

SUPPORTING STATEMENT

A. Justification:

1. The Commission is requesting an extension (no change in the reporting and/or third party disclosure requirements) in order to obtain the full three year clearance from the Office of Management and Budget (OMB). The Commission is reporting a 70,000 increase in the number of responses. The total annual burden hours have also been adjusted to correct inaccuracies in the previous submission.

Radio frequency (RF) devices are frequently imported into the United States from other countries. RF devices are capable of causing harmful interference to radio systems in the United States. Examples of RF devices include:

- microwave ovens,
- virtually any product containing a computer microprocessor,
- computers and computer peripherals,
- telephones with memory or receivers including television receivers,
- electronic musical instruments, video games and radio remote control toys.

- (a) Under 47 CFR §§ 2.1203, 2.1204, and 2.1205 of FCC rules, the Commission is responsible for the regulation of both authorized radio services and RF devices that can interfere with such services.
- (b) Respondents that are importing radio frequency (RF) devices into the United States, must file a “statement of declaration” by completing FCC Form 740, Statement Regarding the Importation of Radio Frequency Devices Capable of Harmful Interference, and submitting this form to the U.S. Customs Service.
- (c) The information that respondents must provide on FCC Form 740:
 - (1) Describes the characteristics of the imported RF devices;
 - (2) Ensures that no RF devices are imported that may be harmful to authorized US radio uses; and
 - (3) Assists the FCC and the US Customs Service with their responsibilities to oversee the regulation of RF devices and to prevent radio signal interference issues.

The information collection does not affect individuals or household. Respondents in this information collection are equipment manufacturers. Thus, there are no impacts under the Privacy Act and a Privacy Impact Assessment is not required.

The statutory authority for this information collection is authorized pursuant to Sections 4(i), 4(j), 7(a), 302, 303(b), 303(f), 303(g), and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 157(a), 302a, 303(b), 303(f), 303(g), 303(r).

2. Respondents are no longer required, following the Commission’s adoption of the *2nd Report and Order*, In the Matter of Amendment of Part 2, Subpart K of the Commission’s Rules Regarding the Importation of Radio Frequency Devices Capable of Causing Harmful Interference, CI Docket No.

98-69, FCC 99-326,¹ adopted October 29, 1999, to file the Form 740 with the Commission. Nevertheless, respondents must submit FCC Form 740 to U.S. Customs with any of the RF goods, examples of which are listed above, that are imported into the United States.

- (a) U.S. Customs, in turn, will continue to provide information, obtained from the FCC Form 740 filings, to the FCC, so that the Commission can ensure that radio frequency devices imported into the United States and its customs territory comply with applicable FCC Rules and Regulations.
 - (b) This information is necessary for FCC Office of Engineering and Technology, Laboratory Division/Enforcement Bureau investigations, and for U.S. Customs to insure that:
 - (1) Non-compliant RF devices are not distributed to the public, thereby reducing the potential that those who purchase and use the RF devices may cause harmful interference to authorized communications.
 - (2) When a violation is discovered, the FCC can issue a fine. If a product is suspected of illegal entry, the FCC works with U.S. Customs to resolve the issue.
3. The FCC allows respondents to file their declaration information on FCC Form 740 electronically via the U.S. Customs' Automated Broker Interface.
- (a) The move toward electronic filing continues to reduce the burden on both industry and the government.
 - (b) Nearly ninety-nine percent (99%) of those filing use the declaration information via the Automated Broker Interface electronic filing system.
 - (c) The remaining one percent (1%) file their declaration information using the paper version of FCC Form 740.
4. With the adoption by the Commission of the 2nd *Report and Order*, CI Docket No. 98-69, FCC 99-326, we have eliminated the duplicate filing requirement of the form to both the Commission and the U.S. Custom Service.
- Now RF importers (respondents) must file their declaratory statements using FCC Form 740 with the U.S. Custom Service through electronic filing.
5. This collection has no impact on small business or other small entities.
6. If the collection of data were not collected there would likely be an increase in radio frequency devices not meeting technical specifications entering and being distributed throughout the United States. This would likely result in an increase in radio frequency interference to authorized communication systems.
7. The FCC and U.S. Customs have determined that requiring RF importers (respondents) to file their "declaratory statements" on FCC Form 740 only when they intend to import these devices, *e.g.*, "on occasion," provides adequate assurance to the FCC that the Commission can maintain its regulatory

¹ In the Matter of Amendment of Part 2, Subpart K of the Commission's Rules Regarding the Importation of Radio Frequency Devices Capable of Causing Harmful Interference, CI Docket No. 98-69, FCC 99-326, *Second Report and Order*, adopted October 29, 1999, released November 5, 1999, (15 FCC Rcd 7221 (1999)).

oversight responsibilities and avoid potential interference to communications while minimizing the burden on respondents.

8. The views of industry and the general public were solicited when the Commission published the Notice in the *Federal Register* on October 16 2009 (74 FR 53234). The Commission has received no comments in response to the Notice in the Federal Register. The notice is referenced in the submission to OMB. In addition, the Commission maintains dialogue with manufacturers and other members of the telecommunications industry to ensure that Commission staff remains abreast of new technologies and practices that might affect this information collection.
9. No gift or payment will be given to respondent for this collection.
10. There is no reason to ensure confidentiality, and no assurances of confidentiality are provided to respondents.
11. This information collection does not address any issues of a sensitive nature or other matters that are normally considered private. Thus, there is no need for the Commission to provide any assurance of confidentiality.
12. The Commission estimates that there are **5,000 RF importers (respondents):**

- (a) There are approximately 1,750,000 Form 740s filed annually. Therefore, on average each respondent files 350 Form 740s annually. The Commission estimates that each response filed takes an average of 30 seconds:

$$5,000 \text{ respondents} \times 1,750,000 \text{ responses} \times 0.0083 \text{ hours} = 14,525 \text{ hours.}$$

- (b) The Commission also estimates that all respondents will spend approximately 30 seconds (0.5 minutes or 0.0083 hours) to comply with the third party notification requirement:

$$5,000 \text{ respondents} \times 1,750,000 \text{ responses} \times 0.0083 \text{ hours} = 14,525 \text{ hours.}$$

- (c) The Total Annual Hourly Burden for filing the FCC Form 740 (electronic filings + paper copies) is therefore approximately:

$$14,525 \text{ hours} + 14,525 \text{ hours} = \mathbf{29,050 \text{ hours.}}$$

The Commission estimates that respondents will use in-house staff equivalent to a GS-11/Step 5 employee in the Federal Government, earning \$33.12 per hour:

Total “In House” Cost:

$$29,050 \text{ hours/filing FCC Form 740} \times \$33.12/\text{hr} = \$962,136.$$

13. Estimated annual costs to respondents:

(a) Total annualized capital/startup costs: **None.**

(b) Total annual costs (O&M): **None.**

(c) Total annualized cost requested: **None.**

14. Annual Cost for the Federal Government: **None.**

15. The Commission is reporting a 70,000 adjustment in the number of responses filed, and therefore the total annual burden hours has increased by 1,330 hours. Therefore, an increase in the total annual burden hours is reported.

16. The Commission does not intend to publish the information contained on FCC Form 740.

17. The Commission is seeking approval not to display the expiration date for OMB approval of the information collection on FCC Form 740.

(a) This would allow the Commission to forgo the burden of printing new versions of Form 740, which are only used for 1% of the filings.

(b) Updated forms with new expiration dates would present an unnecessary printing burden in the event that this form does not undergo revisions prior to the next OMB clearance.

18. There are exceptions to the Certification Statement identified in Item 19. When the Commission published the notices, the number of responses was incorrectly reported in the Federal Register. With this submission to the OMB, the Commission is reporting more accurate estimates.

B. Collection of Information Employing Statistical Methods:

This collection does not use any statistical methods.