

**Title: Section 76.913, Assumption of Jurisdiction by the Commission**

**SUPPORTING STATEMENT**

**A. Justification**

1. 47 CFR 76.913(b) requires a franchising authority unable to meet certification standards may petition the Commission to regulate the rates for basic cable service and associated equipment of its franchisee when:

- (1) The franchising authority lacks the resources to administer rate regulation.
- (2) The franchising authority lacks the legal authority to regulate basic service rates; provided, however, that the authority must submit with its request a statement detailing the nature of the legal infirmity.

**History:**

On December 31, 1996, the Commission released a Memorandum Opinion and Order ("MO&O"), *In the Matter of Implementation of the Cable Television Consumer Protection and Competition Act of 1992, Rate Regulation*, MM Docket No. 92-266, FCC 96-491, in response to the decision of the court in *Time Warner Co. v. FCC*, 56 F.3d 151 (D.C. Cir. 1995).

The MO&O eliminated a previous requirement that if the franchising authority lacks the resources to administer rate regulations, its petition no longer must be accompanied by a demonstration that franchise fees are insufficient to fund any additional activities required to administer basic service rate regulation.

As noted on the OMB Form 83-I, this information collection does not affect individuals; therefore, there are no impacts under the Privacy Act.

The Commission is requesting an extension of this information collection in order to receive the full three year OMB approval/clearance.

Statutory authority for this collection of information is contained in Sections 4(i) and 623 of the Communications Act of 1934, as amended.

2. The FCC uses these information collection requirements to identify those situations where it should exercise jurisdiction over basic service and equipment rates in place of a local franchising authority. If the information were not collected, the basic cable rates of some franchise areas not subject to effective competition would remain unregulated in contravention of the goals of the 1992 Cable Act.

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3. We do not believe that the use of information technology is feasible in this situation.
4. This agency does not impose a similar information collection on the respondents. There are no similar data available.
5. This collection of information does not have a significant impact on a substantial number of small entities/businesses. The information is collected voluntarily from local or state governments who are unable to regulate basic service cable rates in their respective franchise areas and wish for the Commission to assume jurisdiction.
6. If the Commission did not collect this information, the Commission would not be able to carry out its statutory responsibilities under Section 623 of the Cable Television Consumer Protection and Competition Act of 1992.
7. There are no special circumstances associated with this collection of information.
8. The Commission published a Notice (71 FR 56532) in the Federal Register on September 27, 2006. No comments were generated as a result of the Notice.
9. There are no payments or gifts to respondents.
10. There is no need for confidentiality.
11. This section does not address any private matters of a sensitive nature.
12. We estimate that there are **10 Local Franchise Authorities (LFAs)** (respondents) which will file a petition annually. The average burden on each of the LFA petitioners is estimated to average of 8 hours per petition.

**Total Number of Annual Respondents: 10 Local Franchise Authorities**

**Total Number of Responses: 10 Petitions**

**Total Annual Burden Hours:** 10 petitions x 8 hours per petition = **80 hours**

**Total Annual In-House Cost:** We estimate the salary of the LFAs to be \$35.00/hour to prepare/file petitions.

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10 petitions x 8 hours/petition x \$35/hour = **\$2,800**

These estimates are based on Commission staff's knowledge and familiarity with the data required.

13. Provide an estimate of the total annual cost burden to respondents:

- a) Total capital or start up costs. **None**
- b) Total operation and maintenance costs. **None**
- c) Total costs . **None**

14. Cost to the Federal Government: The Commission will use managerial staff (GS-15/5), professional staff (GS-14/5) and clerical staff at the (GS-7/5) to process these petitions. The average processing time is 5 hours.

Petitions estimated to be filed: 10

	<u>Hours</u> <u>per Case</u>	<u>Cost</u> <u>per Hour</u>	<u>Cost</u> <u>per Case</u>
Professional	3 hours	49.64	\$148.92
Managerial	1 hour	58.39	\$58.39
Clerical	<u>1 hour</u>	19.91	<u>\$19.91</u>
Totals	5 hours		\$227.22

\$227.22 x 10 petitions = \$2,277.20

30% overhead = 681.66

**Total Cost to Federal Government: \$2,958.86**

15. There are no program changes or adjustments.

16. The results of this information collection requirement are not planned to be published.

17. We are not seeking approval to not display the expiration date for OMB approval of the information collection.

18. The Commission made a mistake in its 60 day Federal Register Notice and included third party disclosure requirement. This is not a reporting requirement of this information collection.

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There are no exceptions to Item 19 "Certification for Paperwork Reduction Act Submissions" on the OMB Form 83-I.

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

No statistical methods are employed.