

**SUPPORTING STATEMENT**

**A. Justification:**

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

On April 25, 2012, the Commission adopted a *Notice of Proposed Rulemaking* (“NPRM”) in MB Docket 12-106, FCC 12-43, *In the Matter of Noncommercial Educational Station Fundraising for Third-Party Non-Profit Organizations*. Under the Commission’s existing rules, a noncommercial educational (“NCE”) broadcast station may not conduct fundraising activities to benefit any entity besides the station itself if the activities would substantially alter or suspend regular programming. The *NPRM* proposes to relax the rules to allow NCE stations to spend up to one percent of their total annual airtime conducting on-air fundraising activities that interrupt regular programming for the benefit of third-party non-profit organizations.

**The proposed information collection requirements that require OMB review and approval consist of the following:**

**(a) Opt-in notification.**

Pursuant to proposed 47 C.F.R. § 73.503(e)(1), a noncommercial educational FM broadcast station that intends to interrupt regular programming to conduct fundraising activities on behalf of third-party non-profit organizations must file an opt-in notification with the FCC prior to engaging in such fundraising activities. Pursuant to proposed 47 C.F.R. § 73.621(f)(1), a noncommercial educational TV broadcast station that intends to interrupt regular programming to conduct fundraising activities on behalf of third-party non-profit organizations must file an opt-in notification with the FCC prior to engaging in such fundraising activities. This opt-in notification would be a one-time only filing requirement.

**(b) Audience disclosure.**

Pursuant to proposed 47 C.F.R. § 73.503(e)(2), a noncommercial educational FM broadcast station that interrupts regular programming to conduct fundraising activities on behalf of third-party non-profit organizations must air a disclosure during such activities clearly stating that the fundraiser is not for the benefit of the station itself and identifying the entity for which it is fundraising and the specific cause, if any, supported by the fundraiser. Pursuant to proposed 47 C.F.R. § 73.621(f)(2), a noncommercial educational TV broadcast station that interrupts regular programming to conduct fundraising activities on behalf of third-party non-profit organizations must air a disclosure during such activities clearly stating that the fundraiser is not for the benefit of the station itself and identifying the entity for which it is fundraising and the specific cause, if any, supported by the fundraiser. The audience disclosure must be aired at the beginning and the

end of each fundraising program and at least once during each hour in which the program is on the air.

**(c) Annual report on fundraising activities.**

Pursuant to proposed 47 C.F.R. § 73.503(e)(3), a noncommercial educational FM broadcast station that interrupts regular programming to conduct fundraising activities on behalf of third-party non-profit organizations must file a report with the FCC on an annual basis describing such fundraising activities. Pursuant to proposed 47 C.F.R. § 73.621(f)(3), a noncommercial educational TV broadcast station that interrupts regular programming to conduct fundraising activities on behalf of third-party non-profit organizations must file a report with the FCC on an annual basis describing such fundraising activities. These reports must include, for each fundraiser, the date and time of the fundraiser, the name of the non-profit entity benefitted by the fundraiser and whether this entity is a local organization, the specific cause, if any, supported by the fundraiser, the type of fundraising activity, the duration of the fundraiser, and the total funds raised.

**(d) Retention of annual report on fundraising activities in local public inspection file.**

Pursuant to proposed 47 C.F.R. § 73.3527(e)(14), each noncommercial educational FM broadcast station and noncommercial educational TV broadcast station that is required to file an annual report with the FCC describing its third-party fundraising activities must maintain a copy of the report in its local public inspection file. The report must be retained in the public inspection file until final action has been taken on the station's next license renewal application.

These information collections do not affect individuals or households; thus, there are no impacts under the Privacy Act.

Statutory authority for these information collections is contained in Sections 151, 152, 154(i), 303, 307 and 308 of the Communications Act of 1934, as amended.

**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.**

**(a) Opt-in notification.**

The one-time opt-in notification will serve to inform both the FCC and interested non-profit groups which NCE stations intend to engage in third-party fundraising activities.

**(b) Audience disclosure.**

The audience disclosure will clearly identify for the NCE station's audience the entity for which the station is conducting fundraising. This will help to ensure that it is clear to the audience whether the NCE station is fundraising for the station itself or for another entity where the station is conducting fundraising activities on behalf of a non-profit organization or charity that is closely affiliated with the station.

**(c) Annual report on fundraising activities.**

The FCC will use the annual reports to assess the effectiveness of providing NCE stations additional flexibility to conduct fundraising on behalf of third-party non-profit organizations and to ensure that NCE stations are complying with any limitations on third-party fundraising. The reports will also provide the public information on how NCE stations are serving the public interest and their local communities.

**(d) Retention of annual report on fundraising activities in local public inspection file.**

The public will use the information in the report to evaluate how NCE stations are serving the public interest and their local communities.

**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.**

**(a) Opt-in notification.**

The opt-in notification is a one-time notification to the FCC. The proposed rule does not prescribe a particular method of notification but we anticipate that NCE stations will be able to submit the notification by electronic means.

**(b) Audience disclosure.**

The audience disclosure is a simple on-air notification to the public.

**(c) Annual report on fundraising activities.**

The proposed rule does not prescribe a particular method of filing the annual report on third-party fundraising with the FCC but we anticipate that NCE stations will be permitted to submit the report by electronic means.

**(d) Retention of annual report on fundraising activities in local public inspection file.**

This is a proposed recordkeeping and third party disclosure requirement. NCE stations currently have the option of maintaining all or part of their public file in a computer database that is made available to members of the public who wish to review the file.

**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.**

No other agency imposes similar information collections on the respondents. There is no similar data available.

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

These information collections will not have a significant economic impact on a substantial number of small entities/businesses.

**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.**

**(a) Opt-in notification.**

The opt-in notification is a one-time notification to the FCC. It is necessary to inform both the FCC and interested non-profit groups which NCE stations intend to engage in third-party fundraising activities.

**(b) Audience disclosure.**

The audience disclosure is necessary to ensure that the NCE station's audience is not confused about the identity of the entity for which the station is conducting fundraising. Such a disclosure is particularly important to ensure that it is clear to the audience whether the NCE station is fundraising for the station itself or for another entity in situations where the station is conducting fundraising activities on behalf of a non-profit organization or charity that is closely affiliated with the station.

**(c) Annual report on fundraising activities.**

The annual reports are necessary to enable the FCC to assess the effectiveness of providing NCE

stations additional flexibility to conduct fundraising on behalf of third-party non-profit organizations and to ensure that NCE stations are complying with any limitations on third-party fundraising. The reports are also necessary to provide the public information on how NCE broadcasters are serving the public interest and their local communities.

**(d) Retention of annual report on fundraising activities in local public inspection file.**

Retention of an NCE station's annual report on fundraising activities in the station's local public inspection file is necessary to provide the public timely information to evaluate the NCE station's public service record.

**7. Explain any special circumstances that cause an information collection to be conducted in a manner inconsistent with the guidelines in 5 C.F.R. § 1320.5(d)(2).**

These information collections are consistent with the guidelines in 5 C.F.R. § 1320.5(d)(2).

**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 C.F.R. § 1320.8(d), soliciting comments on the information prior to submission to OMB.**

The Commission published a 60-day notice in the Federal Register on June 22, 2012 (77 FR 37638) seeking public comment on the information collection requirements contained in this supporting statement. To date, no comments have been received from the public.

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

No payment or gift will be provided to the respondents.

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

There is no general need for confidentiality with these information collections. However, respondents complying with these information collections may request confidential treatment of information pursuant to 47 C.F.R. § 0.459.

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

These information collections do not address any private matters of a sensitive nature.

**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

**(a) Opt-in notification.**

The Commission estimates that no more than 2,200 out of 4,040 NCE stations (3,644 NCE FM stations + 396 NCE TV stations) will opt to conduct fundraising activities that substantially interrupt regular programming for the benefit of third-party non-profit organizations and therefore will be required to file an opt-in notification. The Commission estimates that the average burden on a respondent to prepare and submit an opt-in notification will be approximately 0.5 hours. The Commission estimates that the in-house personnel responsible for preparing and submitting the opt-in notification would have an average salary of \$100,000/year or \$48.08/hour. All estimates are based on Commission staff’s knowledge and familiarity with the availability of the data required.

Number of Respondents	Number of Responses <sup>1</sup>	Hourly Burden per Respondent	Total Burden Hours	Hourly In-House Cost	Total In-House Cost
2,200	2,200	0.5 hours	1,100 hours	\$48.08	\$52,888

**Total Number of Respondents:** 2,200

**Total Number of Responses:** 2,200 respondents x 1 notification = **2,200 notifications**

**Total Burden Hours:** 2,200 notifications x 0.5 hours = **1,100 hours**

**Total In-House Cost:** 1,100 hours x \$48.08/hour = **\$52,888**

**(b) Audience disclosure.**

The Commission estimates that no more than 2,200 out of 4,040 NCE stations (3,644 NCE FM stations + 396 NCE TV stations) will opt to conduct fundraising activities that substantially interrupt regular programming for the benefit of third-party non-profit organizations and therefore will be required to comply with the audience disclosure requirements. The Commission estimates that each respondent will air an average of 11 eight-hour fundraisers<sup>2</sup> and that the average burden on a respondent to prepare and air the disclosure for each fundraiser will be 0.5 hours. The Commission estimates that in-house personnel responsible for preparing the disclosure would have an average salary of \$100,000/year or \$48.08/hour. All estimates are based on Commission staff’s knowledge and familiarity with the availability of the data required.

<sup>1</sup> The proposed opt-in notification is a one-time requirement, rather than an annual requirement.

<sup>2</sup> This estimate is based on the proposed limit on third-party fundraising of one percent of an NCE station’s total annual airtime, or approximately 88 hours of fundraising annually.

Number of Respondents	Number of Responses	Hourly Burden per Respondent	Total Burden Hours	Hourly In-House Cost	Total In-House Cost
2,200	24,200	0.5 hours	12,100	\$48.08	\$581,768

**Total Number of Respondents:** 2,200

**Total Number of Responses:** 2,200 x 11 eight-hour fundraisers = **24,200 responses**

**Total Burden Hours:** 24,200 responses x 0.5 hours = **12,100 hours**

**Total In-House Cost:** 12,100 hours x \$48.08/hour = **\$581,768**

**(c) Annual report on fundraising activities.**

The Commission estimates that no more than 2,200 out of 4,040 NCE stations (3,644 NCE FM stations + 396 NCE TV stations) will opt to conduct fundraising activities that substantially interrupt regular programming for the benefit of third-party non-profit organizations and therefore will be required to file annual reports on their fundraising activities. The Commission estimates that the average burden on a respondent to prepare and submit the report will be 1.5 hours. This estimate includes the time it will take the respondent to consult with an outside attorney.<sup>3</sup> The Commission estimates that the in-house personnel responsible for preparing and submitting the report would have an average salary of \$100,000/year or \$48.08/hour. All estimates are based on Commission staff's knowledge and familiarity with the availability of the data required.

Number of Respondents	Number of Responses	Hourly Burden per Respondent	Total Annual Burden Hours	Hourly In-House Cost	Total Annual In-House Cost
2,200	2,200	1.5 hours	3,300 hours	\$48.08	\$158,664

**Total Number of Respondents:** 2,200

**Total Number of Responses:** 2,200 respondents x 1 report = **2,200 reports**

**Total Annual Burden Hours:** 2,200 reports x 1.5 hours = **3,300 hours**

**Total Annual In-House Cost:** 3,300 hours x \$48.08/hour = **\$158,664**

**(d) Retention of annual report on fundraising activities in local public inspection file.**

The Commission estimates that no more than 2,200 out of 4,040 NCE stations (3,644 NCE FM stations + 396 NCE TV stations) will opt to conduct fundraising activities that substantially interrupt regular programming for the benefit of third-party non-profit organizations and therefore will be required to retain their annual reports on their fundraising activities in their local public inspection files. The Commission estimates that the average burden on a respondent to place the

<sup>3</sup> The estimated time for outside attorney review of a report is provided in item 13's cost to respondents.

annual report on fundraising activities in the station's public file is 0.25 hours. The Commission estimates that the in-house personnel responsible for placing the annual report in the station's public file is \$15.54/hour. All estimates are based on Commission staff's knowledge and familiarity with the availability of the data required.

Number of Respondents	Number of Responses	Hourly Burden per Respondent	Total Annual Burden Hours	Hourly In-House Cost	Total Annual In-House Cost
2,200	2,200	0.25 hours	550 hours	\$15.54	\$8,547

**Total Number of Respondents:** 2,200

**Total Number of Responses:** 2,200 respondents x 1 report = **2,200 reports**

**Total Annual Burden Hours:** 2,200 reports x 0.25 hours = **550 hours**

**Total Annual In-House Cost:** 550 hours x \$15.54/hour = **\$8,547**

#### **CUMCULATIVE TOTALS FOR ALL OF THE INFORMATION COLLECTION REQUIREMENTS:**

**Total Number of Respondents:** 2,200

**Total Number of Responses:** 30,800 (2,200 opt-in notifications + 24,200 audience disclosures + 2,200 annual reports + 2,200 public files)

**Total Annual Burden Hours:** 17,050 (1,100 hours (opt-in notifications) + 12,100 hours (audience disclosures) + 3,300 hours (annual reports) + 550 hours (public files))

**Total Annual In-House Cost:** \$801,867 (\$52,888 (opt-in notifications) + \$581,768 (audience disclosures) + \$158,664 (annual reports) + \$8,547 (public files))

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

#### **(a) Opt-in notification.**

The Commission estimates in Section 12(a) above that all burdens relating to preparing and submitting the opt-in notifications will be handled by in-house personnel.



**Total capital and start-up costs: \$0**  
**Total operation and maintenance costs: \$0**  
**Total annualized cost: \$0**

**(b) Audience disclosure.**

The Commission estimates in Section 12(b) above that all burdens relating to preparing and airing the audience disclosure will be handled by in-house personnel.

**Total capital and start-up costs: \$0**  
**Total operation and maintenance costs: \$0**  
**Total annualized cost: \$0**

**(c) Annual report on fundraising activities.**

The Commission estimates that 50% of the respondents will consult with an outside attorney in preparing the annual report. The Commission further estimates that the outside attorney will bill 1 hour per report at an average billing rate of \$300/hour.

1,100 reports x 1 hour x \$300/hour = \$330,000

**Total capital and start-up costs: \$0**  
**Total operation and maintenance costs: \$330,000**  
**Total annualized cost: \$330,000**

**(d) Retention of annual report on fundraising activities in local public inspection file.**

The Commission estimates in Section 12(d) above that all burdens relating to placing the annual report in the public file will be handled by in-house personnel.

**Total capital and start-up costs: \$0**  
**Total operation and maintenance costs: \$0**  
**Total annualized cost: \$0**

**CUMCULATIVE COSTS FOR ALL OF THE INFORMATION COLLECTION REQUIREMENTS: \$330,000**

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), and any other expense that

would not have been incurred without this collection of information.

**(a) Opt-in notification.**

The Commission will use staff at the GS-7, Step 5 level (\$22.92/hour) to process the opt-in notifications with an average processing time of 0.167 hours per notification.

Total Notifications Filed	Hourly Burden per Filing	Total Annual Burden Hours	Hourly Cost	Total Cost to Government
2,200	0.167	367.4	\$22.92	\$8,420.81

**Total Cost to Government:** 2,200 notifications x 0.167 hours x \$22.92/hour = **\$8,420.81<sup>4</sup>**

**(b) Audience Disclosure.**

There is no cost to the Federal government.

**(c) Annual report on fundraising activities.**

The Commission will use staff at the GS-12, Step 5 level (\$40.66/hour) to process the annual reports on fundraising activities with an average processing time of 0.5 hours per notification.

Total Notifications Filed	Hourly Burden per Filing	Total Annual Burden Hours	Hourly Cost	Total Annual Cost to Government
2,200	0.5	1,100	\$40.66	\$44,726

**Total Annual Cost to Government:** 2,200 reports x 0.5 hours x \$40.66/hour = **\$44,726**

**(d) Retention of annual report on fundraising activities in local public inspection file.**

There is no cost to the Federal government.

**TOTAL COST TO THE FEDERAL GOVERNMENT FOR THIS COLLECTION:**  
**\$53,147 (rounded)**

<sup>4</sup> The opt-in notification is a one-time filing, rather than an annual filing. Accordingly, this will be a one-time cost to the government, rather than an annual cost.

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

These are new proposed information collection requirements. If the proposed requirements are adopted by the Commission in a final rulemaking, the following burdens will be added to OMB's inventory: 2,200 respondents, 30,800 responses, 17,050 burden hours and \$330,000 in annual costs.

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

The data will not be published.

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

OMB approval of the expiration date of the information collection will be displayed at 47 CFR Section 0.408.

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

There are no other exceptions to the Certification Statement.

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

No statistical methods are employed.