

SUPPORTING STATEMENT

A. Justification:

1. FCC Form 603 is a multi-purpose form that is used by radio services in Wireless Services within the Universal Licensing System (ULS). FCC 603 is composed of a main form that contains the administrative information and a series of schedules used for filing technical information. These schedules are required when applying for Auctioned Services, Partitioning and Disaggregation, Undefined Geographical Area Partitioning, and Notification of Consummation or Request for Extension of Time for Consummation. Applicants/licensees in the Public Mobile Services, Personal Communications Services, Private Land Mobile Radio Services, Broadband Radio Service, Educational Broadband Service, Maritime Services (excluding Ship), and Aviation Services (excluding Aircraft) use FCC Form 603 to apply for an assignment or transfer, to establish their parties' basic eligibility and qualifications, to classify the filing, and/or to determine the nature of the proposed service. This form is also used to notify the FCC of consummated assignments and transfers of wireless licenses to which the Commission has previously consented or for which notification but not prior consent is required. Respondents are encouraged to submit FCC 603 electronically.

The data collected on FCC 603 include the FCC Registration Number (FRN), which serves as a "common link" for all filings an entity has with the FCC. The Debt Collection Improvement Act of 1996 required that those filing with the Commission to use the FRN, effective December 3, 2001.

Records may include information about individuals or households, e.g., personally identifiable information or PII, and the use(s) and disclosure of this information are governed by the requirements of a system of records notice or 'SORN', FCC/WTB-1, "Wireless Services Licensing Records." There are no additional impacts under the Privacy Act.

The Commission is now seeking Office of Management and Budget (OMB) approval for a revision to add a National Security Certification that is applicable to applicants for licenses issued as a result of the Middle Class Tax Relief and Job Creation Act of 2012 (2012 Spectrum Act). Section 6004 of the 2012 Spectrum Act, 47 U.S.C § 1404, prohibits a person who has been, for reasons of national security, barred by any agency of the Federal Government from bidding on a contract, participating in an auction, or receiving a grant from participating in any auction that is required or authorized to be conducted pursuant to the 2012 Spectrum Act.

On June 27, 2013, the Commission released a Report and Order (R&O), FCC 13-88, WT Docket No. 12-357, in which it established service rules and competitive bidding procedures for the 1915-1920 MHz and 1995-2000 MHz bands. See Service Rules for the Advanced

Wireless Services H Block—Implementing Section 6401 of the Middle Class Tax Relief and Job Creation Act of 2012 Related to the 1915-1920 MHz and 1995-2000 MHz Bands, *Report and Order*, FCC 13-88, 28 FCC Rcd 9483 (2013). The R&O also implemented Section 6004 by requiring that a party seeking to participate in any auction conducted pursuant to the 2012 Spectrum Act certify in its application, under penalty of perjury, the applicant and all of the related individuals and entities required to be disclosed on its application are not person(s) who have been, for reasons of national security, barred by any agency of the Federal Government from bidding on a contract, participating in an auction, or receiving a grant and thus statutorily prohibited from participating in such a Commission auction or being issued a license. In addition, the R&O determined that the National Security Certification required by Section 6004 extends to transfers, assignments, and other secondary market mechanisms involving licenses granted pursuant to the 2012 Spectrum Act. See H Block R&O, 28 FCC Rcd at 9555 ¶ 187. The Commission therefore seeks approval for a revision to its currently approved information collection on FCC Form 603 to include this additional certification. The revised collection will enable the Commission to determine whether an applicant’s request for a license pursuant to the 2012 Spectrum Act is consistent with Section 6004.

Additionally, the form 603 is being revised to update the Alien Ownership certifications pursuant to the Second Report and Order, FCC 13-50, IB Docket 11-133, Review of Foreign Ownership Policies for Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended.

The addition of the National Security Certification and the revision to the Alien Ownership certification result in no change in burden for the revised collection. The Commission estimates that the additional certification will not measurably increase the estimated average amount of time for respondents to complete FCC Form 603 across the range of applicants or for Commission staff to review the applications.

Statutory authority for this collection of information is contained in 47 U.S.C. § 4(i), 154(i), 303(r) and 309(j).

2. The FCC uses the information in FCC Form 603 to determine whether the applicant is legally, technically, and financially qualified to obtain a license. Without such information, the Commission can not determine whether to issue the licenses to the applicants that provide telecommunication services to the public, and therefore, to fulfill its statutory responsibilities in accordance with the Communications Act of 1934, as amended. Information provided on this form will also be used to update the database and to provide for proper use of the frequency spectrum.

Information about individuals or households, and the use(s) and disclosure of this information is governed by the requirements of system of records, FCC/WTB-1. All information within PLMRS is publicly available except TIN Numbers and material that is afforded confidential

treatment pursuant to a request made under 47 CCFR 0.459 of the Commission's rules will not be made available for public inspection.

3. The Commission encourages the use of electronic filing. With the advent of the Universal Licensing System (ULS), 98% of all applications and notifications submitted to the FCC are now being filed electronically. Electronic filing is mandatory for certain categories of respondents specified in 47 CFR § 1.913 of the Commission's rules and others have the choice of filing manually or electronically.
4. This agency does not impose a similar information collection on the respondents. 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. The Commission has limited the information collection requirements to those absolutely necessary for evaluating and processing each application and to deter against possible abuses of the processes.
6. Generally, the frequency of filing FCC Form 603 is determined by the applicant and the licensee. FCC Form 603 is required when an authorization is assigned or transferred.
7. This collection of information is consistent with the guidelines in 5 CFR § 1320.
8. The Commission published a 60-day notice which appeared in the Federal Register on October 23, 2013, 78 FR 63194, seeking comment from the public on the information collection requirements contained in this collection. No comments were received as a result of this notice.
9. Respondents will not receive any payments.
10. Respondents may request materials or information submitted to the Commission be withheld from public inspection under 47 CFR §0.459 of FCC rules.

Information on the FCC Form 603 is maintained in the Commission's system of records, FCC/WTB-1, "Wireless Services Licensing Records." These licensee records are publicly available and routinely used in accordance with subsection b. of the Privacy Act, 5 U.S.C. 552a(b), as amended. TIN Numbers and material that is afforded confidential treatment pursuant to a request made under 47 CFR §0.459 of the Commission's rules will not be available for public inspection.

The Commission has in place the following policy and procedures for records retention and disposal: Records will be actively maintained as long as the individual remains a licensee. Paper records will be archived after being keyed or scanned into the system. Electronic records will be backed up on tape. Electronic and paper records will be maintained for at least twelve years and three months.

11. This collection does not address private matters of a sensitive nature, and the PII is covered by the system of records notice or 'SORN', FCC/WTB-1, "Wireless Services Licensing Records."
12. The Commission estimates that **2,447 respondents** (applicants/licensees) will file **2,447 FCC Form 603 applications annually** and that the average burden per respondent will be 1.75 hours.

We estimate that 50% of the respondents (1,224) will complete the application themselves with no additional assistance and that 50% (1,223) will contract out completing the form to a law firm or application preparation service. We estimate that it will take 1.75 hours per respondent to complete FCC Form 603 for the respondents completing the forms without hiring a consultant. For those respondents hiring a consultant we estimate a burden of approximately 30 minutes (0.5 hours) to coordinate with the consultant.

The total annual burden is:

1,224 @ 1.75 hours = 2,142 hours

1,223 @ 0.5 hours = 611.5 hours

Total Burden Hours: 2,142 + 611.5 = 2,753.5 hours (rounded to 2,754 hours).

In-House Cost: Respondents use personnel comparable in pay to a mid-to-senior level federal employee (GS-13, Step 5) to prepare this collection of information, we estimate the cost to be about \$48.35 per hour.

Total in-house cost to the respondents: 2,754 hours x \$48.35/hour = \$133,155.90.

13. Cost to the Respondent:

- a. There are no capital and start-up costs to prepare FCC Form 603.

- b. The annual costs (O&M) consist of the following:

There is no cost to file the application electronically with the FCC other than the cost of a long distance phone call and/or Internet access. We assume that respondents that file manually will incur postage costs, which are considered "in house costs."

- (1) The FCC filing fees for this application vary based on radio service. For purpose of this submission, we estimate an average filing fee of \$75 per application:

2,447 applications @ \$75/response = **\$183,525.**

- (2) We also estimate that 50% of the respondents will contract out the completion of Form 603 and will use an attorney/engineer or application preparation service at a cost of \$300/hour to prepare the FCC Form 603. It will take the attorney/preparation service .5 hours to complete the FCC Form 603 application for respondents:

1,223 applications x .5 hours @ \$300/hour = **\$183,450.**

Total Estimated Annual Costs: \$183,525 + \$183,450 = \$366,975.

14. Cost to the Federal Government:

FCC Form 603 applications estimated to be filed: 2,447.

2,447 applications x 30 min. (0.5 hrs.)
@ \$33.92 per hour (GS-11, Step 5) for an Industry Analyst = \$41,501.12

Total **\$41,501.12**

15. There are no program changes to this collection. There are adjustments to the annual cost burden of \$31,478 which are due to an increase in consulting fees from \$200/hour to \$300/hour.
16. The data will not be published for statistical use.
17. The Commission is requesting a continued waiver from displaying the OMB expiration date on the FCC Form 603. Granting this waiver will prevent the Commission from destroying stock upon re-approval of the form or updating the electronic screens in ULS. The Commission published all OMB-approved information collections along with their OMB Control Numbers, titles, and OMB expiration dates in 47 CFR 0.408.
18. There is no exception to the "Certification Statement."

B. Collections of Information Employing Statistical Methods:

This information collection does not use any statistical methods.

