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January 2008
Application for Equipment Authorization, FCC Form 731

SUPPORTING STATEMENT

A. Justification:

Information Collection Requirements:

1. On April 23, 2007, the Federal Communications Commission released a Second Report and Order, FCC_07-56, ET Docket No. 03-201 (attached) that modified Parts 2 and 15 of the Rules for equipment approval and unlicensed devices-. The amended rules provide for more efficient equipment authorization of both existing modular transmitter devices and emerging partitioned (or “split”) modular transmitter devices. These rule changes will benefit manufacturers by allowing greater flexibility in certifying equipment and providing relief from the need to obtain a new equipment authorization each time the same transmitter is installed in a different final product. The rule changes will also enable manufacturers to develop more flexible and more advanced unlicensed transmitter technologies.

To effectively implement the provisions of the new Rules, various modifications to the existing FCC Form 731 Application for Equipment Authorization are required. The changes are intended to simplify the filing process, however there is no anticipated change in the per application burden for Form 731 submittal. The following specific changes are proposed on the Form 731 to accommodate revisions and simplify filing processes:

- 1) Modular Type field addition – a new required field will be added to Section 1 of the Form 731(Please state specifically what changed on the Form 731). Entitled “Modular Type”. The field will be a drop-down list selection with the default value set to “Does Not Apply”.
- 2) Equipment Authorization Waiver – a new field set requesting information on equipment authorization waivers will be added. The first question “Is there an equipment authorization waiver associated with this application”? will have a default value set to “No”. If the user answers “Yes”, a second question “...has the associated waiver been approved and all information uploaded?” requires a positive response.
- 3) FCC ID Related Fields – additional instances of the “Related FCC ID” field will be added, to allow the user to inform the FCC of more than one application associated with the current application.
- 4) Short-Term Confidentiality Modifications – Short-Term Confidentiality questions will be modified to allow the applicant to request Short-Term Confidentiality on the Form 731, and to request a Short-Term confidentiality date no greater than 180 days from the date of Grant.
- 5) Knowledge Data Base (KDB) Associated Question – a new field group will be added to the Form 731 that captures KDB inquiry information related to the Form 731 application filing. The applicant will be asked “Is there a KDB inquiry associated with this application?” The default

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response is “No”, and if the applicant responds “Yes” the user will be required to enter a valid KDB inquiry tracking number.

In addition to changes in the Form 731 which are necessary to implement the requirements of the new Rules, an increase in the burden hours is requested in anticipation of a continuing increase of greater than 10% annually in the number of applications requiring equipment authorization. This 10% increase is reflected in application submittals directly to the FCC, and to Telecommunications Certification Bodies (TCBs) that act on behalf of the FCC to review application submittals and issue equipment authorization grants.

The following information was submitted with the previous OMB approval of the Form 731, and is offered as background:

Commission Rules require that manufacturers of radio frequency (RF) equipment¹ file FCC Form 731 to obtain approval prior to marketing their equipment:

- (a) The RF equipment is regulated under certain rule sections of 47 CFR Part 15 and Part 18.
- (b) Manufacturers may then market their RF equipment based on a showing of compliance with technical standards established in the FCC Rules for each type of equipment or device operated under the applicable FCC Rule part.
- (c) In addition, rules governing certain RF equipment operating in the licensed services² also require equipment authorization as established in the procedural FCC Rules in 47 CFR Part 2.

The RF equipment manufacturers comply with the information collection requirements (noted above) by:

- (a) Filing FCC Form 731 electronically with the Commission, or
- (b) Submitting the information to a Telecommunications Certification Body (TCB), which acts on behalf of the FCC to issue grants of certification and may issue grants more expeditiously than the FCC.

The TCBs have flexibility in the format in which they require the collection of information:

- (a) TCBs may require applicants to submit the required information in FCC Form 731 format or in

¹ The kinds of equipment that are being marketed include devices such as personal computers and associated peripherals, cellular telephones, and scanning devices. However, the types of equipment that are manufactured may change in response to changing technologies and new spectrum allocations made by the Commission.

² The “licensed services” include Parts 22, 24, 25, and 27 Personal Mobile Radio Services, Part 25, Global Mobile Personal Communications by Satellite (GMPCS), Parts 21, 74 and 101, Microwave Radio Services and Part 68 Terminal Equipment

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another format selected by the TCB, but

- (b) Whatever the information collection method, the information required is governed by the procedural rules in 47 CFR Part 2 and a showing of compliance with the FCC technical standards for the specific type of equipment.

The TCB processes the RF equipment manufacturer's application as follows:

- (a) The TCB receives and reviews the RF manufacturer's information in the submission/application.
(b) The TCB enters the information into the FCC Equipment Authorization System database using an interface that provides the TCB with the tools to issue a standardized Grant of Equipment Authorization.

Whichever method the RF manufacturers choose to submit their information—via either the FCC on FCC Form 731 or the TCB, FCC Rules require that applicants supply the following data:

- Demographic information including Grantee name and address, contact information, etc.
- Information specific to the equipment including FCC Identifier, equipment class, technical specifications, etc.
- Attachments that demonstrate compliance with FCC Rules may include any combination of the following based on the applicable FCC Rule parts for the equipment for which authorization is requested:
 - Identification of equipment (47 CFR § 2.925);
 - Attestation statements that may be required for specific equipments;
 - External photos of the equipment for which authorization is requested;
 - Block diagram of the device;
 - Schematics;
 - Test Report;
 - Test Setup Photos;
 - Users Manual;
 - Internal Photos;
 - Parts List / Tune Up Information;
 - RF Exposure Information;
 - Operational Description;
 - Cover Letters;
 - Software Defined Radio / Cognitive Radio Files

In general, an applicant's submission is as follows:

- (a) FCC Form 731 includes approximately two pages covering the demographic and equipment identification information.

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- (b) Applicants must supply additional documentation and other information, as described above, demonstrating conformance with FCC Rules, which may range from 100 – 500 pages. The supplemental information is essential to control potential interference to radio communications, which the FCC may use, as necessary, to investigate complaints of harmful interference.

In response to new technologies and in allocating spectrum, the Commission may establish new technical operating standards:

- (a) RF equipment manufacturers must meet the new standards to receive an equipment authorization, and
 (b) RF equipment manufacturers must still comply with the Commission's requirements in FCC Form 731 and demonstrate compliance as required by 47 CFR Part 2 of FCC Rules.

Thus, this information collection applies to a variety of RF equipment:

- (a) that is currently manufactured,
 (b) that may be manufactured in the future, and/or
 (c) that operates under varying technical standards.

Applicants seeking authorization to market RF equipment as required under 47 CFR Sections 2.913(c), 2.926(c), 2.929(c), and 2.929(d) of FCC Rules, must file electronically via the Internet on FCC Form 731 at www.fcc.gov.

Applicants may also submit authorization requests to TCBs, who are then required to submit the information electronically via the Internet to the Commission, prior to granting authorization to market equipment on behalf of the Commission.

Information on the procedures for electronically filing equipment authorization applications can be obtained from the Internet at: <https://fjallfoss.fcc.gov/prod/oet/cf/eas/index.cfm>.

[This collection of information is authorized under Sections 4\(i\), 301, 302, 303\(e\), 303\(f\), and 303\(r\) of the Communications Act of 1934, as amended, 47 U.S.C. Sections 154\(i\), 301, 302, 303\(e\), 303\(f\), and 303\(r\).](#)

[As noted on the OMB Form 83-I, this information collection does not affect individuals or households—respondents are limited to RF equipment and device manufacturers. Thus, there are no impacts under the Privacy Act and a Privacy Impact Assessment is not required.](#)

2. The Commission will use the information gathered on the FCC Form 731 to determine compliance of the proposed equipment with the Commission's Rules. Following authorization of the equipment for

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marketing by either the FCC or the TCB on behalf of the FCC, the information may also be used to determine:

- (a) Whether the operation of the equipment is consistent with the information supplied at the time of authorization, and
- (b) Whether the equipment marketed complies with the terms of the equipment authorization.

~~This collection of information is authorized under Sections 4(i), 301, 302, 303(e), 303(f), and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. Sections 154(i), 301, 302, 303(e), 303(f), and 303(r).~~

~~As noted on the OMB Form 83-I, this information collection does not affect individuals or households—respondents are limited to RF equipment and device manufacturers. Thus, there are no impacts under the Privacy Act and a Privacy Impact Assessment is not required.~~

3. Since April 1998, the Commission has offered electronic submittal to the Commission of the FCC Form 731 and attachments, and by rulemaking on July 8, 2004,³ the Commission has required electronic filing of all FCC Form 731 information. The FCC has determined that electronic submission of applications is the most efficient means of facilitating data base development, corresponding with an applicant, providing information on application status, and providing information on authorized equipment to the general public.

The Commission believes that because equipment authorization applicants are generally companies that are on the cutting edge of technology, these applicants are well equipped to make maximum use of electronic media and the Internet to file an application with the Commission. Thus, we believe that electronic filing does not impose an undue burden on such applicants.

As previously noted, applicants may, at their discretion, submit requests for equipment authorization to a Telecommunications Certification Body (TCB), which acts on behalf of the Commission in issuing grants of authorization to market certain types of equipment.

4. No other entity is believed to require or to possess the subject information.
5. Small businesses that become involved in the manufacture of radio communications devices generally request authorization for marketing devices regulated under Part 15 of the FCC's Rules. Many devices regulated under Part 15 are subject either to verification or to a "Declaration of Conformity" (DOC). These equipment authorizations are the least burdensome of all of the equipment authorization procedures. The burden on small businesses has therefore been minimized.

³Report and Order (R&O), Modification of Parts 2 and 15 of the Commission's Rules for Unlicensed Devices and Equipment Approval, ET Docket No. 03-201, FCC 04-165.

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6. Applicants must file FCC Form 731 with the FCC or submit the FCC Form 731 or their information to the TCB only once, *e.g.*, a “one time filing requirement,” unless the applicant makes changes to the RF equipment/device. Any such change(s) would require the applicant to resubmit the equipment/device for FCC approval.

The information collected is necessary to determine the interference potential of equipment prior to marketing. By minimizing the detrimental effects of interfering devices on the radio spectrum, use of the radio spectrum can be maximized.

7. No special circumstances exist.
8. The FCC published a 60 day *Federal Register* Notice (~~72 FR 60670~~ [72 FR 60670](#)) on October 25, 2007 to solicit public comment on this information collection. A copy is included with this submission. The Notice generated no public comments.

In addition, the Commission maintains dialogue with manufacturers and other members of the telecommunications industry, including NIST and other Federal agencies that oversee technological issues to ensure that the Commission staff remains abreast of new technologies and practices that might affect this information collection.

9. No payments or gifts are given to respondents.
10. Minimal exemption from the Freedom of Information Act (5 U.S.C. 552(b)(4) and FCC [Rules](#) under 47 CFR Section 0.457(d)) is granted for trade secrets which may be submitted as attachments to the application Form 731. No other assurances of confidentiality are provided to respondents.
11. No questions of a sensitive nature are included on the Form 731.
12. The Commission has calculated the estimated burden for 10,000 responses annually as follows:
- (a) 550 RF equipment and device manufacturers or importers that:
 - (i) file FCC Form 731 electronically with the FCC for approval of their RF equipment, or
 - (ii) submit the information to a TCB, which acts on behalf of the FCC to issue grants of certification; and
 - (b) 50 TCBS to review the RF equipment authorization requests on behalf of the FCC.

Total Number of Respondents:

550 RF equipment and device manufacturers and importers + 50 TCBS = ~~600 respondents.0~~

Total Number of Responses: 10,000.

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- (a) RF equipment/device manufacturers or importers and TCBs may file multiple responses annually.
- (b) This is an increase of 2,000 in the total number of responses, from the 8,000 responses reported in the previous submission.
- (c) An increase in the number of responses is due to the continuing increase in new technology equipment requiring authorization prior to marketing, which has continued to increase at a rate greater than 10% annually. The increase is not specifically related to the implementation of the new Rules, since an authorization has always been required for modular equipment. The new rules provide manufacturers simplified methods of reporting compliance with technical standards related to modular equipment.

The Commission estimates the total annual hourly burden ranges from 16 to 32 hours, due to the range of complexity of the required measurement test reports, with the average time being 25 hours. The Commission bases its estimate on:

- (a) The amount of time that the RF equipment manufacturers and importers (respondents) require to complete the Form 731 and to submit it to the Commission based on:
 - (i) the type of equipment that is being marketed, and
 - (ii) the type of authorization the RF equipment manufacturer or importer (respondent) requests.
- (b) the amount of time that the TCBs require to evaluate the submissions and to grant authorization on behalf of the Commission.

The Commission bases its estimate on the total annual hourly burden as follows:

- (a) 550 RF equipment manufacturers and importers and 50 TCBs may make multiple submissions annually;
- (b) The Commission estimates that approximately 10,000 submissions are made annually:
 - (i) by the RF equipment manufacturers and importers directly to the FCC, or
 - (ii) by the TCBs on behalf of the FCC.
- (c) In this instance, the Commission has calculated the annual burden based on the number of responses annually rather than the number of respondents.

Total Annual Hour Burden:

10,000 responses (RF submissions and TCB submissions) x 25 hours/application = **250,000 hrs.**

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13. (a) Capital and start-up costs include the cost for hardware and software for providing the information to the Commission:

- (i) The Commission estimates these costs to be \$3,000 per respondent who submits information to the Commission.
- (ii) These respondents include those applicants filing directly with the FCC, and approved TCBs filing applicant information prior to issue a grant of authorization on behalf of the Commission..

| | |
|--|-----------|
| Number of respondents filing FCC Form 731 directly with the FCC | 550 |
| Number of TCB respondents filing 7,760 applications with the FCC | <u>50</u> |
| Total Respondents filing with the Commission | 600 |

Capital and Start –up costs:

600 respondents filing with the Commission x \$3,000/respondent = \$1,800,000.

(b) Overhead and maintenance costs include the cost for preparation of a test report demonstrating compliance of equipment proposed for marketing with the Commission's technical standards:

(i) Testing the equipment to determine its performance and compliance with Commission standards is typically done by the independent testing laboratories that have been reviewed by the Commission.

(ii) TCBs may also incur costs related to maintaining and upgrading software.

(iii) The total average overhead and maintenance cost is approximately \$4,000; however the majority of the cost is for performance testing or is recovered in fees charged by TCBs.

(iv) The Commission estimates that approximately 2% of the \$4,000 overhead and maintenance cost, or \$80 per respondent, can be attributed to the information collection requirements.

(v) Therefore, the total annual cost for overhead and maintenance is estimated at:

10,000 responses x \$80/per response = \$800,000

(vi) Additional overhead costs to an applicant include the cost of filing the application with the Commission, which averages \$700; or the cost of filing with a TCB, which averages \$850.:

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| FCC filed applications | 550 x \$700 = | \$ 385,000 |
| TCB filed applications | 9,450 x \$850 = | <u>\$8,032,500</u> |
| | | \$8,417,500 |

Total Operating and Maintenance costs: \$800,000 + \$8,417,500 = \$9,217,500

(c) **Total Annual Cost:** \$1,800,000 + \$9,217,500 = **\$11,017,500.**

14. The Commission expects that of the 10,000 RF equipment applications filed:

- (a) Approximately 550 applicants will file their applications with the Commission, and
- (b) Approximately 9,450 applicants will file their applications with the 50 TCBs, acting on behalf of the Commission.

The Commission estimates that of the 550 applications it will receive annually, two groups of Commission staff will process these applications:

- (a) GS-7, Applications Examiners, who earn ~~\$23.43~~\$19.31 per hour, and
- (b) GS-14 Electronics Engineer, who earn ~~\$52.73~~\$48.15 per hour.

It requires each group of the FCC's staff about 8 hours/application to process each FCC Form 731:

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| 550 applications x 8 hour/application x \$23.43/hour/application examiner = | \$103,092 |
| 550 applications x 8 hours/application x \$52.73/hour/electronics engineer = | <u>\$232,012.00</u> |
| | \$335,014.00 |

| | |
|--|---------------------|
| Overhead and support costs at 30% = | <u>\$100,531.20</u> |
| Total Commission Staff Processing Costs: | \$435,635.20 |

The Cost to the Federal Government for its particular processing expenses is off-set through the collection of applicant fees, which range at present from \$55 – \$1,080, depending on the application process requested and if confidentiality is requested for any portion of the application.

The average application fee collected is currently estimated to be \$825. The costs recovered for the 550 applications filed with the Commission are therefore estimated to be:

550 applicants x \$825 = \$453,750:

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Furthermore, the additional cost to the Federal Government for maintaining the database of all equipment authorized, including equipment approved by TCBs is as follows:

- (a) 9,450 RF equipment and device manufacturers and importers submit their applications to the 50 TCBs, which are authorized to review and process FCC Form 731 applications on behalf of the FCC.
- (b) 50 TCBs submit the application information to the FCC, which maintains the national database of FCC authorized equipment.
- (c) The Commission estimates that the cost to the Federal Government for software and hardware to maintain these records is approximately \$150 per application:

9,450 applications x \$150/application = \$1,417,500

30% Overhead = \$ 425,250

Total TCB Application Submittal Costs: \$1,842,750

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|--|---------------------------------|
| Staff and processing costs: | \$435,635.20 |
| TCB Application Submittal Costs: | \$1,842,750.00 |
| Application Fees (off-set): | <u> - \$453,750.00</u> |
| Total Cost to Federal Government: | \$1,824,635.20 |

15. As the Commission notes above, Form 731, the total number of respondents, total number of responses annually, the total annual hourly burden, and the total annual costs have been modified/adjusted because of the following actions:
- (a) With release of the Commission's 2nd R&O on April 23, 2007, as noted previously above, the FCC has implemented new rules for equipment approval and unlicensed devices as they relate to modular devices. The new rules require modification of the Form 731 to simplify the collection of information related to these devices. No change in burden is anticipated based on the Form -731 modification.
 - (b) In addition, the Commission has adjusted the number of applications from 8,000 applications to 10,000 applications to reflect the increasing number of new technologies requiring authorization prior to marketing. Therefore, the Commission is reporting an increase in the number of applications being filed (not a new universe of respondents).
16. The information that is submitted on FCC Form 731 is used to determine the compliance of equipment with applicable Commission technical standards and rules.

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- (a) The data will not be published.
- (b) The application information is available on the FCC Internet website through various generic search mechanisms.
- (c) The searches may be viewed by accessing www.fcc.gov, E-filing, OET Equipment Authorization Electronic Filing.

17. The Commission is requesting that OMB waive the requirement that we display the OMB expiration date on FCC Form 731. Granting this waiver will allow the Commission to continue using the electronic version of the form without update, upon re-approval of the form. An edition date will be used in lieu of the OMB expiration date._

18. The Commission believes that it has complied with all of the Certification requirements in Item 19 of ~~the Supporting Statement.~~ the supporting statement.

B. Collection of Information Employing Statistical Methods:

This information collection does not employ statistical methods.