment on new application fees and consolidating or deleting some existing application fees. The fees proposed in the *Notice* are based on the Commission's costs in processing the applications. This is now required under section 8 of the Communications Act.<sup>152</sup> In many instances, the proposed fees are much lower than current fees. In some cases, the proposed fees are similar to current fees or slightly higher. There are some new fees proposed for applications that previously had no fees. The Commission is required to base the fees on costs, but commenters may propose different calculations of cost that would result in lower fees.

**F. Federal Rules that May Duplicate, Overlap, or Conflict with the Proposed Rules**

None.

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<sup>147</sup> <http://www.census.gov/cgi-bin/sssd/naics/naicsrch>.

<sup>148</sup> 13 CFR § 120.201, NAICS code 514618.

<sup>149</sup> [http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN\\_2012\\_US\\_51SSSZ4&prodType=table](http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ECN_2012_US_51SSSZ4&prodType=table).

<sup>150</sup> The four NAICS code-based categories selected above to provide definitions for Carrier and Non-Carrier RespOrgs were selected because as a group they refer generically and comprehensively to all RespOrgs.

<sup>151</sup> 5 U.S.C. § 603(c)(1)–(c)(4).

<sup>152</sup> 47 U.S.C. § 158(a).

## APPENDIX C

## Wireless Radio Service Code Reference Table (codes in use today)

RADIO SERVICE CODE	SERVICE DESCRIPTION	APPLICATION FEES UNDER CURRENT RULES
PERSONAL RADIOS SERVICES		
HA	Amateur	NO
HV	Vanity	NO
AC	Aircraft	YES
CM	Commercial Operator	YES
RR	Restricted Operator	YES
SA	Ship Recreational or Voluntarily Equipped	YES
SB	Ship Compulsory Equipped	YES
SE	Ship Exemption	YES
ZA	General Mobile Radio Services (GMRS)	YES
GEOGRAPHIC RADIO SERVICES		
AD	AWS-4	NO
AH	AWS-H Block	NO
AT	AWS-3	NO
AW	AWS, 1710-1755/2110-2155 MHz Bands	NO
BA	1390-1392 MHz Band, Market Area	NO
BB	1392-1395 and 1432-1435 MHz Bands, Market Area	NO
BC	1670-1675 MHz Band, Market Area	NO
BR	Broadband Radio Service	NO
CJ	Commercial Aviation Air-Ground (800 MHz)	NO
CN	PCS Narrowband	NO
CP	Part 22 VHF/UHF Paging (excluding 931 MHz)	YES
CW	PCS Broadband	NO
CY	1910-1915/1990-1995 MHz Bands, Market Area	NO
CZ	Paging and Radiotelephone, Auctioned	YES
DV	Multichannel Video Distribution and Data Service	NO
ED	Educational Broadband Service (currently fee exempt)	NO
GC	929-931 MHz Bands, Auctioned	NO
LD	Local Multipoint Distribution Service	NO
LS	Location and Monitoring Service, Multilateration (LMS)	YES
MS	Multiple Address Service, Auctioned	YES
PC	Public Coast Stations, Auctioned	YES
PL	3.5 GHz, Auctioned	NO
QA	220-222 MHz Band, Auctioned	YES
TC	MSS ATC Leasing	NO
TN	39 GHz, Auctioned	YES
TZ	24 GHz Service	YES
UU	Upper Microwave Flexible Use Service	NO
WS	Wireless Communications Service	NO
WT	600 MHz Band	NO

WU	700 MHz Upper Band (Block C)	NO
WX	700 MHz Guard Band	NO
WY	700 MHz Lower Band (Blocks A, B, E)	NO
WZ	700 MHz Lower Band (Blocks C,D)	NO
YC	SMR, 806-821/851-866 MHz, Auctioned	YES
YD	SMR, 896-901/935-940 MHz, Auctioned	YES
YH	SMR, 806-821/851-866 MHz, Auctioned	YES
ZV	218-219 MHz	NO
<b>SITE-BASED RADIO SERVICES</b>		
AA	Aviation Auxiliary Group	YES
AB	Aural Microwave Booster	YES
AF	Aeronautical and Fixed	YES
AI	Aural Intercity Relay	YES
AR	Aviation Radionavigation	YES
AS	Aural Studio Transmitter Link	YES
CA	Commercial Air-Ground Radiotelephone	YES
CB	BETRS	YES
CD	Paging and Radiotelephone	YES
CE	Digital Electronic Message Service (Common Carrier)	YES
CF	Common Carrier Fixed Point-to-Point Microwave	YES
CG	General Aviation Air-ground Radiotelephone	YES
CJ	Commercial Aviation Air-ground Radiotelephone	YES
CL	Cellular	YES
CO	Offshore Radiotelephone	YES
CR	Rural Radiotelephone	YES
CT	Local Television Transmission	YES
GB	Business, 806-821/851-866 MHz, Conventional	YES
GI	Other Indust/Land Transp, 896-901/935-940 MHz, Conv.	YES
GJ	800 MHz Conventional B/ILT	YES
GL	900 MHz Conventional SMR (SMR, Site-Specific)	YES
GM	800 MHz Conventional SMR (SMR, Site-Specific)	YES
GO	Other Indust/Land Transp, 806-821/851-866 MHz, Conv.	YES
GR	SMR, 896-901/935-940 MHz, Conventional	YES
GS	Private Carrier Paging, 929-930 MHz	YES
GU	Business, 896-901/935-940 MHz, Conventional	YES
GX	SMR, 806-821/851-866 MHz, Conventional	YES
IG	Industrial/Business Pool, Conventional	YES
IK	Industrial/Business Pool, Commercial, Conventional	YES
LN	902-928 MHz Location Narrowband (non-multilateration)	YES
LP	Broadcast Auxiliary Low Power	YES
LV	Low Power Wireless Assist Video Devices	YES
LW	902-928 MHz Location Wideband (Grandfathered AVM)	YES
MA	Marine Auxiliary Group	YES
MC	Coastal Group	YES
MG	Microwave Industrial/Business Pool	YES
MK	Alaska Group	YES
MM	Millimeter Wave 70-80-90 GHz	YES
MR	Marine Radiolocation Land	YES
NC	Nationwide Commercial 5 Channel, 220 MHz	YES

NN	3650 – 3700 MHz	YES
PE	Digital Electronic Message Service (Private Operational Fixed)	YES
QD	Non-Nationwide Data, 220 MHz	YES
QO	Non-Nationwide Other, 220 MHz	YES
QQ	Intelligent Transportation Service (Non-Public Safety)	YES
QT	Non-Nationwide 5 Channel Trunked, 220 MHz	YES
RP	Broadcast Auxiliary Remote Pickup	YES
RS	Land Mobile Radiolocation	YES
TB	TV Microwave Booster	YES
TI	TV Intercity Relay	YES
TP	TV Pickup	YES
TS	TV Studio Transmitter Link	YES
TT	TV Translator Relay	YES
WA	Microwave Aviation	YES
WM	Microwave Marine	YES
WR	Microwave Radiolocation	YES
YB	Business, 806-821/851-866 MHz, Trunked	YES
YG	Industrial/Business Pool, Trunked	YES
YI	Industrial/Business Pool, Trunked	YES
YJ	Business/Industrial/Land Trans, 809-824/854-869 MHz, Trunked	YES
YK	Industrial/Business Pool - Commercial, Trunked	YES
YL	900 MHz Trunked SMR	YES
YM	800 MHz Trunked SMR (SMR, Site-Specific)	YES
YO	Other Indust/Land Transp. 806-821/851-866 MHz, Trunked	YES
YS	SMR, 896-901/935-940 MHz, Trunked	YES
YU	Business, 896-901/935-940 MHz, Trunked	YES
YX	SMR, 806-821/851-866 MHz, Trunked	YES

**STATEMENT OF  
CHAIRMAN AJIT PAI**

Re: *Amendment of the Schedule of Application Fees Set Forth in Sections 1.1102 through 1.1109 of the Commission's Rules.*

For the first time in more than 30 years, the Commission is proposing to update its framework for assessing and collecting application fees. Congress recently granted us that authority in the RAY BAUM'S Act, but it limited our discretion in setting such fees—we must impose fees on all “applications,” and we must set those fees at a level which allows us to “recover the costs of the Commission to process applications.” The Commission proposes to interpret those provisions in a manner as friendly to consumers and applicants as permissible under the law.

One might think that a pro-consumer approach consistent with the law would garner unanimous support. Sigh.

One of my colleagues dissents because of a purported concern that the Notice is “proposing to more than double the cost of a filing” a formal complaint, claiming that such a proposal would impact “consumers.” This is absurd.

*First*, the argument that this proposal would harm consumers is factually wrong. That's because the formal complaint process (which imposes a trial-like process to adjudicate a dispute) isn't designed for or used by consumers. The number of formal complaints filed by consumers in 2019? Zero. And so far in 2020? Zero. In contrast, consumers rely on our informal complaint process—300,000 in 2019 and 174,000 so far in 2020—which successfully resolves many problems without hassle. And what's the fee we propose for such *actual* consumer complaints? Zero (specifically, we propose to find that “informal consumer complaints are not applications”). In other words, in the real world, there is literally no impact of this formal complaint fee on consumers.

*Second*, the argument that we should not adjust this application fee demonstrates contempt for the law. After all, “this undertaking is compelled by statute.” And it was Congress that mandated how we calculate those fees. Indeed, we propose to exercise the little discretion we have to limit the “costs” we consider to only “direct costs,” resulting in a lower fee to applicants than the alternatives. So how, then, does the dissent suggest that we calculate a new application fee for formal complaints? Here's my colleague's solution: \_\_\_\_\_.

*Third and finally*, a few words on process. The Commission has a long tradition of bipartisan collaboration, and so my office has repeatedly agreed to amend items (especially Notices of Proposed Rulemaking) at the request of other offices. But there's a catch. To accommodate a Commissioner's concerns, our staff must know about those concerns *before the item is voted*. And yet, on July 2, when the Office of the Managing Director circulated this item, my colleague did not say a thing, much less request any edits. Nor on July 3. Nor on July 4 (with a pass for fireworks, of course). Nor on July 5. Nor on July 6. Nor on July 7. Nor on July 8. Nor on July 9. Nor on July 10. Nor on July 11. Nor on July 12. Nor on July 13. Nor on July 14. Nor on July 15. Nor on July 16. Nor on July 17. Nor on July 18. Nor on July 19. Nor on July 20. Nor on July 21. Nor on July 22. Nor on July 23. Nor on July 24. Nor on July 25. Nor on July 26. Nor on July 27. Nor on July 28. Nor on July 29. Nor on July 30. Nor on July 31, when staff briefed her office. Nor on August 1. Nor on August 2. Nor on August 3. Nor on August 4. Nor on August 5, when her office requested additional time to vote. Nor on August 6. Nor on August 7. Nor on August 8. Nor on August 9. Nor on August 10. Nor on August 11. Nor even on August 12, when her office indicated in our voting system that she would be dissenting in part. Nor on August 13. Nor on August 14. Nor on August 15. Nor on August 16. Nor on August 17. Nor on August 18. Nor on August 19. Nor on August 20. No, despite repeated requests from my office and FCC staff for feedback throughout the seven-plus weeks of this process, the first we learned about the purported concern was on August 21—through the dissenting statement and well after the votes were cast.

If my colleague actually believed the hyperbolic claims set forth in her statement yet made no effort to change the Notice for the better, there's a word that comes to mind: shameful. But of course that's not what's going on here. This is just another attempt to make "blatantly false" claims for political purposes.

In any case, going forward, my staff and I will continue to search for ways to address issues that are never raised with us and that we're thus unaware of, given this recurring issue.



**STATEMENT OF  
COMMISSIONER JESSICA ROSENWORCEL,  
APPROVING IN PART, DISSENTING IN PART**

Re: *Amendment of the Schedule of Application Fees Set Forth in Sections 1.1102 through 1.1109 of the Commission's Rules*, Notice of Proposed Rulemaking

In the RAY BAUM's Act Congress sought to modernize the fee structure for services performed by the Federal Communications Commission. It did so by deleting outdated statutory language in our existing fee framework and directing the agency to update its application fees to better reflect the current state of communications services. This rulemaking gets the updating process going by seeking comment on specific proposals to revamp the agency's application fee structure.

I broadly support this effort. After all, this undertaking is compelled by statute. Moreover, it thoughtfully proposes streamlining our schedule of application fees, consolidating the eight separate categories of fees presently in our rules into five functional categories. In addition, it clearly states that its goals in doing so are to ensure any new fee structure is administrable, sustainable—and fair.

But in one respect this proposal is definitely not fair. Not even close. At a time when a public health emergency has crashed our economy, with unemployment at record-high levels, and with so many now compelled to go online for so much of modern life, the FCC proposes a dramatic increase in the cost of filing a formal consumer complaint. This is crazy. It shows a wild disregard for the financial insecurity of so many households. By proposing to more than double the cost of a filing—from \$235 to \$540—the agency is demonstrating contempt for consumers looking to us for assistance when they have disputes related to their communications bills, difficulties securing service, or problems with their providers. Worse, it is deterring them from seeking our help in the first place. This is shameful. In this respect, I dissent.