

Requests for Waivers of Regulatory and Application Fees**SUPPORTING STATEMENT****A. Justification**

1. The FCC (or Commission) has implemented provisions contained in Section 6003(a) of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66 and 103-121), approved August 10, 1993, which added Sections 8 and 9 to the Communications Act of 1934.
 - (a) Section 9 (47 U.S.C. 159) authorizes the FCC to assess and to collect annual regulatory fees to recover costs incurred in carrying out its enforcement, policy, and rulemaking activities and its user information services.
 - (b) Licensees and permittees may request a waiver of these fees where good cause is shown and where waiver or deferral of the fee would promote the public interest, *e.g.*, a request for waiver of regulatory and application fees collected under 47 U.S.C. 159 that is predicated on allegations of financial hardship:
 - (1) The Commission receives a number of requests for waiver based on grounds of financial hardship, but often these requests have lacked sufficient documentation to support a finding that a waiver should be granted;
 - (2) As a result and in order to give guidance to parties requesting waivers, the FCC, in its ruling on *Petitions for Reconsideration* in the FY 1994 fee proceeding, MD Docket No. 94-19, set forth in 47 CFR § 1.1166 the types of documentation the Commission will rely on to determine if waivers should be granted because of financial hardship; and
 - (3) Where parties have filed insufficient information with their waiver requests the Commission will afford them an opportunity to perfect their waiver requests by making the showing set forth in the attached order.
 - (c) The Commission modified this information collection to include Section 8 waiver requests.
 - (1) Section 8 (47 U.S.C. 158) authorizes the FCC to assess and collect application fees. This amendment is required under 47 CFR § 1.1119.
 - (2) The Commission also adopted and released a *Report and Order*, MD Docket No. 01-76, on July 2, 2001, which modified sections 47 CFR § 1.1117 (later renumbered as 47 CFR § 1.1119) and § 1.1166, which outlined the procedures for a respondent to request a waiver, reduction, or deferral of such fees:
 - (a) All such filings within the scope of the fee rules shall be filed as a separate pleading and clearly marked to the attention of the Managing Director.
 - (b) Any such request that is not filed as a separate pleading will not be considered by the Commission.
 - (c) Petitions for waivers of fees must be accompanied by the required fee and FCC Form 159. Submitted fees will be returned if a waiver is granted.

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- (d) Petitions for reduction of a fee must be accompanied by the full fee payment and FCC Form 159. Payment may be omitted if the submission includes a petition to defer payment due to financial hardship and accompanied by supporting documentation demonstrating such hardship.

This information collection does not address any private matters of a sensitive nature, nor are “individuals” included as one of the respondent groups, which is limited to “businesses and other for-profit” entities. There is, therefore, no need for a Privacy Impact Assessment.

Statutory authority for this collection of information is contained in 47 U.S.C. § 159.

2. The Commission will use the information that is submitted in support of waiver requests to determine if such requests are warranted.
3. The use of information technology is not feasible in this instance.
4. The information that respondents must submit is not available elsewhere in the FCC's records, nor is it submitted to other agencies. There are no similar data available.
5. In conformance with the Paperwork Reduction Act of 1995, the Commission is making an effort to minimize the burden on all respondents, regardless of size.
 - (a) The collection will have minimal impact on all respondents.
 - (b) There will be approximately 250 requests for Section 9 waivers per year and 90 requests for Section 8 waivers.
 - (c) The information that is submitted to support waiver requests is ordinarily maintained as business records and can be easily assembled.
6. If the collection were not conducted, the FCC would not have a reliable method for determining if a respondent's annual regulatory or application fees should be waived.
7. The collection does not contain special circumstances. This collection of information is consistent with the guidelines of 5 CFR § 1320.6.
8. The Commission published a notice in the *Federal Register* on May 24, 2013, to initiate the 60-day comment period (**78 FR 31541**). No public comments were received in response to the notice.
9. Respondents will not receive any payments.
10. Parties filing information may request that the information be withheld from disclosure. Requests for confidentiality are processed in accordance with FCC rules under 47 CFR § 0.459. Act of 1974, as amended. As noted in Question 1, while this information collection does not affect individuals, should any personally identifiable information (PII) be submitted, the FCC has a system of records notice, FCC/OMD-9, “Commission Registration System (CORES)” to cover the collection, use,

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storage, and destruction of this PII, as required by the Privacy Act of 1974, as amended, 5 U.S.C.

552a.

11. This information collection does not, generally, address any private matters of a sensitive nature nor are “individuals” included in the respondent groups; and as noted in Questions 1 and 10, this collection does not affect individuals, *i.e.*, there is no PII.

12. The Commission receives approximately 340 waivers annually for waivers of regulatory fees.

The Commission estimates that respondents will take approximately 1 hour to assemble, duplicate and mail the information to the Commission.

The Commission believes that respondents filing these waiver requests have this information readily available so that this process is relatively easy for them.

This estimate is based on our prior experience with comparable submissions.

Total number of respondents annually: 340 respondents

Total number of response per respondent annually: 1 response

340 respondents x 1 response/annum = 340 responses

340 responses/waivers x 1 hour/response = 340 total annual burden hours

The Commission estimates that respondents will use their “in house” administrative assistant staff to assemble, duplicate, and mail the request for the fee waiver.

(a) Cost for an administrative clerical employee for 1 hour to prepare the submission is equivalent to the per hour salary of a GS-9, Step 5 (\$28.04) employee in the Federal Government.

(b) Total “In House” Cost is estimated to be:

$$340 \text{ respondents} \times 1 \text{ response/annum} \times 1 \text{ hour/response} \times \$28.04 = \mathbf{\$9,564.20}$$

13. Annual reporting and recordkeeping cost burden:

(a) Total annualized capital/startup costs: **\$0.00**

(b) Total annual costs (O&M): **\$0.00**

(c) Total annualized cost requested: **\$0.00**

14. Cost to the Federal Government:

(a) Each submission will be opened, time stamped, and distributed to the appropriate office by a GS-2, Step 5 (\$13.07/hour) mail clerk, which requires 0.5 hours per submission:

$$340 \text{ submissions} \times 1 \text{ hours/submission} \times \$28.13/\text{hour} = \$2,228.70$$

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- (b) A GS-8, Step 5 (\$25.47/hour) support staff logs each submission, distributes it to the working analyst, accountant or attorney, obtains the appropriate signatures on response, duplicates and mails the response, files and distributes copies of the response, which requires 1.0 hours:

$$340 \text{ submissions} \times 1.0 \text{ hours/submission} \times \$25.47/\text{hour} = \$8,659.80$$

- (c) Each submission is reviewed and a ruling is drafted by a GS-14, Step 5 (57.32) management analyst, accountant or attorney which requires 3 hours: with costs estimated to be \$58,466.40

$$340 \text{ submissions} \times 3.0 \text{ hours/submission} \times \$57.32/\text{hour} = \$58,466.40$$

- (d) The draft ruling is reviewed by a GS-15, Step 5 (\$67.42) General Counsel, and it is then sent to the Chief Financial Officer or Managing Director for signature, which requires 1.0 hours:

$$340 \text{ submission} \times 1 \text{ hour/submission} \times \$67.42/\text{hour} = \$22,922.80$$

- (d) A GS-15, Step 10 (\$74.76/hour) Chief Financial Officer, Managing Director, or Deputy Managing Director then reviews the ruling and signs the response which requires 0.25 hours:

$$340 \text{ submissions} \times 0.25 \text{ hours/submission} \times \$74.76/\text{hour} = \$6,354.60$$

Total Cost to the Federal Government to process 340 annual submissions is:

$$\$2,228.70 + \$8,659.80 + \$58,466.40 + \$22,922.80 + \$6,354.60 = \mathbf{\$98,632.30}$$

15. The Commission increased the number of submissions from 240 to 340 base on the current activity level and also updated the estimated per hourly costs to be in line with the current GS salary schedule.
16. This data will not be published for statistical use.
17. The Commission is not seeking approval not to display the expiration date for OMB approval of this information collection.
18. The Commission has determined that there is no statutory "recordkeeping requirement" as was stated in the 60 day Federal Register Notice, and we have corrected this oversight in our burden estimate. There are no other exceptions to the Certification Statement in Item 19.

B. Collections of Information Employing Statistical Methods:

This information collection does not employ any statistical methods.