SUPPORTING STATEMENT

A. Justification

- 1. Title IV of the Americans with Disabilities Act of 1990 (ADA), adding section 225 to the Communications Act of 1934, as amended (Act), requires that:
 - (a) The Commission ensures that telecommunications relay service (TRS)¹ is available, to the extent possible and in the most efficient manner, to persons with hearing or speech disabilities in the United States;² and
 - (b) TRS offers persons with hearing and speech disabilities telephone transmission services that are "functionally equivalent" to voice telephone services.³

Internet-based TRS services

In March 2000, the Commission recognized Video Relay Service (VRS) as a form of TRS.⁴ VRS requires the use of a broadband Internet connection between the VRS user and the communication assistant (CA), which allows the VRS user and the CA to communicate in sign language via the video link. During the call, the CA communicates in American Sign Language (ASL) with the deaf person and by voice with the hearing person. As a result, the conversation between the deaf and hearing end users follows in near real time.

In April 2002, the Commission also recognized Internet Protocol Relay (IP Relay) service as a form of TRS.⁵ IP Relay permits an individual with a hearing or speech disability to communicate in text using an Internet Protocol-enabled device via the Internet, rather than using a text telephone (TTY) and the public switched telephone network (PSTN).

In January 2007, the Commission added Internet Protocol Captioned Telephone Relay (IP CTS) as a form of Internet-based TRS service eligible for compensation from the Interstate

¹ TRS is a telephone transmission service that allows persons with a hearing or speech disability to engage in communications by wire or radio with a hearing individual in a manner that is functionally equivalent to the ability of an individual who does not have a hearing or speech disability to communicate using voice communication services by wire or radio. *See* 47 CFR 64.601(21). TRS facilities are staffed by communications assistants (CAs) who relay conversations between people who use text telephone devices (TTY's) or other devices and people who communicate by voice.

² 47 U.S.C. § 225(b)(1).

³ 47 U.S.C. § 225(a)(3).

⁴ *Telecommunications Relay Services for Individuals with Hearing and Speech Disabilities*, CC Docket No. 98-67, Report and Order and Further Notice of Proposed Rulemaking, 15 FCC Rcd 5140, 5152-54, paras. 21-27 (2000); 47 C.F.R. § 64.601(26) (defining VRS).

⁵ Provision of Improved Telecommunication Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CC Docket No. 98-67, Declaratory Ruling and Second Further Notice of Proposed Rulemaking, 17 FCC Rcd 7779 (2002); 47 C.F.R. § 64.601(13) (defining IP Relay).

TRS Fund.⁶ IP CTS is a form of captioned telephone relay service where the connection carrying the captions between the relay provider and the user is via the Internet, rather than the PSTN.⁷

On April 6, 2011, in document FCC 11-54, the Commission released a *Further Notice of Proposed Rulemaking (FNPRM)* seeking comment on ways to revise the current certification process to ensure that potential providers receiving certification are qualified to provide Internet-based relay service in compliance with the Commission's rules, and to improve the Commission's oversight of such providers.

On July 28, 2011, in document FCC 11-118, the Commission released a *Second Report and Order* (*iTRS Certification Order*) adopting new modified certification process for Internetbased TRS (iTRS) providers to ensure that iTRS providers receiving certification are qualified to provide iTRS in compliance with the Commission's rules, and to eliminate waste, fraud and abuse through improved oversight of such providers.

In the *Order*, the Commission requires all iTRS providers to obtain certification from the Commission in order to be eligible to receive compensation from the Fund; require all VRS applicants for Commission certification to lease, license or own, as well as operate, essential facilities associated with TRS call centers and to employ interpreters to staff those centers at the date of the application; and require each iTRS applicant for certification to submit specific types of documentary evidence of its ability to comply with all of the Commission's rules, including those newly adopted in the April 2011 *VRS Fraud Report and Order*.⁸ In addition, the Commission adopts rules governing on-site visits by Commission staff to the premises of applicants for certification, as well as to iTRS providers' premises after they are certified. The Commission also revises its rules governing applications for renewal and annual compliance reports filed by certified providers, and notification of substantive TRS program changes to the Commission. Finally, the Commission requires prior approval for voluntary interruption of VRS service of 30 minutes or longer.

The *Order* contains new information collection requirements with respect to the following four of its requirements.

A. Required Evidence for Submission for Eligibility Certification.

The *Order* requires that potential iTRS providers must provide full and detailed information in its application for certification that show its ability to comply with the Commission's rules. The *Order* requires that applicants must provide a detailed description of how the applicant will meet all non-waived mandatory minimum standards applicable to each form of TRS offered, including documentary and other evidence, and in the case of VRS, such documentary and other evidence shall demonstrate that the applicant leases, licenses or has acquired its own facilities and operates such facilities associated with TRS call centers and employees

 ⁷ Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; CG Docket No. 03-123, Declaratory Ruling, 22 FCC Rcd 379, at 388, para. 22 (2007).
⁸ Structure and Practices of the Video Relay Service Program; CG Docket No. 10-51, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 5545 (2011).

⁶ Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Internet-based Captioned Telephone Service, CG Docket No. 03-123, Declaratory Ruling, 22 FCC Rcd 379, 388, para. 22 (2007); 47 C.F.R. § 64.601(12) (defining IP CTS).

communications assistants, on a full or part-time basis, to staff such call centers at the date of the application. Such evidence shall include but not be limited to:

- 1. for VRS applicants operating five or fewer call centers within the United States, a copy of each deed or lease for each call center operated by the applicant within the United States;
- 2. for VRS applicants operating more than five call centers within the United States, a copy of each deed or lease for a representative sampling (taking into account size (by number of communications assistants) and location) of five call centers operated by the applicant within the United States; and
- 3. for VRS applicants operating call centers outside of the United States, a copy of each deed or lease for each call center operated by the Applicant outside of the United States;
- 4. for all applicants, a list of individuals or entities that hold at least a 10 percent equity interest in the applicant, have the power to vote 10 percent or more of the securities of the applicant, or exercise de jure or de facto control over the applicant, a description of the applicant's organizational structure, and the names of its executives, officers, members of its board of directors, general partners (in the case of a partnership), and managing members (in the case of a limited liability company);
- 5. for all applicants, a list of the number of applicant's full-time and part-time employees involved in TRS operations, including and divided by the following positions: executives and officers; video phone installers (in the case of VRS), communications assistants, and persons involved in marketing and sponsorship activities;
- 6. where applicable, a description of the call center infrastructure, and for all core call center functions (automatic call distribution, routing, call setup, mapping, call features, billing for compensation from the TRS fund, and registration) a statement whether such equipment is owned, leased or licensed (and from whom if leased or licensed) and proofs of purchase, leases or license agreements, including a complete copy of any lease or license agreement for automatic call distribution;
- 7. for all applicants, copies of employment agreements for all of the provider's executives and communications assistants need not be submitted with the application, but must be retained by the applicant and submitted to the Commission upon request; and
- 8. for all applicants, a list of all sponsorship arrangements relating to Internet-based TRS, including any associated written agreements.

B. Submission of Annual Report

The *Order* requires that providers submit annual reports that include updates to the information listed under *Section A* above or certify that there are no changes to the information listed under *Section A* above.

C. Requiring Providers to Seek Prior Authorization of Voluntary Interruption of Service

The *Order* requires that a VRS provider seeking to voluntarily interrupt service for a period of 30 minutes or more in duration must first obtain Commission authorization by submitting a written request to the Commission's Consumer and Governmental Affairs Bureau (CGB) at least 60 days prior to any planned service interruption, with detailed information of:

D. Reporting of Unforeseen Service Interruptions

With respect to brief, unforeseen service interruptions or in the event of a VRS provider's voluntary service interruption of less than 30 minutes in duration, the *Order* requires that the affected provider submit a written notification to CGB within two business days of the commencement of the service interruption, with an explanation of when and how the provider has restored service or the provider's plan to do so imminently. In the event the provider has not restored service at the time such report is filed, the provider must submit a second report within two business days of the restoration of service with an explanation of when and how the provider has restored service at the time such report is filed, the provider must submit a second report within two business days of the restoration of service with an explanation of when and how the provider has restored service

On October 17, 2011, in document FCC 11-155, the Commission released a Memorandum Opinion and Order (MO&O), addressing the petition for reconsideration filed by Sorenson Communications, Inc. (Sorenson)⁹. Sorenson concurrently filed a PRA comment challenging two aspects of the information collection requirements as being too burdensome.¹⁰ The Commission modified two aspects of information collection requirements contained in the July 28, 2011 *iTRS Certification Order*. In the MO&O, the Commission revised the language in the rules to require that providers that operate five or more domestic call centers only submit copies of proofs of purchase, leases or license agreements for technology and equipment used to support their call center functions for five of their call centers that constitute a representative sample of their centers, rather than requiring copies for all call centers. Further, the Commission clarifies that the rule requiring submission of a list of all sponsorship arrangements relating to iTRS only requires that a certification applicant include on the list associated written agreements, and does not require the applicant to provide copies of all written agreements.

Therefore, the information collection requirements listed above in section A 6 and 8 are revised to read as follows:

6. A description of the technology and equipment used to support their call center functions – including, but not limited to, automatic call distribution, routing, call setup, mapping, call features, billing for compensation from the TRS Fund, and registration -- and for each core function of each call center for which the applicant must provide a copy of technology and equipment proofs of purchase, leases or license agreements in accordance with paragraphs (a) – (d) listed below, a statement whether such technology and equipment is owned, leased or licensed (and from whom if leased or licensed);

(*a*) For VRS providers operating five or fewer call centers within the United States, a copy of each proof of purchase, lease or license agreement for all technology and

⁹ Sorenson Communications, Inc., *Petition for Reconsideration of Two Aspects of the Certification Order*, CG Docket No. 10-51 (filed Sept. 6, 2011) (Sorenson Petition).

¹⁰ Sorenson Communications, Inc. *Paperwork Reduction Act Comments*, CG Docket. No. 10-51, OMB Control No. 3060-1150 (filed Sept. 6, 2011) (*Sorenson PRA Comment*).

equipment used to support their call center functions, for each call center operated by the applicant within the United States;

(*b*) For VRS providers operating more than five call centers within the United States, a copy of each proof of purchase, lease or license agreement for technology and equipment used to support their call center functions for a representative sampling (taking into account size (by number of communications assistants) and location) of five call centers operated by the applicant within the United States; a copy of each proof of purchase, lease or license agreement for technology and equipment used to support their call center functions for all call centers operated by the applicant for the purchase, be retained by the applicant for three years from the date of the application, and submitted to the Commission upon request;

(*c*) For VRS providers operating call centers outside of the United States, a copy of each proof of purchase, lease or license agreement for all technology and equipment used to support their call center functions for each call center operated by the applicant outside of the United States; and

(d) A complete copy of each lease or license agreement for automatic call distribution.

8. For all applicants, a list of all sponsorship arrangements relating to Internet-based TRS, including on that list a description of any associated written agreements; copies of all such arrangements and agreements must be retained by the applicant for three years from the date of the application, and submitted to the Commission upon request.

These information collections do not affect individuals or households, and thus, there are not impacts under the Privacy Act.

The statutory authority for these information collections can be found at section 225 of the Communications Act, 47 U.S.C. § 225. The law was enacted on July 26, 1990, as Title IV of the ADA, Public Law 101-336, 104 Stat. 327, 366-69.

2. The *Order* adopts mandatory reporting requirements on potential providers seeking to offer voluntary iTRS services such as VRS, IP Relay and IP CTS services.

The *Order* requires potential providers to submit documentation:

(a) To ensure that the certified providers are qualified to provide iTRS services in compliance with the Commission's rules and orders, including the mandatory minimum standards set forth in 47 CFR § 64.604, and

(b) To determine whether potential providers are eligible to receive compensation from the Interstate TRS Fund.

These requirements would help the Commission and Fund administrator oversee iTRS service in an effective manner and ensure that iTRS providers receiving certification are qualified to provide iTRS in compliance with the Commission's rules, and to eliminate waste, fraud and abuse through improved oversight of such providers. The measures adopted in the *Order* are another step forward in the Commission's to reform the structure and practices of the VRS

program, and thus may be transitional, pending other structural changes that the Commission may make to this program.

- 3. At this time, the Commission is not considering the use of improved information technology.
- 4. The information is not duplicated elsewhere.
- 5. There are no significant economic impacts on small businesses or small entities.
- 6. If the collections were not conducted, or conducted less frequently, the Commission and Fund administrator would have less of a basis to detect and prevent fraud and misuse in the provision of relay, and the public less of a basis to rely on the quality of relay service.
- 7. The collections are not being conducted in any manner inconsistent with the guideline of 5 CFR § 1320.5(d)(1).
- Pursuant to 5 C.F.R. § 1320.8(d) of the Commission's rules, the Commission published the 8. 60 day notice on May 2, 2011 (76 FR 24437) and 30 day notice in the Federal Register on August 5, 2011 (76 FR 47582), seeking comment from the public on the information collection requirements contained in this supporting statement. On September 6, 2011, Sorenson filed PRA comments and a petition for reconsideration challenging two aspects of the information collection requirements. OMB, therefore, has vet to approve the information collections. In the MO&O, the Commission addresses OMB's and Sorenson's concerns by revising the language in the rules to require that providers that operate five or more domestic call centers only submit copies of proofs of purchase, leases or license agreements for technology and equipment used to support their call center functions for five of their call centers that constitute a representative sample of their centers, rather than requiring copies for all call centers. Further, the Commission clarifies that the rule requiring submission of a list of all sponsorship arrangements relating to iTRS only requires that a certification applicant include on the list associated written agreements, and does not require the applicant to provide copies of all written agreements. We believe that these two rule modifications significantly alleviate the burdens associated with the subject information collections requirements, and address the concerns Sorenson raised in its PRA comments filed with OMB.
- 9. The Commission does not anticipate providing any payment or gift to any respondents.
- 10. The Fund administrator keeps all data obtained from iTRS providers confidential and does not disclose such information in company-specific form unless directed to do so by the Commission.
- 11. This information collection does not address any private matters of a sensitive nature.
- 12. The following represents estimates of the burden hours for the collection of information on the new rules adopted in the *Order*. The Commission estimates that there are approximately 11 potential iTRS providers that would be affected by all or parts of this collection

COMPONENTS FOR REPORTING REQUIREMENTS

Of the 11 potential Internet-based TRS providers (respondents), the Commission estimates that:

- > Two respondents provide three forms of TRS (IP CTS, IP Relay and VRS);
- ➢ Five respondents provides two forms (IP Relay and VRS);
- ▶ Four respondents provide one form (VRS).

Below are the estimated burdens associated with the information collections:

A. Required Evidence for Submission for Eligibility Certification.

Annual Number of Respondents: 11¹¹

Annual Number of Responses: (1 response/form of TRS): 3 forms of TRS (2 providers) + 2 forms of TRS (5 providers) + 1 form of TRS (4 providers) = 6 + 10 + 4 = 20 responses

Annual Burden Hours (one-time Burden): 300 + 500 + 200 + 135= 1,135 hrs

The Commission estimates that respondents will require approximately 50 hours per form of iTRS (except for VRS) offered to complete the application for certification consisting of full and detailed information listed above in 1(A) on page 2, that demonstrates its ability to comply with the Commission's rules.

In the case of VRS, the Commission estimates that respondents will require approximately a total of 65 hours to complete the application for certification consisting of full and detailed information listed above in on page 2, that demonstrates its ability to comply with the Commission's rules, including its ownership of facilities associated with TRS call centers, and employs interpreters, on a full or part-time basis, to staff such call centers at the date of the application.

The application will be completed on a one-time basis.

- Three forms of iTRS: 2 respondents x 3 forms of iTRS x 50 hrs/form of iTRS = 300 hrs
- Two forms of iTRS: 5 respondents x 2 forms of TRS x 50 hrs/form of TRS = 500 hrs
- One form of iTRS: 4 respondents x 1 form of TRS x 50 hrs/form of TRS = 200 hrs

¹¹ The Commission has modified its supporting statement to correspond with its clarification provided in document FCC 11-155. Therefore, the burdens herein remain unchanged.

Because the Commission estimates that 9 responses out of 20 responses contain application for VRS certification, each of 9 responses will require 15 additional hours for completing each VRS application due to additional requirements under No. 1, 2 and 3 listed above on page 3 (the difference between 50 hours for iTRS and 65 hours for VRS) 9 responses x 15 hours for VRS = 135 hrs

The Commission assumes that respondents will use "in-house" personnel whose pay is comparable to senior level federal employees (GS-15/5, plus 30% overhead) to complete the application for certification.

The Commission estimates respondents' costs to be about \$87.37 per hour to complete:

Annual "In-House" Cost: 1,135 hrs x \$87.37/hr = \$99,164.95

Annualized Burdens -- Though respondents will incur the burdens estimated in this section on a one-time basis, for purposes of cumulative burden estimates, these one-time estimates are annualized over the three-year period for which the Commission seeks approval for this collection. Therefore:

Annualized Number of Responses: 20/3 = 6.67 (7 responses/yr)

Annualized Burden Hours: 1,135 hrs/3 = (378 hrs/yr)¹²

Annualized "In-House" Cost: \$99,164.95/3 = (\$33,054.98/yr)

B. Submission of Annual Report

Annual Number of Respondents: 11

Annual Number of Responses: (1 response/form of TRS): 3 forms of TRS (2 providers) + 2 forms of TRS (5 providers) + 1 form of TRS (4 providers) = 6 + 10 + 4 = **20 responses/yr**

Annual Burden Hours: 150 + 250 + 100 = 500 hrs

The *Order* requires that each provider submit report that include updates to the information contained in the original application as listed in 12(A) on an annual basis.

The Commission estimates that each respondent will require approximately 25 hours to complete report that include updates to the information in the application on an annual basis.

¹² We note that the hourly burden decreased from 1,500 hours to 1,135 hours because the *Order* eliminated three components of the proposed rules in the *Certification FNPRM*. The eliminated three components are the requirements that an applicant provide documentary evidence of (1) copies of any subcontracting agreements for services not directly essential for the provision of Internet-based relay call (such as maintenance and transportation services); (2) a list of all financing arrangements pertaining to the provision of Internet-based relay service, including documentation on loans for equipment, inventory, property, promissory notes, and liens; and (3) copies of all other agreements associated with the provision of Internet-based relay service.

- Three forms of TRS: 2 respondents x 3 forms of TRS x 25 hrs/form of TRS = 150 hrs/yr
- Two forms of TRS: 5 respondents x 2 forms of TRS x 25 hrs/form of TRS = 250 hrs/yr
- One form of TRS: 4 respondents x 1 form of TRS x 25 hrs/form of TRS = 100 hrs/yr

The Commission assumes that respondents will use "in-house" personnel whose pay is comparable to senior level federal employees (GS-15/5, plus 30% overhead) to complete report that include updates to the information in the application on an annual basis.

The Commission assumes that respondents will use "in-house" personnel whose pay is comparable to senior level federal employees (GS-15/5, plus 30% overhead) to compile and submit specified call data.

The Commission estimates respondents' costs to be about \$87.37 per hour to complete.

Annual "In-House" Cost: 500 hrs x \$87.37/hr = \$43,685.00

C. Requiring Providers to Seek Prior Authorization of Voluntary Interruption of Service

Annual Number of Respondents: 11

Annual Number of Responses: 11 responses/yr

The Commission estimates that 11 potential providers would be required to seek prior authorization of voluntary interruption of service. Specifically, 11 respondents would be required to first obtain Commission authorization if a VRS provider seeks to voluntarily interrupt service for a period of 30 minutes or more in duration by submitting a written request to the Commission's Consumer and Governmental Affairs Bureau (CGB) at least 60 days prior to any planned service interruption.

Annual Burden Hours: 11 hours/yr

(1) The Commission estimates that each respondent will require approximately 1 hour¹³ to complete the submission of a written request for voluntary interruption of service on the average of one per year although it is unlikely that respondents would submit such request.

11 respondents x 1 hrs = 11 hrs/yr

The Commission assumes that respondents will use "in-house" personnel whose pay is comparable to senior level federal employees (GS-15/5, plus 30% overhead) to

¹³ Based on the comments and ex parte presentations in response to the *Certification FNRPM* and internal review, we find that it would take an estimate of one hour to complete the submission of a written request for voluntary interruption of service instead of 2 hours as originally estimated in the proposed PRA information collection submission.

complete the submission of a written request for voluntary interruption of service on the average of one per year although it is unlikely that respondents would submit such request.

The Commission estimates respondents' costs to be about \$87.37 per hour to complete.

Annual In-House Cost: 11 hrs/yr x \$87.37 = \$961.07

D. Reporting of Unforeseen Service Interruptions

Annual Number of Respondents: 11

Annual Number of Responses: 16 responses/yr (11 responses + 5 responses for a follow-up report)

The Commission estimates that 11 potential providers would be required to submit a written notification to CGB within two business days of when the service interruption first occurred due to an unforeseen circumstance, with an explanation of how the provision of its service had been restored or will be restored imminently and that out of the same 11 respondents, five of them would submit a follow-up report within two business days of the restoration of service.

Annual Burden Hours: 10.75 hrs/yr (8.25 hrs + 2.5 hrs)

The Commission estimates that each respondent will require approximately .75 hour to complete the submission of a written notification to CGB within two business days of when the service interruption first occurred due to an unforeseen circumstance on the average of one per year, and that 5 of the same respondents will require approximately .5 hour to complete the submission of a follow-up report,

11 respondents for initial report x .75 hrs/yr = 8.25 hrs/yr

5 respondents for follow-up report x .5 hrs/yr = 2.5 hrs/yr

The Commission assumes that respondents will use "in-house" personnel whose pay is comparable to senior level federal employees (GS-15/5, plus 30% overhead) to complete the submission of a written notification to CGB.

The Commission estimates respondents' costs to be about \$87.37 per hour to complete.

Annual "In-House" Cost: 10.75 hrs/yr x \$87.37 = \$939.23

Cumulative Totals:

Total Annual Number of Respondents: **11**

Total Annual Number of Responses: 54 responses/yr

Total Annual Burden Hours: 900 hrs/yr

Total Annual "In-House" Costs: **\$78,640.28**

- 13. The Commission estimates that iTRS providers will not incur any cost burden resulting from the collection of information:
 - (a) Total annualized capital/start-up cost: \$0
 - (b) Total annual costs (operation and maintenance): \$0
 - (c) Total annualized cost requested: \$0
- 14. The Commission believes that the costs to the Federal government emanating from these proposed information collections will involve:

(a) initial staff review of the submissions of application for eligibility certification, annual reports and notification of service interruptions. Therefore, the Commission will use staff attorneys at the GS-14/5 level to review this information. The Commission estimates the time to review this information will be approximately 12 hours per month = 144 hours annually.

144 hrs x \$57.13/hr = \$8,226.72

(b) senior staff review of issues identified and escalated from the initial staff review of information contained in these submissions. Therefore, the Commission will use staff attorneys at the GS-15/5 level to review escalated issues and information. The Commission estimates the time to review this information will be approximately 15 hours per month = 180 hours annually.

180 hrs x \$67.21/hr = \$12,097.80

Total Cost to the Federal Government: \$8,226.72 + \$12,097.80 = \$**20,324.52**

15. The Commission has program changes/increases to this information collection due to the adoption of the information collection requirements contained in FCC 11-118. Therefore, the program changes are as follows: +11 to the number of respondents, +54 to the annual number of responses and +900 to the annual burden hours. The rule modifications adopted in the MO&O have no impact on the estimated burdens of the information collections contained in the July 28, 2011 *iTRS Certification Order*.

In the MO&O, the Commission clarified two aspects of the information collection requirements by modifying the rules. These modifications, however, resulted in no additional adjustments or program changes to this information collection.

- 16. There are no plans to publish the results of the collection of information.
- 17. The Commission is not seeking approval not to display the expiration date for OMB approval of these collections of information.
- 18. The Commission published a 60 day notice on May 2, 2011 (76 FR 24437) and 30 day notice in the *Federal Register* on August 5, 2011 (76 FR 47582), seeking comment from the public

on the information collection requirements contained in this supporting statement. In the 60 day notice the Commission stated the following estimates and later revised them with the publication of the 30 day notice: 49 responses was revised to 54; the estimated time per response was revised from 1 - 75 hours to .5 - 50 hours; the annual burden hours were revised from 1,033 hours to 900 hours. There are no other exceptions to Certification Statement.

B. Collections of Information Employing Statistical Methods

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