

SUPPORTING STATEMENT

1. The Federal Communications Commission (“Commission”) is requesting that the Office of Management and Budget (OMB) approve a three-year extension of OMB Control No. 3060-1108 titled, “Consummation of Assignments¹ and Transfers of Control² of Authorization.” We would like to maintain OMB approval of mandatory electronic filing of consummations of assignments and transfers of control of licenses for all telecommunications and satellite services in the electronic International Bureau Filing System (IBFS).

A consummation is a party’s notification to the Commission that a transaction (assignment or transfer of control of authorization) has been completed³.

A consummation is applicable to all international telecommunications and satellite services, including International High Frequency (IHF), Section 214 Applications (ITC), Satellite Space Stations (SAT), Submarine Cable Landing Licenses (SCL) and Satellite Earth Station (SES) licenses.

Previously, applicants sent multiple letters to various offices within the Commission for each file number and call sign that are part of the consummation. The consummation module eliminated the applicant’s requirement to notify the Commission by letter with the details of the consummation. Instead, the applicant completes an on-line form (consummation module) in the IBFS. After the applicant enters the FCC Registration Number (FRN) in the form, the system generates a list of file numbers and call signs that are related to the FRN. The applicant can select the file numbers and call signs that are part of the consummation. The consummation module saves time for the applicants and Commission staff because the information will be readily accessible for viewing and

¹ An assignment of an authorization is a transaction in which the authorization is assigned from one entity to another entity. Following an assignment, the authorization is held by an entity other than the one to which it was originally granted.

² A transfer of control is a transaction in which the authorization remains held by the same entity, but there is a change in the entity or entities that control the authorization holder. A change from less than 50 percent ownership to 50 percent or more ownership shall always be considered a transfer of control. In all other situations, whether the interest being transferred is controlling must be determined on a case-by-case basis.

³ For example, 47 C.F.R. 63.24(e)(4) states that “an assignee or transferee must notify the Commission no later than thirty (30) days after either consummation of the proposed assignment or transfer of control, or a decision not to consummate the proposed assignment or transfer of control. The notification shall identify the file numbers under which the initial authorization and the authorization of the assignment or transfer of control were granted.”

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processing 24 hours a day/7 days a week. Furthermore, the consummation module eliminated the applicant's completion and mailing of letters and expedited the Commission staff's receipt of consummations in a timely manner.

The Commission has authority for this information collection pursuant to 47 U.S.C. 154(i) and 47 CFR Sections 1.767, 25.119, 63.24(e)(4), 73.3540 and 73.3541. (Note: 47 CFR Section 1.767 is approved by the OMB under OMB Control No. 3060-0944. Section 63.24(e)(4) is approved by the OMB under OMB Control No. 3060-0686).

This information collection does not affect individuals or households, thus, there are no impacts under the Privacy Act.

2. The Commission implemented the consummation module in the IBFS to keep Commission staff abreast of critical information such as a change in a controlling interest in the ownership of the licensee. Applicants utilize IBFS to inform the Commission of consummations of assignments and transfers of control of authorization for international telecommunications and satellite services, such as International High Frequency (IHF), Section 214 Applications (ITC), Satellite Space Stations (SAT), Submarine Cable Landing Licenses (SCL) and Satellite Earth Station (SES) licenses.

The information is used by the Commission staff in carrying out its duties under the Communications Act. The information collections are necessary largely to determine the qualifications of applicants to provide international telecommunications service, including applicants that are affiliated with foreign entities, and to determine whether and under what conditions the authorizations are in the public interest, convenience, and necessity. The information collections are necessary for the Commission to maintain effective oversight of U.S. providers of international telecommunications services that are affiliated with, or involved in certain co-marketing or similar arrangements with, foreign entities that have market power.

3. In September 2007, the OMB approved mandatory electronic filing of consummations of assignments and transfers of control of licenses for all telecommunications and satellite services. A total of 100 percent of the collection involves the use of electronic collection techniques.

4. This information collection requirement is not duplicated elsewhere.

5. The Commission's implementation of the consummation module will decrease costs for small businesses or other small entities because they would not have to incur postage costs to mail letters to various Divisions within the agency. Furthermore, there is no cost to the applicant to complete an on-line form (consummation module) in the electronic IBFS. Therefore, the consummation module is advantageous for small businesses or

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other small entities because it eliminates the cost of postage to mail letters to the Commission.

6. Without this collection of information, the Commission would not have critical information such as a change in a controlling interest in the ownership of the licensee. The Commission would not be able to carry out its duties under the Communications Act and to determine the qualifications of applicants to provide international telecommunications services, including applicants that are affiliated with foreign entities, and to determine whether and under what conditions the authorizations are in the public interest, convenience, and necessity. Furthermore, without this collection of information, the Commission would not be able to maintain effective oversight of U.S. providers of international telecommunications services that are affiliated with, or involved in certain co-marketing or similar arrangements with, foreign entities that have market power.

7. The collection of information is not being conducted in any manner known to be inconsistent with the guidelines in 5 CFR 1320. There are no special circumstances associated with this collection.

8. On October 16, 2009, the Commission published a 60-day notice (Cite: 74 FR 53235) in the Federal Register to solicit comments from the public. The comment period ended on December 15, 2009. No comments were received from the public.

9. The Commission does not provide any payment or gift to respondents.

10. The Commission does not provide assurances of confidentiality to entities submitting their filings and applications. However, entities may request confidential treatment of their applications and filings under 47 C.F.R. 0.459 of the Commission's rules. With regard to certifications filed pursuant to Part 2 of the Commission's rules, parties receive minimal exemption from the Freedom of Information Act (FOIA).

11. This collection does not contain questions of a sensitive nature.

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12. Estimate of Burden Hours/Respondent Cost:

Please see the chart below for the number of responses, frequency of response, time per response, total annual burden hours, and explanation of burden estimate for the 468 respondents to this information collection. We estimate that the average time that the respondents spend entering information in the IBFS is one hour. Please note that the time spent gathering the information would have been completed prior to submitting the initial application to the Commission via IBFS. This time has been accounted for under the applicable OMB Control Numbers including 3060-0678, 3060-1007, 3060-0686 and 3060-1035.

Explanation of Burden Estimate	47 C.F.R. Rule Sections	Assignments & Transfers Subsystem		Number of Responses	Frequency of Response	Time Per Response	Total Annual Burden Hours
		Abbrev.	App Type				
Section 214 Applications	63.24(e)(4)	ITC	ASG	60	On occasion	1 hour	60
Section 214 Applications	63.24(e)(4)	ITC	T/C	95	On occasion	1 hour	95
Satellite Space Station	25.119	SAT	T/C	8	On occasion	1 hour	8
Submarine Cable Landing License	1.767	SCL	ASG	3	On occasion	1 hour	3
Submarine Cable Landing License	1.767	SCL	T/C	5	On occasion	1 hour	5
Satellite Earth Station	25.119	SES	ASG	187	On occasion	1 hour	187
Satellite Earth Station	25.119	SES	T/C	<u>110</u>	On occasion	1 hour	<u>110</u>
TOTALS:				468			468

T/C = Transfer of Control
ASG = Assignments

“In-house” Costs: Respondents are expected to have an hourly salary rate of \$60/hour. Therefore, the in-house costs for respondents to complete their portion of these information collection requirements are calculated as follows:

$$468 \text{ burden hours} \times \$60/\text{hour} = \mathbf{\$28,080}$$

13. The total capital and start-up costs are zero. The total operation and maintenance and purchase of services component is estimated to be \$140,400 for outside legal assistance.

The costs of outside legal assistance are an average of \$300 per hour.

$$\$300/\text{hour} \times 1 \text{ hour/response} \times 468 \text{ responses} = \mathbf{\$140,400}$$

Total for outside legal assistance

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14. There are no annualized costs to the Federal government because the consummation is simply a notification to the Commission that a transaction has been completed by the applicants.

15. This Supporting Statement reflects an adjustment of -121 annual burden hours and +\$22,400 in annual costs. The decrease of annual burden hours by -121 is the result of a decrease in the number of filings of applications noted under Item 12. The increase in costs by \$22,400 is due to an increase in the hourly rate from \$200 to \$300 for outside legal assistance.

There are no program changes to this information collection.

16. The results of this information collection requirement will not be published for statistical use.

17. Not applicable. The Commission is not seeking approval to not display the expiration date for OMB approval of this information collection.

18. On October, 16, 2009, the Commission published a 60-day notice (Cite: 74 FR 53235) in the Federal Register to solicit comments from the public. In this 60-day notice, we stated that there were 589 respondents and responses. We are correcting the number from 589 to 468 to reflect a more accurate total of the number of respondents and responses applicable to this information collection. Furthermore, we are correcting the annual costs from \$118,000 as stated in the notice to \$140,400 to account more accurately for an increase in the hourly rate from \$200 to \$300 for outside legal assistance. There are no other exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods:

Not applicable. This information collection does not employ statistical methods.