

SUPPORTING STATEMENT

A. Justification

1. 47 CFR Section 76.946 states that cable operators that advertise rates for basic service and cable programming service tiers shall be required to advertise rates that include all costs and fees. Cable systems that cover multiple franchise areas having differing franchise fees or other franchise costs, different channel line-ups, or different rate structures may advertise a complete range of fees without specific identification of the rate for each individual area. In such circumstances, the operator may advertise a "fee plus" rate that indicates the core rate plus the range of possible additions, depending on the particular location of the subscriber.

The Commission is requesting an extension of this submission in order to obtain the full three year clearance from OMB.

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

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

2. The Commission has set forth this disclosure requirement to ensure consumer awareness of all costs and fees associated with basic service and cable programming service tier rates.

3. Cable operators may advertise their rates and services with the use of any number of media sources--print ads, flyers, pre-printed information on billing statements, etc. Because of the uniqueness of each advertisement, the use of information technology is not feasible for this disclosure requirement.

4. This agency does not impose a similar disclosure requirement on the respondents.

5. This information collection requirement does not have a significant impact on a substantial number of small businesses.

6. The intent of this disclosure requirement is to ensure that the rates for basic service and cable programming service are advertised in a manner undeceiving to consumers. To not sponsor this disclosure requirement would put consumers at risk of deceptive advertising.

7. There are no special circumstances associated with this collection of information.

8. The Commission published a Notice (75 FR 57791) in the *Federal Register* on September 22, 2010 seeking public comment on the information collection requirements contained in this supporting statement. No comments were received from the public as a result of the Notice.

9. There will be no payment or gifts given to respondents.

10. There is no need for confidentiality with this collection of information.

11. This collection of information does not address any private matters of a sensitive nature.

12. Based on Commission records, there are approximately 8,250 cable television systems in the nation. We assume that all cable system operators advertise their rates for basic service and cable programming service tiers, and that advertisement material will have to be updated an average of once per year due to changes in costs, fees, and channel line-ups. The average burden to ensure that rates that are advertised include all costs and fees is estimated to be 0.5 hours for each system.

Total Number of Annual Respondents: 8,250 Cable Television Systems

Total Number of Annual Responses: 8,250 Rate Advertisement Documents

Total Annual Burden Hours:

8,250 rate advertisement documents x 0.5 hours/document = **4,125 hours**

Total Annual In-House Costs: We estimate that paraprofessional help paid @ \$25.00 per hour will be used to ensure that rates that are advertised include all costs and fees.

8,250 rate advertisement documents x 0.5 hours/document x \$25.00 per hour = **\$103,125**

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

13. **Annual Cost Burden:**

- (a) Total annualized capital/startup costs: None
- (b) Total annual costs (O&M): None
- (c) Total annualized cost requested: **None**

14. There is no cost to the Federal Government.

15. There are no program changes or adjustments to this collection.

16. These data will not be published for statistical use.

17. We do not seek approval to not display the expiration date for OMB approval of this information collection.

18. There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

No statistical methods are employed.