

SUPPORTING STATEMENT

**A. Justification:**

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitates the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The Commission is seeking a revision, in order to combine two information collections. FCC Form 702, Application for Consent to Assign an Experimental Authorization (3060-0068) and FCC Form 703, Application for Consent to Transfer Control of Corporation Holding Station License (3060-0053).

There will be no change in the reporting or third party disclosure requirements of this information collection in order obtain the full three year clearance from the Office of Management and Budget (OMB).

**FCC Form 702** - "*Application for Consent to Assign an Experimental Authorization*" – shall be submitted when the legal right to control the use and operation of a station is to be transferred as a result of one of the following circumstances:

- (a) a voluntary act (contract or other agreement) of the grantee of a station authorization;
- (b) an involuntary act (death or legal disability) of the grantee of a station authorization;
- (c) an involuntary assignment of the physical property constituting the station under a court decree in bankruptcy proceedings or other court order; or
- (d) an operation of law in any other manner.

This form is required by the Communications Act of 1934, as amended; FCC Rule 47 CFR Part 5.59(d).

FCC Form 702 is a two part form:

Part I is to be completed by the assignor (the present permittee or licensee) and;

Part II is to be completed by the assignee (who wishes to obtain the legal right to control the use and operation of a station as a result of a voluntary act (contract or other agreement)).

FCC Form 702 requires the applicants to provide the following information:

Part I (Assignor)

- (a) FCC Registration Number (FRN);

- (b) Name and Street Address of the Assignor;
- (c) The call sign, file number, location and expiration date should be provided for the facilities authorized to assignor for which assignment is sought.
- (d) The assignor or applicant must certify in FCC Form 702 that the license will not be assigned, or control will not be transferred until the Commission's consent has been received. Certification must be made by an authorized Office or Agent of the corporation.

## Part II (Assignee)

- (a) Name of the Assignee (Corporation, State corporate name; if a partnership, state names of all partners and the name under which the partnership does business; if an unincorporated association, state the name of an executive officer, the office held by him/her, and the name of the association; The same names should be signed in the place provided at the end of the application, except that in the case of a partnership, the application may be signed in the name of the partnership by one or the partners;
- (b) Mailing/Street Address and email Address;
- (c) State whether the application is for consent to voluntary or involuntary assignment of permit or license;
- (d) State whether the assignee is an individual, partnership, corporation or association;
- (e) Is assignee or any party to the application a representative of an alien or a foreign government;
- (f) Is assignee personally familiar with the Commission's rules governing the service, which is the subject of the application;
- (g) Has assignee examined the subject facilities and determined that construction and operation is in compliance with current authorizations and the Commission's rules;
- (h) State assignee's relation to station: Pro Forma Assignment, Lessee, Manager, or Financier.

**FCC Form 703** – *“Application for Consent to Transfer Control of Corporation Holding Station License”* – This form is submitted whenever the applicant proposes to change the control of a station, as by transfer of stock ownership. This form is required by the Communications Act of 1934, as amended; FCC Rule 47 CFR Part 5.59(e).

The FCC Form 703 requires the applicants to provide the following information:

- (a) Name, email address and street address of current corporate licensee;
- (b) Call sign and radio service of each station;
- (c) The current fee. Current fees may be obtained by referring to the Office of Engineering and Technology's Fee Filing Guide at [www.fcc.gov/fees/appfees.html](http://www.fcc.gov/fees/appfees.html) or by requesting the “experimental license fees” at the FCC Consumer and Governmental Affairs Bureau's toll free number, (1-888-225-5322).

(d) A FCC Registration Number (FRN). If you do not have a FRN, apply for one using FCC Form 160 or at <https://svartifoss2.fcc.gov/cores/CoresHome.html>.

(e) Subsequent to the Transfer of Control, will the licensee corporation be the same corporate entity? That is will it retain its present name, Corporate charter, State of incorporation, etc., and will the licensee corporation be a representative of any foreign government.

The Commission has authority for this information collection pursuant to Secs. 4, 302, 303, 48 Stat. 1066, 1082, as amended; 47 U.S.C. 154, 302, 303. Interpret or apply sec. 301, 48 Stat. 1081, as amended; 47 U.S.C. 301.

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

**2. Indicate how, by whom and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The Commission uses the information in FCC Form 702 and 703 to determine the applicant(s) continued eligibility for licensees. Without this information, violations of ownership regulations could occur.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

On August 30, 2003, the Commission adopted an *Order*, See 68 FR 59335, October 15, 2003, which requires that all applications for Experimental Radio stations be filed electronically, including FCC Forms 702 and 703.

The Commission does recognize that the mandatory electronic filing requirement could impose unusual burdens on some filers and that, therefore, it may be appropriate for us to consider granting limited waivers of this requirement. Such waivers will not be routinely granted and the filing party must plead the facts and circumstances warranting relief.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.**

This agency does not impose a similar information collection on the respondents. There are no similar data available.

The Experimental Licensing System currently uses a variety of forms to accomplish specific transactions related to the Commission's experimental licensing program. Among these are:

- (a) FCC Form 702 – Application for Consent to Assign an Experimental Authorization, and
- (b) FCC Form 703 – Application for Consent to Transfer Control of Corporation Holding Station License.

The Commission has been asked to consider combining these forms to eliminate a form and have both functions – assignments and transfers – accomplished via a single form. Our recommendation is to maintain both forms to keep the application process for assignments and transfers separate. Reasons for keeping these forms separate are:

- (a) A different set of information is required for assignments (FCC Form 702) than for transfers of control (FCC Form 703):
  - (i) Currently, each form gathers the required information in a clear, concise manner.
  - (ii) Combining the forms would make them inherently more complex as filers would need to wade through a series of if/then type conditions to determine which information is relevant to their particular transaction.
- (b) Additional complexity would likely lead to a higher number of errors on the combined form resulting in added staff time to resolve these errors and a longer period of time for the public to obtain their assignment or transfer of control.
- (c) Combining the forms would create a more complex form process, which would increase the paperwork burden on the public rather than reduce it.
- (d) A more complex form would likely result in an increase in phone calls to the staff for assistance, which would come at the expense of using that time to process applications.
- (e) The assignment and transfer of control process has been implemented in the experimental licensing system's electronic filing system:
  - (i) These transactions tend to be very complex and considerable time, expense, and expertise were expended to implement the current process, which went through multiple iterations to ensure that the system functionality met the processing requirements.
  - (ii) Combining the Forms 702 and 703 would require a redesign of the current system to track the paper process. Such a redesign would again entail considerable time, expense, and expertise, with multiple rounds of testing and recoding to make certain that the system operated properly.

For the reasons stated above, we believe that the public would be better served by keeping the FCC Forms 702 and 703 separate for their stated purposes:

- (a) Any benefit that may accrue by reducing the number of forms available to the public would be lost in the added complexity necessary for a combined form and additional burden to staff resources.
- (b) In sum, we do not believe that a combination of these forms will result in any tangible benefit to the Commission or the public.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

In accordance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize the burden on all respondents, regardless of size. The Commission has minimized the

information requirements to that which is necessary for processing the application and to deter against possible abuses of the processes.

- 6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Generally, the frequency of the filing of FCC Form 702 is determined by the applicant and assignee and 703 is determined by the applicant and transferee.

- 7. Explain any special circumstances that cause an information collection to be conducted in a manner: requiring respondents to report information to the agency more often than quarterly; requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; requiring respondents to submit more than an original and two copies of any document; requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

This collection of information is consistent with the guidelines in 5 CFR Part 1320.6.

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR § 1320.8(d), soliciting comments on the information prior to submission to OMB.**

The Commission published a Notice in the *Federal Register* pursuant to 5 CFR § 1320.8 on March 25, 2011 (76 FR 16771), a copy of which is referenced in the submission to the OMB. The Commission did not receive any comments following publication of the Notice.

- 9. Explain any decision to provide any payment or gift to respondents, other than reenumeration of contractors or grantees.**

Respondents will not receive any payments.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation or agency policy.**

Applicants may request that any information supplied be withheld from public inspection, pursuant to 47 CFR § 0.459 of the FCC's rules. This request must be justified pursuant to 47 CFR § 0.457, however, this collection has no sensitive information.

- 11. Provide additional justification for any questions of a sensitive nature.**

No information of a sensitive or confidential nature is collected.

12. **Provide estimates of the hour burden of the collection of information. The statement should: indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance.**

**FCC Form 702**

The Commission receives approximately ten (10) FCC Form 702 applications annually.

Generally, an applicant will file only one FCC Form 702.

The average burden per respondent is 36 minutes (0.6 hours) to complete and file FCC Form 702.

**Total Number of Respondents: 10 applicants**

**Total Number of Responses Annually: 10**

**Total Burden Hours: 10 applicants x 0.6 hours = 6 hours**

**FCC Form 703**

The Commission receives approximately forty (40) FCC Form 703 applications annually.

Generally, an applicant will file only one FCC Form 703.

The average burden per respondent is 36 minutes (0.6 hours) to complete and file FCC Form 703.

**Total Number of Respondents: 40 applicants**

**Total Number of Responses Annually: 40**

**Total Burden Hours: 40 applicants x 0.6 hours/FCC Form 703 = 24 hours**

**Cumulative Total Number of Respondents for Forms 702 and 703: 10 + 40 = 50 respondents**

**Cumulative Total Annual Responses for Forms 702 and 703: 10 + 40 = 50 responses**

**Cumulative Total Annual Burden for Forms 702 and 703: 6 hours + 24 hours = 30 hours**

**13. Provide estimate for the total annual cost burden to respondents resulting from the collection of information. (Do not include the cost of any hour burden shown in items 12 and 14).**

**FCC Form 702 annual cost burden**

- (a) Total annualized capital/startup costs: None.
- (b) Total annual costs (O&M): **\$600.00.**
- (c) Total annualized cost requested: **\$600.00.**

**Cost to the Respondent:**

There is a FCC filing fee of \$60.00 per application.

**Total Respondent Cost: 10 respondents X \$60 per application = \$600.00.**

**FCC For 703 annual cost burden**

- (a) Total annualized capital/startup costs: None.
- (b) Total annual costs (O&M): **\$2,400.**
- (c) Total annualized cost requested: **\$2,400.**

**Cost to the Respondent:**

There is a FCC filing fee of \$60.00 per application.

**Total Respondent Cost: 40 FCC Form 703s filed x \$60 per application = \$2,400.**

**TOTAL COST FOR RESPONDENTS for Forms 702 and 703 = \$600 + \$2,400 = \$3,000.**

**14. Provide estimates of annualized costs to the Federal government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), any other expenses that would not have been incurred without this collection of information.**

**Cost to the Federal Government:**

**We make the following estimates for the total annual cost to the Federal Government to review and process the 10 FCC Form 702s that applicants file annually:**

- (a) The Commission will use an FCC staff Engineer (GS 14 Step 5 Grade Level: \$57.13/hour);
- (b) The FCC staff engineer will spend approximately 0.6 hours per filing for reviewing and processing FCC Form 702;

$$10 \text{ respondents filing FCC Form 702 annually} \times 0.6 \text{ hours} \times \$57.13 = \$342.78$$

Thus, the annual cost is estimated as follows:

$$30\% \text{ Overhead} \qquad \qquad \qquad \underline{\$ 102.83}$$

$$\textbf{Total Annual Cost to the Federal Government for Form 702:} \qquad \qquad \qquad \textbf{\$445.61}$$

**We make the following estimates for the total annual cost to the Federal Government to review and process the 40 FCC Form 703s that applicants file annually:**

- (c) The Commission will use a Supervisory Electronics Engineer (GS 15 Step 5 Grade Level: \$67.21/hour), 2 FCC staff Engineers (GS 14 Step 5 Grade Level: \$57.13/hour), 3 FCC staff Engineers (GS 13 Step 5 Grade Level: \$48.35/hour), an FCC Staff Information Technician (GS 7 Step 5 Grade Level: \$22.92/hour).
- (d) The FCC staff will spend an aggregate of 24 hours to process all 40 FCC Form 703s that are filed with the Commission, spending approximately 36 minutes (0.6 hours) to review a single FCC Form 703 filed with the Commission. Thus:

$$40 \times 0.6 \text{ hours (36 minutes)} = 24 \text{ hours}$$

$$24 \text{ hours} \div 7 \text{ FCC staffers} = 3.43 \text{ hrs per FCC staff to review and process FCC Form 703 annually:}$$

Therefore, the annual cost is estimated as follows:

Sup. Electronics Engineer at \$67.21/hr	\$67.21 x 3.43 =	\$230.53
Engineer at \$57.13/hr.	\$57.13 x 3.43 =	\$195.96
Engineer at \$57.13/hr.	\$57.13 x 3.43 =	\$195.96
Engineer at \$48.35/hr.	\$48.35 x 3.43 =	\$165.84



Engineer at \$48.35/hr.	\$48.35 x 3.43 =	\$165.84
Engineer at \$48.35/hr.	\$48.35 x 3.43 =	\$165.84
Information Technician at \$22.92/hr.	\$22.92 x 3.43 =	\$ 78.62
		\$1,198.59

30% Overhead \$ 359.58

**Total Annual Cost to the Federal Government for Form 703: \$1,558.17**

**TOTAL ANNUAL COST TO THE FEDERAL GOVERNMENT:**

**\$445.61 + \$1,558.17 = \$2,003.78**

**15. Explain the reasons for any program changes or adjustments reported to this collection.**

As noted above the total number of respondents, total number of responses annually, the total annual burden hours, and the total annual costs have been modified because of the following actions:

(a) The Commission is combining information collections (3060-0053 and 3060-0068) under one information collection (3060-0053). The various respondent burdens previously were included separately in the two information collections via FCC Forms 702 and 703.

(b) The Commission has adjustments/increases for collection 3060-0053 which are due to consolidating the information collection requirements that were contained under OMB control number 3060-0068 into this collection. Therefore, the adjustments are as follows: the number of respondents has increased by 10 from 40 to 50; the number of responses has increased by 10 from 40 to 50 and the total annual burden hours have increased by 6 from 24 hours to 30 hours.

There are no program changes to this collection.

**16. For collections of information whose results will be published, outline plans for tabulation and publication.**

The data will not be published for statistical use.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The Commission is requesting an extension of the waiver to continue to not display the OMB expiration date on FCC Forms 702 and 703. The Commission will use an edition date in lieu of the OMB expiration date. This will obviate the need for the Commission to update the electronic forms upon the expiration of the clearance. OMB approval of the expiration date of the information collection will be displayed at 47 CFR § 0.408.

**18. Explain any exceptions to the Certification Statement.**

The Commission has determined that FCC Forms 702 and 703 contain duplicative information collection requirements. We find that it is to the Commission's advantage to merge this collection of information under OMB Control No. 3060-0053, rather than two separate information collections.

Upon OMB approval of 3060-0053, OMB Form 83-D will be submitted to cancel 3060-0068.

**B. Collections of Information Employing Statistical Methods:**

This collection of information does not employ statistical methods.