

Sections 64.1300 – 64.1340, Request to Update Default Compensation Rate for Dial-Around Calls from Payphones**SUPPORTING STATEMENT**

We are requesting an **extension** of a currently approved collection.

A. Justification:

1. Section 276 of the Act requires that the FCC promote competition among payphone service providers and promote the widespread deployment of payphones. Section 276 also requires the Commission to ensure that all payphone service providers are fairly compensated.

In August, 2004, the Commission increased the per-call rate for coinless (dial-around) calls from payphones from \$0.24 to \$0.494. The new rate, however, only applies to payphones that are supported by Flexible Automatic Numbering Identification (Flex ANI), which is employed by approximately 95 percent of the payphone industry. The remaining payphones not supported by Flex ANI constitute less than five percent of the nation's payphones and are primarily located in rural areas. It is these rural payphone operations that are subject to this proposed one-time data request.

Pursuant to Section 276 (b)(1)(A) of the Act, the Commission is required to ensure that all payphone service providers are fairly compensated. In order to calculate fair compensation for the payphones that are not supported by Flex ANI, the Commission must obtain monthly payphone call volume data. Once the impacted entities (primarily the Regional Bell Operating Companies (RBOCs) and the large interexchange companies (IXCs)) submit this data, the Commission will calculate an average monthly call volume as one of the key inputs required to establish per-payphone monthly compensation.

Once the new per-payphone monthly compensation rate is determined, it is highly unlikely that the Commission will ever be called upon to set this rate again. The per-payphone monthly rate is a transitional rate, which in the future when competition exists across the payphone industry, will be determined by the marketplace.

As noted on the OMB Form 83i, this information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

The statutory authority for this collection is contained in: sections 1, 2, 4(i)-4(j), 201, 226 and 276 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 152, 154(i)-(j), 201, 226, and 276; and Part 64, Subpart M, of the Commission's rules, 47 C.F.R. §§ 64.1300 – 64.1340.

2. Information collections in this rulemaking are being sought from RBOCs, IXCs and trade associations to obtain current and accurate data regarding the average monthly number of calls made from payphones that are not supported by call-tracking technology known as Flex ANI. These data will be used to determine the average monthly number of calls made from payphones to determine a monthly compensation rate.
3. All of the information requested is currently collected by non Flex ANI companies. Due to the one-time nature of the information collection, the responses will be submitted predominately in a paper format.

Sections 64.1300 – 64.1340, Request to Update Default Compensation Rate for Dial-Around Calls from Payphones

4. The information collections enable the Commission to meet its obligations under the Communications Act as amended. These data will be used to determine the average monthly number of calls made from payphones to determine a monthly compensation rate. This information is not duplicative of other information requirements.
5. These requirements will not result in a significant economic impact on a substantial number of small business entities. Only the RBOCs, IXCs and trade associations are directly affected, and they are all large corporations, or are controlled by large corporations.
6. The Commission makes an effort to require only the information collections needed to fulfill its responsibilities.
7. No known special circumstances apply to this information collection.
8. The Commission placed a notice in the Federal Register as required by 5 C.F.R. § 1320.8(d). *See* 73 Fed Reg 18272 (April 3, 2008). The Commission received no comments following publication of this notice.
9. There are no payments or gifts to respondents involved.
10. No information of a confidential nature is being sought; however, respondents may request materials or information submitted to the Commission be withheld from public inspection under 47 C.F.R. 0.459 of the FCC's rules.
11. No information in this collection is of a sensitive nature, nor are there any privacy issues.
12. Below are the estimates of the hour burden of the collections of information. (We note that the burden hour estimates are our best estimates based on our overall experience with this data collection).

Average monthly payphone call data:

- (1) Number of respondents: Approximately 10.
- (2) Frequency of response: One time reporting requirement.
- (3) Total Number of Responses Annually: 10

10 respondents x 1 response/respondent = 10 responses

- (4) Annual Hour Burden: 100 hours per respondent.
- (5) Total Annual Hour Burden: 1,000 hours.
- (6) How the burden was estimated: 1,000 hours

10 respondents x 100 hours per response = 1,000 hours.

The burden estimate is for the time it will take respondents to provide the requested information in the data collection, *e.g.*, monthly payphone call volume data from non Flex ANI payphones.

Sections 64.1300 – 64.1340, Request to Update Default Compensation Rate for Dial-Around Calls from Payphones

- (7) Estimates of “in house” cost to respondents: Assuming that the respondents in complying with the requirement will use personnel who are comparable in pay and status to a (GS-14/Step 5) Federal employee, (approximately \$53.00/hour) the cost estimate is as follows:

10 respondents x 100 hours x \$53/hour = \$53,000.

13. We estimate the cost to each respondent for the collections covered by this OMB authorization as shown below.
- (a) Total capital and start-up cost: \$0.
- (b) Total Operations and Maintenance: \$0.
- (c) Total annualized cost requested: \$0.
14. The annualized costs to the federal government will be \$0. This information is currently reviewed so it will not have an additional financial impact.
15. The number of respondents remains 10, the number of responses remains 10, and the total burden for the information collections contained herein remains 1,000 burden hours.

The Commission has adjusted the “total annual costs” to \$0.00. This was an error in the previous submission—these costs should have been identified as “in house” costs.

There are no program changes.

16. The information will not be published. This information will be used to set a new monthly payphone dial-around rate.
17. The Commission is not seeking approval not to display the expiration date for OMB approval of the information collection, since this information collection does not include any forms, certifications, public notices, letters, *etc.*, for which an expiration date would be necessary or appropriate.
18. The Commission notes that it erroneously reported “Total Annual Costs” in the 60 day notice in the *Federal Register*. These costs should instead have been identified as “in house” costs.

There are no other exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods:

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