

JUSTIFICATION FOR EMERGENCY CLEARANCE

The Federal Communications Commission (Commission) is requesting reinstatement under the “emergency processing” provisions of the Paperwork Reduction Act (PRA) of 1995, 44 U.S.C. § 3507, for the information collection requirements (IC) contained in 3060-0370, Part 32, Uniform System of Accounts for Telecommunications Companies. The Commission is seeking emergency approval for this IC so that it may be reinstated expeditiously in order that the Commission may continue to collect the necessary information under Part 32 of the Commission’s rules. Specifically, we request that OMB approve the IC requirements by February 11, 2014, pursuant to 5 CFR § 1320.13(b).

Section 220 of the Communications Act of 1934, as amended, 47 U.S.C. § 220, allows the Commission, in its discretion, to prescribe the forms of any and all accounts, records, and memoranda to be kept by carriers subject to this Act, including the accounts, records and memoranda of the movement of traffic, as well as of the receipts and expenditures of moneys.

Section 219(b) of the Communications Act, as amended, 47 U.S.C. § 219(b), authorizes the Commission by general or special order to require any carrier subject to this Act to file monthly reports of earnings and expenses and to file periodical and/or special reports concerning any matters upon which the Commission is authorized or required by law to act.

Section 11 of the Communications Act of 1934, as amended, 47 U.S.C. § 161, requires the Commission, in every even-numbered year beginning in 1998, to review its regulations applicable to providers of telecommunications services to determine whether the regulations are no longer in the public interest due to meaningful economic competition between providers of such service and whether such regulations should be repealed or modified. Section 11 further instructs the Commission to repeal or modify any regulation it determines to be no longer necessary in the public interest.

These accounting rules apply to the following Part 32 Class A accounts:

Account 5230, Directory revenue;

Account 6621, Call completion services;

Account 6622, Number services;

Account 6623, Customer services;

Account 6561, Depreciation expense—telecommunications plant in service;

Account 6562, Depreciation expense—property held for future telecommunications use;

Account 6563, Amortization expense—tangible;

Account 6564, Amortization expense—intangible;

Account 6565, Amortization expense—other.

These accounting changes are mandatory only for Class A ILECs.

The use of subsidiary record categories allows carriers to use whatever mechanisms they choose, including those currently in place, to identify the relevant amounts as long as the information can be made available to state and federal regulators upon request. The use of subsidiary record categories for interconnection revenue does not require massive changes to the ILECs' accounting systems and is a far less burdensome alternative than the creation of new accounts and/or subaccounts. The use of subsidiary record categories will impose a minor increase in burden on Class A ILECs only.

Thus, as noted above, the Part 32 rules are essential to the continued uses of these accounting requirements for these Class A ILECs; and therefore, the Commission is requesting their reinstatement as expeditiously as possible. Compliance with the normal clearance procedures set forth in 5 C.F.R. § 1320 would delay the implementation of these Part 32 accounting rules, which might result in unnecessary confusion and delays. Therefore, the Commission is requesting OMB emergency reinstatement by February 11, 2014 to avoid any public harm that will result from applying the normal clearance procedures to the Part 32 rules.