

## SUPPORTING STATEMENT

The Commission is submitting this expiring information collection to the Office of Management and Budget (OMB) to obtain a full three-year clearance from them. There is no change to the reporting, recordkeeping and/or third party disclosure requirements. There is a 408-hour increase adjustment in the total annual hours. See item 15 for description of changes in burden.

### **A. Justification:**

1. *Circumstances that make collection necessary.* Pursuant to the E-rate program (formally known as the schools and libraries universal support program, designated at 47 C.F.R. §§ 54.501-54.503), eligible schools, libraries, and their consortia may apply for discounts for telecommunications services, Internet access, and internal connections. In general, the applicant must use the funded services within the funding year, which runs from July 1 through June 30, except that the rules of the Federal Communications Commission (Commission), give applicants three additional months, until September 30 following the close of the funding year, to install one-time services known as non-recurring services. The Universal Service Administrative Company (USAC or the Administrator), may extend the September 30 deadline if the applicant falls within at least one of four designated circumstances. The applicant must, however, submit any required documentation to support an extension on or before the September 30 deadline.

Specifically, under the rule, applicants qualify for an extension of the September 30 deadline for non-recurring services if they satisfy one of the following criteria: (1) applicants whose funding commitment decision letters are issued by the Administrator on or after March 1 of the funding year for which discounts are authorized; (2) applicants who receive service provider change authorizations from the Administrator on or after March 1 of the funding year for which discounts are authorized; (3) applicants whose service providers are unable to complete implementation for reasons beyond the service provider's control; or (4) applicants whose service providers are unwilling to complete installation because funding disbursements are delayed while the Administrator investigates their application for program compliance.

These extensions ensure that schools and libraries are not penalized when they are not responsible for missing the installation deadline. Additionally, implementation of this policy provides clarity to the Administrator and applicants by establishing a certain deadline for installation. This rule also gives schools and libraries in the program the opportunity to schedule implementation of non-recurring services over the summer months.

Although there are no changes to the collection requirements, a total hourly burden change is requested. The public burden for the collection contained herein is now 1,256 annual burden hours, which is an increase of 408 annual burden hours. The adjustment is due to an increase in the number of estimated respondents, based on updated information received from USAC, the administrator of the schools and libraries program.

The Commission seeks an extension of this currently approved collection. As reflected below and in the OMB Form 83i, this extension request only adjusts the number of respondents affected by this information collection based on updated information received from USAC, the administrator of the E-rate program. Specifically, it adjusts the annual number of respondents from 1,130 to 1,675 based upon the number of requests for extension of the implementation deadline for non-recurring services to USAC during 2012.

Statutory authority for this collection of information is contained in sections 151, 154 (i) and (j), 201-205, 214, 254 and 403 of the Communications Act of 1934, as amended.

As noted on the Form OMB 83i, this information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. *Use of information.* The purpose of this collection of information is to promote the goal of preventing waste, fraud, and abuse. The Commission will use the information collected to determine whether schools and libraries applicants qualify for additional time to implement non-recurring services.

3. *Technological collection techniques.* Applicants will be able to electronically file via facsimile or email or mail paper copies of their submissions. Copies of the forms will be available on the Administrator's website.

4. *Efforts to identify duplication.* Applicants who meet at least one of the first two criteria are automatically granted an implementation deadline extension by the Administrator. No request is necessary, because USAC already possesses the required information. If an applicant believes it qualifies under criterion (3) or (4), the applicant must submit documentation to USAC prior to the expiration of the September 30 deadline. To meet criterion (3), the applicant must demonstrate that its service provider was unable to deliver the services due to events beyond the service provider's control, such as labor walk-outs or natural disasters. To meet criterion (4), the applicant must demonstrate that its service provider was unwilling to implement non-recurring services before the expiration of the original non-recurring services installation deadline, because the Administrator had withheld payment for those services on a properly submitted invoice for more than sixty (60) days after the submission of the invoice. The information sought in these collections is unique to each respondent and is not otherwise available to the Administrator. Therefore, there is no duplication of information.

5. *Entities subject to requirements.* There is no identified impact on small entities. This information collection is only imposed on public school districts, private schools, and public library systems that choose to seek an extension for non-recurring services. The requirements have been designed to impose the least possible burden on the respondents.

6. *Consequences if information is not collected.* Without the requested information, USAC would be unable to determine whether schools and libraries qualify for an extension of the September 30 deadline for implementation of non-recurring services. The failure to collect this information would prevent the Commission from implementing section 254 of the 1996 Act.

7. *Special circumstances.* There are no special circumstances that would cause the information collection to be collected in an inconsistent manner.
8. *Federal Register notice; efforts to consult with persons outside the Commission.* The Commission published a notice in the Federal Register on May 14, 2013, 78 FR 28215, as required by 5 C.F.R. § 1320.8. No PRA comments were filed.
9. *Payments or gifts to respondents.* The Commission does not anticipate providing any payment or gift to respondents.
10. *Assurances of confidentiality.* The Commission is not requesting that the respondents submit confidential information to the Commission. If the Commission requests applicants to submit information that the applicants believe is confidential, they may request confidential treatment of such information under section 0.459 of the Commission's rules.
11. *Questions of a sensitive nature.* There are no questions of a sensitive nature with respect to the information collected.
12. *Estimates of the hour burden of the collection to respondents.*  
The following represents the hour burden on the collection of information.

(1) Number of respondents: Approximately 1,675 schools and libraries.

(2) Frequency of response: On occasion reporting requirement, recordkeeping and third party disclosure requirement.

(3) Annual hour burden per respondent: 45 minutes (.75 hours) for approximately 1,675 respondents. Total hour burden: **1,256 hours.**

(4) Total estimate of annualized cost to respondents for the hour burden for collection of information: We estimate that this requirement will take approximately 45 minutes per respondent and will occur only once for approximately 1,675 respondents.  $1,675$  (number of respondent)  $\times$  45 minutes (.75) = 1,256 hours  $\times$  \$45 per hour (includes administrative staff time and overhead) = \$56,520.

**Total Number of Respondents:** 1,675 respondents.

**Total Number of Responses Annually:** 1,675 responses.

**Total Annual Burden Hours:** 1,256 hours.

13. *Estimate for the total annual cost burden of the collection of information.* The Commission estimates that there will be no capital or start-up costs for this requirement nor any operating or maintenance costs or required purchase of services. This requirement will not necessitate any additional equipment, nor is there a filing fee associated with this collection.

14. *Estimate of the annualized cost to the Federal Government.* There will be few, if any, costs to the Commission because notice and enforcement requirements are already part of the Commission's duties. Moreover, there will be minimal cost to the Federal Government because an outside party, USAC, will administer this program.

15. *Explain the reasons for any program changes or adjustments reported in Item 13 or 14 of the Form OMB 83i.* The public burden for this collection is now 1,256 total burden hours. This is an adjustment increase of **408** annual burden hours. The adjustment is due to an increase in the number of estimated respondents, based on updated information received from USAC, the administrator of the schools and libraries program.

16. *Publishing of collection results.* Although the Commission has no specific plans to publish the results of these collections, the non-proprietary portions likely will be made publicly available.

17. *If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that the display would be inappropriate.* The Commission is not seeking approval to not display the OMB expiration date. The Commission publishes a list of OMB-approved information collections in 47 CFR 0.408 of the Commission's rules.

18. *Explain each exception to the certification statement identified in Item 19, "Certification for PRA Submissions" of the OMB Form 83-I.* There are no exceptions to the certification statement for the PRA submission.

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

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