

**Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, 2006 Cost Recovery Further Notice of Proposed Rulemaking, CG Doc. No. 03-123, FCC 06-106.**

**SUPPORTING STATEMENT**

**A. Justification**

**Background:**

1. The Americans with Disabilities Act of 1990 (ADA), Public Law 101-336, 104 Stat. 327, 366-69, was enacted on July 26, 1990. The purpose of the ADA is:
  - (a) to provide a clear and comprehensive national mandate to end discrimination against individuals with disabilities and to bring persons with disabilities into the economic and social mainstream of American life;
  - (b) to provide enforceable standards addressing discrimination against individuals with disabilities; and
  - (c) to ensure that the Federal government plays a central role in enforcing these standards on behalf of individuals with disabilities.

Title IV of the ADA adds section 225 to the Communications Act of 1934. Section 225 requires the Commission to promulgate regulations that require all domestic telephone common carriers to provide telecommunications relay services (TRS).<sup>1</sup>

- (a) Section 225 of the ADA:
  - (1) imposes on all common carriers providing interstate or intrastate telephone voice transmission services the obligation to offer TRS.
  - (2) charges the Commission with regulatory oversight,
  - (3) allows states the option to establish “certified” state programs for the provision of intrastate relay services.
- (b) 47 CFR Part 64, Subpart F implements Title IV of the ADA and the TRS requirements. It contains the operational, technical, and functional standards required of all TRS providers and the procedures for state certification.

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<sup>1</sup> Telecommunications relay service or TRS is a telephone transmission service that allows persons with a hearing or speech disability to engage in communications by wire or radio with a hearing individual in a manner that is functionally equivalent to the ability of an individual who does not have a hearing or speech disability to communicate using voice communication services by wire or radio. TRS facilities are staffed by communications assistants who relay conversations between people who use text telephone devices (TTY’s) and people who communicate by voice. See 47 CFR 64.601 (14) of the Commission’s rules.

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On March 6, 2000, the Commission released the *Improved TRS Order*,<sup>2</sup> which revised the TRS rules governing the delivery of TRS by expanding the forms of relay services available to consumers and by improving the quality of relay services:

- (a) The *Improved TRS Order* added new standards for the provision of traditional TRS and added Speech-to-Speech (STS)<sup>3</sup> and Spanish relay services as required forms of TRS.
- (b) It recognizes Video Relay Service (VRS)<sup>4</sup> as a form of TRS and also temporarily permitted the recovery of costs for all VRS calls from the interstate TRS funding mechanism.
- (c) It directed the Interstate TRS Fund Administrator (TRS Fund Administrator)<sup>5</sup> and its advisory council to develop recommendations for how the new forms of TRS should be compensated.

***Existing Information Collection Requirements:***

On December 21, 2001, the Commission released the *2001 TRS Cost Recovery MO&O & FNPRM*, In the Matter of Telecommunications Services for Individuals with Hearing and Speech Disabilities, Recommended TRS Cost Recovery Guidelines, CC Docket No. 98-67, FCC 01-371.<sup>6</sup>

In the *2001 TRS Cost Recovery MO&O & FNPRM*, the Commission:

- (a) Directed the TRS Fund Administrator to continue applying the average per minute compensation methodology to develop traditional TRS compensation rates;
- (b) Required TRS providers to submit certain projected TRS-related costs and demand data<sup>7</sup> to TRS Fund administrator;
- (c) Directed the TRS Fund Administrator to expand its TRS Center Data Request Form, a form for providers to itemize their actual and projected cost and demand data, to include specific sections to capture STS and VRS costs and minutes of use.

<sup>2</sup> *Telecommunications Relay Services for Individuals with Hearing and Speech Disabilities*, Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 98-67, 15 FCC Rcd 5140, 5148-51 (2000) (*Improved TRS Order*)

<sup>3</sup> Speech-to-Speech is a telecommunications relay service that allows individuals with speech disabilities to communicate with voice telephone users through the use of specially trained communications assistants (CA) who understand the speech patterns of persons with speech disabilities and can repeat the words spoken by that person.

<sup>4</sup> Video Relay Service (VRS) is a telecommunications relay service that allows people with hearing or speech disabilities who use sign language to communicate with voice telephone users through video equipment. The video link allows the CA to view and interpret the party's signed conversation and relay the conversation back and forth with a voice caller.

<sup>5</sup> On July 20, 1993, National Exchange Carrier Association (NECA) was appointed the Interstate TRS Fund Administrator. Currently, NECA's contract as the Interstate TRS Fund Administrator has been extended on a month to month basis.

<sup>6</sup> See generally *2001 TRS Cost Recovery MO&O & FNPRM* at ¶¶ 6-35.

<sup>7</sup> These costs and demand data are "total TRS minutes of use, total interstate TRS minutes of use, total TRS operating expenses and total TRS investment," as well as "other historical or projected information reasonably requested by the administrator for purposes of computing payments and revenue requirements."

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On October 25, 2002, the Commission released the *Fifth Report and Order on TRS*,<sup>8</sup> In the Matter of Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990, CC Docket Nos. 90-571 & 98-67, FCC 02-269.<sup>9</sup>

The *Fifth Report and Order on TRS* concluded that:

- (a) Carriers need not provide coin sent-paid TRS calls from payphones because:
  - (1) it was infeasible to provide coin sent-paid relay service through payphones at that time, and
  - (2) coin sent-paid functionality was not necessary to achieve functional equivalence.
- (b) Providers of TRS are required to submit a one-time report to the Commission twelve months after final rules are adopted in this proceeding, detailing the steps taken to comply with the consumer education recommendations contained in the *Fifth Report and Order on TRS*.
- (c) Once the submission of a one-time report has been completed, the providers of TRS are no longer required to submit a report in compliance of the *Fifth Report and Order on TRS*.

***Proposed Information Collection Requirements:***

On July 20, 2006, the Commission released a *2006 Cost Recovery FNPRM*, In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CC Docket No. 03-123, FCC 06-106.

The *2006 Cost Recovery FNPRM* seeks comments on:

- (a) Hamilton's proposed MARS plan and alternative cost recovery methodologies for traditional TRS, STS and IP Relay, including any possible changes to the existing TRS Center Data Request Form.

The MARS plan proposed that the interstate traditional TRS compensation rate be set at the weighted average of the states' intrastate traditional TRS compensation rates, with certain exceptions such as converting session minutes, which some states use to compensate intrastate traditional TRS minutes, to conversation minutes, which the Commission uses to compensate interstate traditional TRS minutes.

- (b) Whether the rate used to compensate interstate traditional TRS minutes, however determined, should be used to compensate interstate STS minutes and/or all interstate IP Relay minutes.
- (c) Whether, under the MARS plan or any other cost recovery methodology for traditional TRS, STS, and IP Relay, there should be a "true-up" at the end of the Fund-year based on actual reasonable costs.<sup>10</sup>

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<sup>8</sup> *Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990*, Fifth Report and Order, 17 FCC Rcd 21,233 (2002) (*Fifth Report and Order on TRS*).

<sup>9</sup> See 17 FCC Rcd 21,233 (2002).

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- (1) Under a true-up mechanism, providers would be required to reimburse the Fund for any amount by which their payments exceed actual reasonable costs.
  - (2) As a result, providers' ultimate compensation would not be contingent on estimates of costs or minutes of use.
  - (3) Providers would receive periodic payments of estimated actual reasonable costs based on a particular cost methodology, and at the end of the Fund year, the true-up would reconcile the providers' actual reasonable costs for providing service in compliance with the Commission's rules and the payments received.
- (d) Appropriate cost recovery methodology for VRS, including any possible changes to the existing TRS Center Data Request Form.
- (e) Whether the Commission should establish a competitive bidding process for TRS providers seeking to offer VRS as a national service, by either:
- (1) permitting two or three lowest bidders to provide the service, or
  - (2) setting compensation rates based on the lowest bid that allows several providers to offer the service.
- (f) The nature of the "reasonable" costs of providing all forms of TRS that should be compensable under the present cost recovery methodology, including marketing and outreach expenses, overhead costs, and executive compensation.

The proposed modifications in this *2006 Cost Recovery FNPRM* would amend 47 CFR 64.604(c)(5)(ii) regarding cost recovery methodology, 47 CFR 64.604(c)(5)(iii)(C) regarding data collection from TRS providers, and 47 CFR 64.605.

This *2006 Cost Recovery FNPRM* involves proposed reporting requirements:

- (a) State TRS programs would be required to submit rate data to the Commission, either annually or for a multi-year period, for their respective intrastate TRS service.
- (b) TRS providers that are compensated from the Interstate TRS Fund under a true-up mechanism would be required to keep records.

As noted on the OMB Form 83-I, this information collection does not affect individuals or household therefore, there are no impacts under the Privacy Act. The proposed rules only request aggregate rate data, which would not identify specific individuals or households.

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<sup>10</sup> In 2004, the Commission sought comment on whether the cost recovery methodology might include "a lump sum payment or periodic payments of estimated actual costs with a 'true-up' at the end of the fund year." See *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CC Docket Nos. 90-571 & 98-67, CG Docket 03-123, Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, 19 FCC Rcd 12475, 12479-83, paras. 3-8 (June 30, 2004).

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2. All collections of information are promulgated pursuant to section 225 of the ADA, which requires the Commission to ensure that TRS is available to persons with hearing and speech disabilities in the United States in the most efficient manner.

The *2006 Cost Recovery FNPRM* proposes a reporting requirement associated with cost recovery methodology for compensation from the Interstate TRS Fund.

- (a) State TRS programs must submit rate data to the Commission, either annually or for a multi-year period, for their respective intrastate traditional TRS and STS services.
  - (b) This requirement has a minimal economic impact on the state TRS programs because it merely requires the submission of their previously developed intrastate rate data to the Commission.
  - (c) TRS providers may be required to provide more detailed data regarding marketing and outreach expenses, overhead allocations, executive compensation, legal and lobbying expenses and, if a true up mechanism is adopted, actual cost of providing service.
3. At this time, the Commission is not considering the use of improved information technology.
4. The information is not duplicated elsewhere. No similar information is available.
5. The collections of information from any small business will not be significant.
  - (a) Based on the small number of entities providing TRS service, the Commission concludes that this action will not cause a significant impact on small business.
  - (b) The cost of submitting additional detailed information is minimal and may be included as expenses in calculating interstate TRS reimbursement rates.
  - (c) The Commission certifies that the proposed requirements of the *2006 Cost Recovery FNPRM* will not have a significant economic impact on a substantial number of small entities.
6.
  - (a) The proposed reporting requirement in the *2006 Cost Recovery FNPRM* would require the state TRS programs to submit the rate data to the Commission for their respective intrastate TRS services.
  - (b) The proposed record keeping requirement under a true-up mechanism in the *2006 Cost Recovery FNPRM* would require the providers to keep records.
  - (c) If such an information collection is not completed, the providers may not be eligible for reimbursement from the Interstate TRS Fund.
7. The collections are not being conducted in any manner inconsistent with the guideline of 5 CFR 1320.5(d)(1) of the Commission's rules.
8. The Commission has included the 60 day PRA Notice as part of the *Federal Register* summary of the *2006 Cost Recovery FNPRM*. Publication of this Notice in the *Federal Register* will begin

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the 60 day public comment period concurrent with the submission of the PRA documents to OMB for their review.

9. The Commission does not anticipate providing any payment or gift to respondents.
10. The Commission presently sets annual interstate TRS compensation rates based on projected cost and demand data submitted by TRS providers.
  - (a) These aggregated data, particularly cost data, may be confidential proprietary data of the individual submitting TRS providers and protected from disclosure under the Freedom of Information Act (FOIA) and the Commission's rules implementing FOIA.
  - (b) Other than these data, the Commission is not requesting that respondents submit confidential information.
  - (c) If the Commission requests information from respondents, which the respondents believe is confidential, respondents may request confidential treatment of such information pursuant to 47 CFR 0.459 of the Commission's rules.
  - (d) Moreover, the Commission requires the TRS Fund Administrator to keep all data from contributors, TRS providers, and state TRS programs confidential.
  - (e) The TRS Fund Administrator shall not disclose such data in any way that would identify individual or specific companies unless directed to do so by the Commission.<sup>11</sup>
11. There are no questions of a sensitive nature with respect to the information collected.
12. Estimates of the hour burden of the existing collection and new proposed collection of information are as follows:

***Existing Information Collection Requirements (2001 TRS Cost Recovery MO&O & FNPRM approved by OMB on June 24, 2003)***

**Total Number of Respondents:** 5,053

**Total Number of Annual Responses:** 5,053

**Total Annual Hourly Burdens:** 26,837

**Total Annual In-House Costs:** \$2,048

***Revised Information Collection Requirements***

The Commission estimates that 8 respondents may **no longer need** to submit certain projected TRS-related data by itemizing their actual and projected cost and demand on the TRS Center Data Request Form provided by the TRS Fund Administrator pursuant to *2001 TRS Cost Recovery MO&O & FNPRM*.

<sup>11</sup> See 47 CFR 64.604(c)(5)(iii).

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As result, the Commission estimates that 8 respondents may save 1,120 hours from having to submit certain data for both traditional TRS and STS because they may no longer need to do so:

The Commission estimates that this information collection required approximately 80 hours per provider (respondent) of traditional TRS and STS services to complete.

80 hrs/yr/traditional TRS providers + 80 hrs/yr/STS providers = **160 hrs/annum**

6 respondents/traditional TRS/STS x 160 hrs (80 hrs/TRS + 80/hrs STS provider) = **960 hrs/annum**

1 respondent/traditional TRS x 80 hours = **80 hours/annum**

1 respondent/STS x 80 hours = **80 hours/annum**

**Total Decreased Annual Hourly Burden:** 160+ 960 + 80 + 80 = **1,280 hours**

**Total Hourly Burden:** 26,837 – 1,280 = **25,557 hours**

**Number of Respondents:**

6 providers offering both traditional TRS and STS + 1 provider offering only traditional TRS + 1 provider offering only STS = **8 respondents**

**Total Revised Number of Respondents:** 5,053 – 8 = **5,045 respondents**

**Total Revised Number of Responses Annually:** ~~5,039~~

~~6 respondents x 2 (traditional TRS and STS) = 12 responses~~

~~1 respondent (traditional TRS) + 1 respondent (STS) 2 respondents x 1 response = 2 responses~~  
~~12 + 2 = 14 responses~~

~~5,053 – 14 = 5,039 Responses~~ ~~5,053 – 8 = 5,045 responses~~

**Total “In-House” Costs:** -Because respondents receive reimbursement from the Interstate TRS Fund for the costs associated with the submission, the \$2,048 “in house” costs are reduced to \$0.00.

***Proposed Information Collection Requirements (2006 Cost Recovery FNPRM)***

Section 64.604(c)(iii)(5)(C) – Data collection from TRS Providers

The Commission estimates that 53 certified state TRS programs may be affected by this collection requirement.

In the *2006 Cost Recovery FNPRM*, the Commission seeks comment on the following:

- (a) Whether certified state TRS programs should be required to submit rate data to the Commission, either annually or for a multi-year period, for their respective intrastate TRS

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services as a **supplement** to the current mechanism pursuant to 47 CFR § 64.604(c)(iii)(5)(C) of the Commission rules (such as in a hybrid approach in which the MARS plan is used to set a rate cap).

The current mechanism involves the providers' submission of certain projected TRS-related data by itemizing their actual and projected cost and demand on the TRS Center Data Request Form provided by the TRS Fund Administrator pursuant to *2001 TRS Cost Recovery MO&O and FNPRM*.

The Commission estimates that 53 respondents/state TRS programs may be required to submit rate data for each of their traditional TRS and STS services.

This process will be done at least annually.

**Total number of Respondents:** 50 states and District of Columbia, Puerto Rico and Virgin Islands are certified to offer intrastate TRS services = **53 respondents**

**Total Number of Responses:** 53 respondents (state TRS programs) x 2 intrastate TRS services (traditional TRS + STS) = **106 responses**

The Commission estimates that 53 respondents/state TRS programs may require approximately 10 hours to submit the data for each of their traditional TRS and STS services:

10 hours/yr for traditional TRS services + 10 hours/yr for STS services = 20 hours/annum

53 respondents/traditional TRS/STS x 20 hours = **1,060 hours/annum**

**Total Annual Hourly Burden: 1,060 hours**

**Total "In-House" Costs: \$68,900**

The Commission assumes that respondents will use "in-house" personnel whose pay is comparable to mid-to-senior level federal employees (GS-15/1, plus 30% overhead) to submit rate data to the Commission, either annually or for a multi-year period, for each of their traditional TRS and STS services.

The Commission estimates respondents' cost to be about \$65.00 per hour to complete. 1,060 hours/annum for handling rate data submissions x \$65.00 = **\$68,900**

- (b) Whether certified state TRS programs should be required to submit rate data to the Commission, either annually or for a multi-year period, for their respective intrastate TRS services as a **substitute** to the current mechanism pursuant to section 47 CFR 64.604 (c)(iii)(5)(C) of the Commission rules.

The Commission estimates that 53 respondents/state TRS programs may be required to submit rate data for each of their traditional TRS and STS services.

This process will be done at least annually.



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**Total number of Respondents:** 50 states and District of Columbia, Puerto Rico and Virgin Islands are certified to offer intrastate TRS services = **53 respondents**

**Total Number of Responses:** 53 respondents (state TRS programs) x 2 intrastate TRS services (traditional TRS + STS) = **106 responses**

The Commission estimates that 53 respondents/state TRS programs may require approximately 10 hours to submit the data for each of their traditional TRS and STS services:

10 hours/annum for traditional TRS services + 10 hours/annum for STS services = 20 hours/annum

53 respondents/traditional TRS/STS x 20 hours = **1,060 hours/annum**

**Total Annual Hourly Burden: 1,060 hours**

**Total “In-House” Costs: \$68,900**

The Commission assumes that respondents will use “in-house” personnel whose pay is comparable to mid-to-senior level federal employees (GS-15/1, plus 30% overhead) to submit rate data to the Commission, either annually or for a multi-year period, for each of their traditional TRS and STS services.

The Commission estimates respondents’ cost to be about \$65.00 per hour to complete. 1,060 hours/annum for handling rate data submissions x \$65.00 = **\$68,900**

- (c) The implementation of a true-up mechanism, which may require disclosure of documents or data maintained in the ordinary course of business, as well as new record keeping requirements and any proposed time and frequency of its mechanism.

**Total number of Respondents: 10 providers (respondents)**

- (1) Because 4 of the 10 TRS providers (respondents) provide four different types of TRS services, – traditional TRS, STS, IP Relay and VRS, they may be required to keep records as part of a true-up mechanism.
- (2) Because 2 of the 10 TRS providers (respondents) provide two different types of TRS services – traditional TRS and STS, they may be required to keep records as part of a true-up mechanism.
- (3) Because 2 of the 10 TRS providers (respondents) provide two different types of TRS services – IP Relay and VRS, they may be required to keep records as part of a true-up mechanism.
- (4) One provider of traditional TRS may be required to keep records as part of a true-up mechanism.
- (5) One provider of VRS may be required to keep records as part of a true-up mechanism.

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4 traditional TRS, STS, IP Relay and VRS providers + 2 traditional TRS, STS providers + 2 IP Relay and VRS providers + 1 traditional TRS provider + 1 VRS provider = **10 providers (respondents)**

The Commission estimates that there are currently approximately 10 providers of traditional TRS, STS, IP Relay and VRS that may be affected by this collection.<sup>12</sup>

The Commission estimates that 10 respondents may be required to keep records for the true-up mechanism.

This process will be done at least annually.

**Total Number of Responses Annually: 26 responses**

4 respondents x 4 (traditional TRS, STS, IP Relay & VRS) = **16 responses**

2 respondents x 2 (traditional TRS & STS) = **4 responses**

2 respondents x 2 (IP Relay & VRS) = **4 responses**

1 respondent (traditional TRS) = **1 response**

1 respondent (VRS) = **1 response**

16 + 4 + 4 + 1 + 1 = **26 responses**

**Total Annual Hourly Burden: 2,080 hours**

The Commission estimates that 10 respondents may require approximately 80 hours to keep records for traditional TRS, STS, IP Relay and VRS:

(1) 80 hours/annum for traditional TRS providers + 80 hours/annum for STS providers + 80 hours/annum for IP Relay providers + 80 hours/annum for VRS providers = 320 hours/annum

4 respondents/traditional TRS/STS/IP Relay/VRS x 320 hours = **1,280 hours/annum**

(2) 80 hours/annum for traditional TRS providers + 80 hours/annum for STS providers = 160 hours/annum

2 respondents/traditional TRS/STS x 160 hours = **320 hours/annum**

(3) 80 hours/annum for TRS – IP Relay providers + 80 hours/annum for VRS providers = 160 hours/annum

2 respondents/IP Relay/VRS x 160 hours = **320 hours/annum**

(4) 80 hours/annum for traditional TRS = 80 hours/annum

<sup>12</sup> 4 providers offer traditional TRS, STS, IP Relay and VRS, 2 providers offer traditional TRS and STS, 2 providers offer IP Relay and VRS, one provider offers only traditional TRS and one provider offers only VRS.

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1 respondent/traditional TRS x 80 hours = **80 hours/annum**

(5) 80 hours/annum for VRS providers = 80 hours/annum

1 respondent/VRS x 80 hours = **80 hours/annum**

**Total Annual Hourly Burden:** 1,280 hrs + 320 hrs + 320 hrs + 80 hrs + 80 hrs = **2,080 hrs**

**Total “In-House” Costs:** The Interstate TRS Fund will reimburse respondents for any “in-house” costs associated with recordkeeping for traditional TRS, STS, IP Relay and VRS as part of a true up mechanism.

(d) Whether the Commission should establish a competitive bidding process for TRS providers seeking to offer VRS as a national service, by either:

(1) permitting two or three lowest bidders to provide the service, or

(2) setting compensation rates based on the lowest bid that allows several providers to offer the service.

The Commission estimates that 8 VRS providers (respondents) may be required, in a competitive bidding process, to submit a proposal containing detailed financial and operational plans should the provider desire to place a bid for the provision of a national VRS service.

This process will be done at least annually.

**Number of Respondents: 8 respondents** (VRS providers)

**Number of Responses Annually:** 8 respondents/VRS x 1 response (proposal) = **8 responses/yr**

The Commission estimates that 8 respondents may require approximately 1,000 hours developing and submitting a proposal to offer a national VRS service:

8 respondents/VRS x 1,000 hours = **8,000 hours/annum**

**Total Annual Hourly Burden: 8,000 hours**

**Total “In-House” Costs: \$520,000**

The Commission assumes that respondents will use “in-house” personnel whose pay is comparable to mid-to-senior level federal employees (GS-15/1, plus 30% overhead) to prepare and submit a proposal to offer a national VRS service.

The Commission estimates respondents’ cost to be about \$65.00 per hour to complete.

8,000 hours/yr for preparation and submission x \$65.00 = **\$520,000**

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**Cumulative Totals for (Revised) Existing and Proposed Information Collection Requirements:**

**Cumulative Total Number of Respondents:** 5,045 + 53 = **5,098**

**Cumulative Total Number of Responses:** 5,039 + 246 = **5,285**

**Cumulative Total Annual Hourly Burden:** 25,557 + 12,200 = **37,757**

**Cumulative Total Annual “In-House” Costs:** **\$657,800**

13. Traditional TRS, STS, IP Relay and VRS providers may incur some cost(s) for the submission of rate data, record keeping and preparation for participation in a competitive bidding process. However, the Commission believes that most of the work to comply with these information collection requirements will be done “in house.”

Providers receiving contract(s) to provide a national VRS service will be reimbursed indirectly when they received compensation from the Interstate TRS Fund for providing such service. Thus:

(a) Total annualized capital/start-up cost: **\$0**

(b) Total annual costs (operation and maintenance): **\$0**

~~(c)~~—~~(e)~~ Total annualized cost requested: **\$0**

Information Collection Requirements	Total	Total	Total Annual	Total “In	Total Annual
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	<b>Number of Respondents</b>	<b>Number of Responses</b>	<b>Hourly Burden</b>	<b>House” Costs</b>	<b>Costs</b>
Existing Requirements	5,053	5,053	26,837	\$2,048	\$0.00
Revised Existing Requirements	5,045	<del>5,039</del> <u>5,045</u>	25,557	\$0.00 <sup>13</sup>	\$0.00
Proposed Requirements pursuant to Section 64.604(c)(iii)(5)(c)					\$0.00
(a) rate data submission(s) as a <i>supplement</i> for the current mechanism	53	106	1,060	\$68,900	\$0.00
(b) rate data submission(s) as a <i>substitute</i> for the current mechanism	53	106	1,060	\$68,900	\$0.00
(c) implementation of “ <i>true-up</i> ” mechanism (recordkeeping)	10	26	2,080	\$0.00 <sup>14</sup>	\$0.00
(d) competitive bidding process	8	8	8,000	\$520,000	\$0.00
<b>Total for Proposed Information Collection Requirements</b>	<b>53</b>	<b>246</b>	<b>12,200</b>	<b>\$657,800</b>	<b>\$0.00</b>
<b>Cumulative Totals (Revised + Proposed)</b>	<b>5,098</b>	<b>5,285</b> <u><b>291</b></u>	<b>37,757</b>	<b>\$657,800</b>	<b>\$0.00</b>

14. The Commission believes that the cost to the Federal Government may be collecting rate data from state TRS programs:
- The Commission will administer the rate data submitted by state TRS programs.
  - The Commission will use staff attorneys at the GS-14/5 level to collect and process rate data from traditional TRS and STS providers.
  - The Commission estimates the time to process each submission to be approximately 2 hours.
  - On average, the Commission estimates that it may receive approximately 106 submissions of rate data annually:

$$106 \text{ submissions} \times 2 \text{ hours/processing time} \times \$49.64 = \$10,523.68$$

$$30\% \text{ overhead} = \$ \underline{3,157.10}$$

**Total cost to the Federal Government: - \$ 13,680.78**

The Commission believes that the cost to the Federal Government may be handling a true-up mechanism:

- The Commission will administer the true-up mechanism, including payment plans.

<sup>13</sup> The TRS Fund reimburses respondents for the “in house” cost to meet the information collection requirement.

<sup>14</sup> The TRS Fund reimburses respondents for the “in house” cost to meet the information collection requirement.

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- (b) The Commission will use staff attorneys at the GS-14/5 level to review the actual cost and demand data and direct TRS Fund Administrator to make payment plans or receive monies from providers that are overcompensated.
- (c) The Commission estimates the time to administer a true-up mechanism is 480 hours.
- (d) On average, the Commission estimates that it may receive approximately 26 submissions of cost and demand data annually:

$$\begin{aligned}
 26 \text{ submissions} \times 480 \text{ hours/processing time} \times \$49.64 &= \$ 619,507.20 \\
 30\% \text{ overhead} &= \underline{\$ 185,852.16} \\
 \textbf{Total cost to the Federal Government:} & \quad \textbf{\$ 805,359.36}
 \end{aligned}$$

The Commission believes that the cost to the Federal Government may be handling a competitive bidding process for VRS providers:

- (a) The Commission will administer a competitive bidding process for a national VRS service.
- (b) The Commission will use staff attorneys at the GS-14/5 level to develop a Request for Proposal and to collect and reviews proposals submitted by the VRS providers.
- (c) The Commission estimates the time to administer a competitive bidding process is 960 hours.
- (d) On average, the Commission estimates that it may receive approximately 8 submissions of proposals each three years:

$$\begin{aligned}
 8 \text{ submissions} \times 960 \text{ hours/processing time} \times \$49.64 &= \$ 381,235.20 \\
 30\% \text{ overhead} &= \underline{\$ 114,370.56} \\
 \textbf{Total cost to the Federal Government:} & \quad \textbf{\$ 495,605.76}
 \end{aligned}$$

**Cumulative Costs to the Federal Government:**

$$\$13,680.78 + \$805,359.36 + \$495,605.76 = \textbf{\$1,314,645.90}$$

15. On October 25, 2002, the Commission released the *Fifth Report and Order on TRS*, In the Matter of Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans with Disabilities Act of 1990, CC Docket Nos. 90-571 & 98-67, FCC 02-269.

As a result of the *Fifth Report and Order on TRS*, the Commission required providers of TRS to submit of a one-time report to the Commission twelve months after final rules are adopted in this proceeding, detailing the steps taken to comply with the consumer education recommendations contained in the *Fifth Report and Order on TRS*.

- (a) The submission of a one-time report has been completed.

**Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, 2006 Cost Recovery Further Notice of Proposed Rulemaking, CG Doc. No. 03-123, FCC 06-106.**

(b) The providers of TRS are no longer required to submit a report in compliance of the *Fifth Report and Order on TRS*.

As noted above, on July 20, 2006, the Commission released:

Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities (*2006 Cost Recovery FNPRM*), CC Docket No. 03-123, FCC 06-106; and

- (a) As a result of the release of the 2006 Cost Recovery FNPRM, the Commission is adding a new proposed collection in addition to the existing information collection requirements contained in the *2001 MO&O and FNPRM*.
- (b) The Commission has re-evaluated its previous assessments of the various burdens for this information collection for the both existing and proposed information collection requirements. Due to this re-evaluation:
  - (1) The Commission's estimate for the total number of respondents had increased from 5,045 (revised estimate) to 5,098.
  - (~~12~~) The Commission's estimate for the total number of responses had increased from 5,~~039~~~~045~~ (revised estimate) to 5,~~285~~~~291~~ responses (please note that this revised estimate differs slightly from what appeared in the *Federal Register* Notice);<sup>3</sup>
  - (~~23~~) The Commission's estimate for the total annual hourly burden had increased from 25,557 (revised estimate) to 37,757; and
  - (~~34~~) The Commission's estimate for the total annual "in-house" costs has increased from no costs (\$0.00) since the TRS Fund provided full reimbursement to \$657,800.

16. There are no plans to publish the result of the collection of information.

17. The Commission is not seeking approval not to display the expiration date for OMB approval of this information because the collection does not include a form number.

18. The Commission is reporting one re are no exceptions to Item 19, "Certification for Paperwork Reduction Act Submission," on OMB Form 83-I. Due to the particularities of the ROCIS system, the Commission has had to revise its estimate of the existing total number of responses—from 5,039 (the estimate that appeared in the *Federal Register* Notice) to 5,045 responses.

The ,since the PRA information has been ing published for the first time in the *Federal Register* as part of the Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities *Further Notice of Proposed Rulemaking (2006 Cost Recovery FNPRM)*, CC Docket No. 03-123, FCC 06-106.

**B. Collections of Information Employing Statistical Methods**

Commission does not anticipate that the collection of information will employ any statistical methods.

3060-0463

September 2006

Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, [2006 Cost Recovery Further Notice of Proposed Rulemaking, CG Doc. No. 03-123, FCC 06-106.](#)