

SUPPORTING STATEMENT

A. Justification:

The Federal Communications Commission (Commission) is seeking Office of Management and Budget (OMB) approval for an extension of a currently approved information collection under OMB Control Number 3060-1168 for a period of three years.

1. *Circumstances that make the collection necessary.* On November 18, 2011, the Commission released an order comprehensively reforming and modernizing the universal service and intercarrier compensation systems to ensure that robust, affordable voice and broadband service, both fixed and mobile, are available to Americans throughout the nation. *Connect America Fund et al.*, Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order*). In adopting the *USF/ICC Transformation Order*, the Commission created the Connect America Mobility Fund to ensure the availability of mobile broadband networks in areas where a private-sector business case is lacking.

Under Phase I of the of the Mobility Fund, the Commission provided up to \$300 million in one-time support to be awarded through a nationwide reverse auction for the deployment of networks for mobile voice and broadband services in unserved areas. The Commission also established a separate and complementary Tribal Mobility Fund Phase I to award up to \$50 million in additional one-time universal service funding to Tribal lands to accelerate mobile voice and broadband availability in these remote and underserved areas.

To implement these reforms and conduct competitive bidding for Mobility Fund Phase I support and Tribal Mobility Fund Phase I support, the Commission adopted rules in sections 1.21004(a), 54.1004, 54.1005, 54.1006, 54.1007, and 54.1008 containing information collection requirements that would be used to determine whether a winning bidder of Mobility Fund Phase I support and Tribal Mobility Fund Phase I support is qualified to receive such support. Section 1.21004(a) requires all winning bidders of universal service support to apply for the support by the applicable deadline. Sections 54.1005(b) and 54.1006 require a winning bidder to submit, using FCC Form 680, ownership information, proof of its status as an Eligible Telecommunications Carrier, a description of its spectrum access, a detailed project description, any guarantee of performance that the Commission may require, and various certifications. Sections 54.1004(d)(3) and 54.1008(d) require a winning bidder to certify in its application that it has substantively engaged appropriate Tribal officials. In addition, sections 54.1007(a) and (b) require a winning bidder to obtain an irrevocable standby letter of credit, which the winning bidder must maintain until at least 120 days after the winning bidder receives its final distribution of support.

The Commission requested OMB approval of those information collection requirements on March 20, 2012. OMB approved the information collection requirements under OMB control number 3060-1168 for three years on April 27, 2012. OMB subsequently approved the extension of the approved information collection requirements for an additional three years on January 8, 2015.

On September 27, 2012, the Commission conducted Auction 901 for Mobility Fund Phase I support. Upon close of the auction, 33 winning bidders were eligible to receive a total of up to \$299,998,632.25 in Mobility Fund Phase I support to provide 3G or better mobile voice and broadband services covering more than 83,000 U.S. road miles. On February 25, 2014, the Commission conducted Auction 902 for Tribal Mobility Fund Phase I support in which five winning bidders were eligible to receive up to \$49,806,874 in support to provide 3G or better mobile voice and broadband services covering a population of 56,932 in 80 biddable areas.

While most of the Mobility Fund Phase I support and Tribal Mobility Fund Phase I support has been awarded and disbursed to the winning bidders, disbursements to some winning bidders remain pending. The Commission therefore continues to need the information collection requirements to determine whether a winning bidder is qualified to receive Mobility Fund Phase I and Tribal Mobility Fund Phase I support. Accordingly, the Commission is requesting continued OMB approval for the information collection requirements that were approved by OMB under OMB Control Number 3060-1168. The information collection requirements under OMB Control Number 3060-1168 have not changed since they were approved by OMB on February 28, 2012 and extended on January 8, 2015.

Statutory authority for this information collection is contained in 47 U.S.C. 154, 254 and 303(r).

There are no impacts under the Privacy Act because individuals are not respondents to this collection of information.

2. *Use of information.* The Commission needs the information collection requirements to ensure that a winning bidder for universal service support submits an application for support, which, in turn, will allow the Commission to determine whether the applicant is qualified to receive such support. The Commission also needs to use the information collected to protect the integrity of the universal service programs by requiring a winning bidder to maintain a letter of credit that will secure a return of universal service funds from a winning bidder that has defaulted on its obligations. Without such information, the Commission could not determine whether to provide the universal service support to the winning bidder or protect the government's interest in the funds it disburses in Mobility Fund Phase I and Tribal Mobility Fund Phase I.

3. *Technological collection techniques.* The Commission is committed to meeting the requirements of the E-Government Act, which requires Government agencies to provide

the general public the option of submitting information or transacting business electronically to the maximum extent possible. The Commission developed a centralized electronic system for collecting the information to reduce both public and agency administrative burden.

4. *Efforts to identify duplication.* There will be no duplicative information collected. The information sought is unique to each respondent and is not already available because the Commission does not impose a separate similar information collection on the respondents. Thus, there is no similar data available under another information collection.

5. *Impact on small entities.* The collection of information may affect small entities as well as large entities. 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 requirement to that which is necessary for evaluating and processing the application and to deter possible abuses of the Commission's processes.

6. *Consequences if information is not collected.* The Commission needs to use the information collected to ensure applications for support are timely submitted and to determine whether applicants are legally, technically, and financially qualified to receive Mobility Fund Phase I and Tribal Mobility Fund Phase I support. Without the requested information, the Commission would be unable to determine whether the winning bidder is eligible to receive the support or protect the integrity of the universal service funds disbursed to the recipient. Thus, the information is being collected to meet the objectives of the universal service programs.

7. *Special circumstances.* There are no special circumstances associated with this collection of information.

8. *Federal Register notice; efforts to consult with persons outside the Commission.* The Commission published a 60-day notice regarding the extension of the information collection requirements on FCC Form 680 on September 12, 2017 (82 FR 42810). No PRA comments were received in response to this notice.

9. *Payments or gifts to respondents.* Respondents will not receive any payments or gifts.

10. *Assurance of confidentiality.* Information collected in FCC Form 680 will be made available for public inspection. Respondents may request confidential treatment of information collected in FCC Form 680 pursuant to 47 CFR §0.459 of the Commission's rules.

11. *Questions of a sensitive nature.* This information collection does not ask any questions of a sensitive nature.

12. *Estimates of the hour burden of the collection to respondents.*

(1) Number of respondents: **Approximately 10 respondents annually.**

(2) Number of Annual Responses: **10 responses.**

(3) Frequency of response: On occasion reporting requirement.

(4) Annual burden per response and annual burden hours: Up to 1.5 hours per response. The annual burden hours are calculated as follows: 10 responses x 1.5 hours/response = 15 hours. Therefore, the total annual burden hours are up to **15 hours.**

(5) Annual “in-house” cost to respondents: **\$912.45.**

The Commission estimates that respondents will use existing in-house staff (e.g., a paralegal or other legal staff member) at a rate equivalent to hourly rate of a GS-14/Step 5 (\$60.83/hour) Federal government employee to complete and submit the application.

$$15 \text{ hours} \times \$60.83/\text{hour} = \$912.45$$

TOTAL NUMBER OF RESPONDENTS: 10.

TOTAL NUMBER OF ANNUAL RESPONSES: 10.

TOTAL ANNUAL BURDEN HOURS: 15 HOURS.

TOTAL ANNUAL “IN-HOUSE” COST: \$912.45.

13. *Estimates of the cost burden of the collection to respondents.* There is no cost burden to the respondents. Applicants should not incur capital and start-up costs or operation and maintenance of purchase of services in connection with responding to the information collection in FCC Form 680. The information collected in FCC Form 680 should be collected and maintained as part of the customary and usual business or private practice of the applicant.

TOTAL CAPITAL AND START-UP COSTS or OPERATION AND MAINTENANCE (O&M) = \$0.

14. *Estimates of the cost burden to the Commission.* The Commission estimates that on average staff review of the information collected in FCC Form 680, including time spent by staff attorneys, will take 1.5 hours per application, including time to identify any deficiencies in an initial application, review resubmitted applications as necessary, and identify the nature of any legal issues requiring policy review.

Total Estimated Annual Cost to the Federal Government: 10 applications x 1.5 hour/application x \$60.83 (Attorney, GS-14/Step 5) = \$912.45.

TOTAL ANNUAL COST TO THE GOVERNMENT: \$912.45

15. *Program changes or adjustment.* There are no program changes to this collection. The Commission, however, has the following adjustments/decreases to this collection, which are due to fewer respondents having continued obligations under the information collection requirements: decrease the total number of respondents from 100 to 10 (-90), decrease the annual number of responses from 100 to 10 (-90), and decrease the annual burden hours from 150 to 15 (-135).

16. *Collections of information whose results will be published.* The information collected under this collection will not be published, however, the Commission will make the information collected in FCC Form 680 available for public inspection. Respondents may request confidential treatment of information collected in FCC Form 680 pursuant to 47 CFR § 0.459 of the Commission's rules.

17. *Display of expiration date for OMB approval of information collection.* The Commission seeks continued approval to not display the OMB expiration date on FCC Form 680. This will prevent the Commission from having to change the expiration date whenever we re-submit this information collection for approval. The Commission will use an edition date on the form instead of the OMB expiration date. The Commission will publish the OMB control number and OMB expiration date in the Code of Federal Regulations. See 47 CFR § 0.408.

18. *Exceptions to certification statement for Paperwork Reduction Act submissions.* There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods:

This information collection does not employ statistical methods, and the use of such methods would not reduce the burden or improve accuracy of results.