

SUPPORTING STATEMENT

A. Justification:

The Federal Communications Commission (“Commission”) is requesting a three-year extension of the delegated authority information collection titled, “Recognized Private Operating Agency (RPOA) – 47 CFR 63.701” under OMB Control No. 3060-0357.

Background Information:

1. At the request of the U.S. Department of State, the Commission adopted a voluntary program by which companies that provide enhanced services could seek designation as a recognized private operating agency (RPOA). The term RPOA was used in the International Telecommunication Convention, the international agreement that created the International Telecommunication Union (ITU), to refer to private-sector providers of international telecommunication services that had been “recognized” either by the government of the country in which they had been incorporated, or the country where they operated.

Most providers of international telecommunications services to or from the U.S. hold either an authorization under Section 214 of the Communications Act or a radio license under Section 301 of the Act. The issuance of such authorizations or licenses is public evidence that the U.S. government “recognizes” the entities to which they are issued. However, providers of enhanced services are not licensed or authorized. They are permitted to begin operations without any formal applications or notifications. It is not, therefore, immediately apparent to foreign governments that a U.S. enhanced service provider has been “recognized” within the meaning of the ITU Convention. As a consequence, such entities have sometimes found foreign governments unwilling to let them operate in those countries.

As a result, providers requested that the Commission and Department of State develop a program whereby enhanced service providers could be formally designated as RPOAs. The program that was developed calls for those entities wishing to obtain such a designation to submit an application to the Commission setting forth pertinent information about the provider and the services it proposes to provide and a pledge by the provider that it would abide by all international obligations to which the U.S. is a signatory. The Commission places the application on public notice and allows interested parties to comment on the application. The Commission then makes a recommendation, based on the application and comments, to the Department of State either to grant or deny the request. The Department of State then acts on the

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recommendation and notifies the ITU of any applications that it grants. RPOA designation is voluntary. If an enhanced service provider does not find such designation necessary, it is not required to file an application.

In order to implement this program, the Commission adopted 47 CFR 63.701 to set forth the information that must be contained in an application for designation as an RPOA. RPOA designations do not have expiration dates. They continue indefinitely, unless revoked for cause. RPOAs are not required to file any reports or other information with the Commission throughout their indefinite period of designation.

Any party requesting designation as an RPOA within the meaning of the International Telecommunication Convention must file a request for such designation with the Commission. This filing includes a statement of the nature of the services to be provided and a statement that the applicant is aware that it is obligated under Article 6 of the International Telecommunications Union (ITU) to obey the mandatory provisions thereof, and all regulations promulgated there under, and a pledge that it will engage in no conduct or operations that contravene such mandatory provisions and that it will otherwise obey the Convention and regulations in all respects. The applicant must also include a statement that it is aware that failure to comply will result in an order from the Commission to cease and desist from future violations of an ITU regulation and may result in revocation of its RPOA status by the U.S. Department of State.

Previously, we reported that the Commission plans to develop a new request titled, “Recognized Operating Agency (ROA) – Other Filings” that will impact this information collection in the future. However, the Commission has long-term plans to replace the IBFS with a new system called the Consolidated Licensing System (“CLS”). At this time, the Commission staff does not know the proposed completion date of CLS and how this system will impact the development of new and/or modified applications in the CLS.

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

The Commission has authority for this collection pursuant to Sections 4(i), 4(j), 201-205, 214 and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 154(j), 201-25, 214 and 403.

2. The Commission requests this information in order to make recommendations to the U.S. Department of State for granting recognized private operating agency (RPOA) status to

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requesting entities. The Commission does not require entities to request RPOA status. Rather, this is a voluntary application process for use by companies that believe that obtaining RPOA status will be beneficial in persuading foreign governments to allow them to conduct business abroad. RPOA status also permits companies to join the International Telecommunication Union's (ITU's) Telecommunications Sector, which is the standards-setting body of the ITU. The information furnished in RPOA requests is collected pursuant to 47 CFR 63.701 of the Commission rules.

3. As a result of the International E-Filing R&O, the Commission requires mandatory electronic filing of RPOA applications. Therefore, this information collection reflects that 100 percent of RPOA applications are filed with the Commission electronically in the International Bureau Filing System (IBFS).

4. This information that is collected in these applications is not duplicated elsewhere. Similar information is not available.

5. This collection of information does not have a significant impact on small entities. Requesters for designation as RPOAs traditionally are large entities. Also, the yearly volume of applications received by the Commission is minimal, and the paperwork burden per application is minimal.

6. Entities submit these applications on a voluntary basis. The collection of information is a one-time collection for each respondent. Without this information collection, the Commission's policies and objectives for assisting unregulated providers of enhanced services to enter the market for international enhanced services would be thwarted.

7. The collection of information is not being conducted in any manner known to be inconsistent with the guidelines 5 CFR 1320.

8. On September 25, 2013, a 60-day notice was published in the Federal Register (78 FR 59026) to request comments from the public on the information collection requirements contained in this collection. The comment period ended on November 25, 2013. No comments were received from the public.

9. The Commission will not provide any payment or gift to respondents.

10. Persons who believe that the collection contains confidential information may request confidential treatment under the Commission's rules, see 47 CFR 0.459.

11. The collection does not contain questions of a sensitive nature.

12. Current filing trends show that no more than **ten applications** are filed with the Commission on an annual basis. We estimate that half of the respondents file these with the use of their in-house staff and undergo an average paperwork burden of five hours to prepare and file each application. We estimate that the other half of the respondents still rely on outside legal assistance to file their applications. These respondents undergo a paperwork burden of two hours to coordinate with outside legal assistance who then prepare and file the application. The annual paperwork burden for this collection is therefore:

5 respondents using in-house staff	x 5 hrs.(preparing applications)	= 25 hrs.
5 respondents using outside legal assistance	x 2 hrs. (consulting)	= <u>10 hrs.</u>
Total annual paperwork burden		= 35 hrs.

Respondents' In-House Costs: We estimate that the loaded hourly rate for in-house staff at respondents' companies to prepare and file the applications and to consult with outside consultants will be \$40.

$35 \text{ hrs.} \times \$40 \text{ per hr.} = \$1,400 \text{ (In House Costs)}$

13 (a). None.

(b). Total operation and maintenance costs: For this collection, we estimate that half of the respondents will use outside legal assistance to prepare and file their applications. We estimate that respondents pay outside legal assistance approximately \$300 per hour for their assistance. The paperwork burden for each application is 5 hours. Therefore, 5 applications x 5 hrs. each x \$300 per hr. = \$7,500.

The filing of each of these applications also entails an \$1,015 application fee. We estimate that 10 applications are filed annually (5 by in-house staff, and 5 with outside legal assistance). Therefore, 10 applications x \$1,015 = \$10,150.

(c). Total annual costs = \$7,500 + \$10,150 = **\$17,650.**

14. Government Costs:

Collection	No. of Responses	Burden Hours	Total Hours	Costs per/hour	Total costs
3060-0357	10	3	30	\$57.13 ¹	\$1,713.90

15. There are no program changes or adjustments in this information collection.

16. This information will not be tabulated for statistical use. The data will be used only to act on individual applications. The Commission does not publish the information but it does make the individual application files available for public inspection.

17. No waiver is necessary.

18. There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods.

The Commission does not employ statistical methods.

¹ The review and processing of the applications will be performed by staff at the GS-14 step 5 grade level.

