

FCC Application for Radio Service Authorization
Wireless Telecommunications Bureau; Public
October 2014

3060-0798

Safety and Homeland Security Bureau

SUPPORTING STATEMENT

A. Justification:

1. FCC Form 601 is a consolidated, multi-part application form that is used for market-based and site-based licensing for wireless telecommunications services, including public safety, which are filed through the Commission's Universal Licensing System (ULS). FCC Form 601 is composed of a main form that contains administrative information and a series of schedules used for filing technical and other information. This form is used to apply for a new license, to amend or withdraw a pending application, to modify or renew an existing license, cancel a license, request a duplicate license, submit required notifications, request an extension of time to satisfy construction requirements, or request an administrative update to an existing license (such as mailing address change), request a Special Temporary Authority or Developmental License. Respondents are encouraged to submit FCC Form 601 electronically and are required to do so when submitting FCC Form 601 to apply for an authorization for which the applicant was the winning bidder in a spectrum auction.

The data collected on FCC Form 601 includes 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 requires entities filing with the Commission use an FRN.

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.

On June 2, 2014, the Commission released a Second Report and Order FCC 14-62, WT Docket Nos. 08-166 and 08-167 and ET Docket No. 10-24, "Revisions to Rules Authorizing the Operation of Low Power Auxiliary Stations in the 698-806 MHz Band." This order expanded eligibility for low power auxiliary station licenses under Part 74 by adding two new categories of eligible entities: "large venue owner or operator" and "professional sound company." To accommodate these changes we are revising Schedule H of Form 601 to add two new categories of eligible entities: "large venue owner or operator" and "professional sound company." In order to be eligible for a Part 74 license, a large venue owner or operator and a professional sound company must routinely use 50 or more low power auxiliary station devices, where the use of such devices is an integral part of major events or productions. We also increased the number of respondents by 200 responses to include these new applicants.

Additionally, on March 31, 2014 the Commission released a Report and Order FCC 14-31, GN Docket No. 13-185, "Amendment of the Commission's Rules with Regard to Commercial

Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands”, as a result of this order we are revising the Form 601 certification instructions to read as follows: By signing this form, the Applicant certifies that the statements listed in this section are true, complete, correct, and made in good faith. General Certification (9) is required for applications for licenses for spectrum that is required by Sections 6103, 6401-6403 of the Middle Class Tax Relief and Job Creation Act of 2012, codified at 47 U.S.C. §§ 309, 1413, 1451-1452, to be assigned by a system of competitive bidding under 47 U.S.C. § 309(j). Currently, this certification applies to applications for licenses in radio service AH (AWS-H Block at 1915-1920 MHz and 1995-2000 MHz) and radio service AT (AWS-3, 1695-1710 MHz, 1755-1780 MHz and 2155-2180 MHz). For purposes of this certification, the term “reasons of national security” means matters relating to the national defense and foreign relations of the United States.

The Commission therefore seeks approval for a revision to its currently approved information collection on FCC Form 601 revise form certification instructs and to revise Schedule H accordingly and increase the total number of respondents by 200 and the number of responses by 200.

Statutory authority for this information collection is contained in 47 U.S.C. §§ 151, 152, 154, 154(i), 155(c), 157, 201, 202, 208, 214, 301, 302a, 303, 307, 308, 309, 310, 311, 314, 316, 319, 324, 331, 332, 333, 336, 534, 535 and 554.

2. The Commission, in accordance with its statutory responsibilities under the Communications Act of 1934, as amended, uses the information provided by applicants on FCC Form 601 to update its licensing database and to determine where the applicant is legally, technically and financially qualified to provide licensed services and to make proper use of the frequency spectrum.

For third party disclosure requirements, approximately 40% of the PLMRS respondents are required to comply with frequency coordination requirements. There is no additional time burden placed on the respondent for this third party requirement. Again, 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 collected is publicly available.

3. Electronic filing is mandatory for certain categories of respondents specified in 47 C.F.R. §1.913 and others have the choice of filing manually or electronically. Approximately 98% of all filings are submitted 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 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 601 is determined by the applicant and/or licensee. The

information is verified at time of renewal, every 10 years, or at the time of modification.

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 August 15, 2014, 79 FR 48149, seeking comment from the public on the information collection requirements contained in this collection. No comments were received on the Paperwork Reduction Act (PRA) as a result of the 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 the FCC rules.

Information on the FCC Form 601 is maintained in the Commission's system of records notice or 'SORN', 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.

The Commission has in place the following policy and procedures for records retention and disposal: Records will be actively maintained as long as the authorization is valid. Paper records will be archived after being keyed or scanned into the database and destroyed when 12 years old. Electronic records will be backed up and deleted twelve years after the authorization is no longer valid.

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 253,320 respondents (applicants/licensees) will file FCC Form 601 applications annually and that the *average* burden per respondent is 1.25 hours.

The Commission estimates that 50% of 253,320 respondents (126,660) will complete the application themselves with no additional assistance and the remaining 50% (126,660) will contract the completion of the form to a law firm or application preparation service.

The Commission estimates the average burden per response to be approximately 1.25 hours for those respondents completing the forms themselves. For those respondents hiring a consultant, we estimate a burden of approximately 30 minutes (0.5 hours) to coordinate with the consultant.

The estimated annual burden is:

126,660 responses x 1.25 hours = 158,325 hours
126,660 responses x .50 hours = 63,330 hours

Total Annual burden: 158,325 hours + 63,330 hours = 221,655 hours.

The Commission also estimates that between zero and 400 entities will annually file FCC Form 601 applications regarding eligibility for designated entity benefits. We therefore estimate that there will be 400 entities.

The Commission estimates that 50% of 400 respondents (200) will complete the application themselves with no additional assistance and the remaining 50% (200) will contract the completion of the form to a law firm or application preparation service.

The Commission estimates the average burden per response to be approximately one hour for those respondents completing the form themselves. For those respondents hiring a consultant, we estimate a burden of approximately 30 minutes (0.5 hours) to coordinate with the consultant.

The estimated annual burden is:

200 responses x 1 hour = 200 hours

200 responses x 0.5 hours = 100 hours

Annual burden hours: 200 + 100 = 300

TOTAL ANNUAL BURDEN HOURS: 221,655 + 300 = 221,955

TOTAL NUMBER OF RESPONDENTS: 253,320

TOTAL NUMBER OF RESPONSES: 253,320

Commission Rules require that certain applicants obtain frequency coordination prior to submitting their application to the FCC. We estimate that approximately 40% of the total respondents (101,328 respondents) are required to comply with frequency coordination requirements. There is no additional time burden placed on the respondent for this third party disclosure requirement, however, it adds an extra “step” to the application filing requirements. Applicants forward their applications via the non-profit private sector frequency coordinators designated by type of radio service to the FCC. The frequency coordinator then forwards the application and application remittance to the FCC. The frequency coordinator must file electronically.

“In-House Cost”:

Assuming that 50% of the respondents use personnel comparable in pay to a mid-to-senior level federal employee (GS-13, Step 5) to prepare the collection, we estimate the cost to be about \$48.83 per hour @ 1.25 hours per filing. The cost per filing: \$48.83 X 1.25 = \$61.04.

126,660 applications x \$61.04 per filing = \$7,731,326.40

The Commission estimates that 50% will contract the completion of the form to a law firm or application preparation service and will spend approximately 30 minutes (0.5 hours) coordinating this information. Assuming they use personnel comparable in pay to a mid-to-senior level federal employee to coordinate this submission we estimate the cost to be approximately \$48.83 per hour @ 0.5 hours per filing. The cost per filing = \$24.42.

$$126,660 \text{ applications} \times \$24.42 \text{ per filing} = \$3,093,037.20$$

Assuming that 50% of the respondents filing the 601 annually for designated entity benefits use personnel comparable in pay to a mid-to-senior level federal employee (GS-13, Step 5) to prepare the collection, we estimate the cost to be about \$48.83 per hour @ 1 hour per filing. The cost per filing = \$48.83.

$$200 \text{ responses} \times \$48.83 \text{ per response} = \$9,766.00$$

The Commission estimates that 50% will contract the completion of the form to a law firm or application preparation service and will spend approximately 30 minutes (0.5 hours) coordinating this information. Assuming they use personnel comparable in pay to a mid-to-senior level federal employee to coordinate this submission we estimate the cost to be approximately \$48.83 per hour @ 0.5 hours per filing. The cost per filing = \$24.42.

$$200 \text{ responses} \times \$24.42 \text{ per response} = \$4,884.00$$

TOTAL IN-HOUSE COST:

$$\$7,731,326.40 + \$3,093,037.20 + \$9,766.00 + \$4,884.00 = \$10,839,013.60$$

13. Cost to the Respondent:

- a. Total annualized capital/start-up costs: \$0.00
- b. Total annualized cost requested to prepare FCC 601 are:

There is no cost to file the application electronically with the FCC.

FCC application filing fees:

We estimate that approximately 75% of 253,320 various applications filed require an application fee of \$60-\$385 each. (The balance of the respondents would be exempt from filing fees due to type of entity, i.e. public safety, governmental entities, non-commercial educational broadcast, or because the purpose for which they are filing does not require a fee.)

For purposes of this submission, we estimate the total application fees using an average of \$125 per filing:

$$253,320 \text{ total respondents} \times 75\% \text{ (feeable)} = 189,990 \text{ feeable filings}$$

$$189,990 \text{ filings} \times \$125 \text{ average fee} = \$23,748,750$$

We estimate that 50% of the respondents will contract out the completion of the form and would use an attorney or application preparation service at a cost of \$300/hour to prepare the FCC 601 and take the consultant 1.25 hours to complete each form.

$$126,660 \text{ applications} \times 1.25 \text{ hours} \times \$300/\text{hour} = \$47,497,500$$

Regarding respondents of eligibility for designated entity benefits, there is no application fee because the services involved are subject to auctions.

We estimate that 50% of the respondents will contract the completion of the form and would use an attorney or application preparation service at a cost of \$300 per hour to prepare in 1 hour the FCC Form 601.

$$200 \text{ applications} \times 1 \text{ hour} \times \$300 \text{ hour} = \$60,000$$

TOTAL ESTIMATED RESPONDENT COST: \$23,748,750 + \$47,497,500 + \$60,000 = \$71,306,250

14. Cost to the Federal Government:

FCC Form 601 Applications estimated to be filed: 253,320

$$126,660 \text{ applications} \times 30 \text{ mins. (0.50 hrs)} \\ @ \$23.15 \text{ per hour (GS-7 Step 5) for an} \\ \text{Industry Analyst} = \$1,466,089.50 \text{ (Processing)}$$

126,660 applications x 10 mins. (0.166 hrs) = \$486,741.71 (Processing)
@ \$23.15 per hour (GS-7 Step 5) for an
Industry Analyst

Total = \$1,952,831.21

15. The Commission has program changes/increases to the following items as a result of the information collection requirements adopted in FCC 14-62 that are associated with the revision of FCC Form 601, Schedule H: 200 to the number of respondents, 200 to the annual number of responses, 175 hours to the annual burden hours and \$56,250 to the annual cost burden.
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 FCC Form 601. Granting this waiver will prevent the Commission from destroying excess forms, having to update computer versions and thus reduce waste. All OMB-approved information collections are published in 47 CFR 0.408. This section includes the OMB control number, title of the collection and the OMB expiration date.
18. There are no exceptions to the “Certification Statement.”

B. Collections of Information Employing Statistical Methods:

This information collection does not use any statistical methods.