

FCC Application for Radio Service Authorization
Wireless Telecommunications Bureau; Public
November 2018

Safety and Homeland Security Bureau

3060-0798

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, request an administrative update to an existing license (such as mailing address change), or request a Special Temporary Authority or Developmental License. Respondents are encouraged to submit FCC Form 601 electronically and are required to do so when applying 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 to use an FRN.

Records such as Form 601 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 November 10, 2014, the Federal Communications Commission (Commission) released a Report and Order and Further Notice of Proposed Rulemaking (FCC 14-181) in WT Docket No. 12-40 to reform its rules governing the 800 MHz Cellular Radiotelephone (Cellular) Service. Subsequently, on March 24, 2017, the Commission released a Second Report and Order (FCC 17-27) in that same proceeding, revising certain technical and licensing rules applicable to the Cellular Service (Cellular Second R&O). In addition to rule revisions that do not affect this information collection, in the Cellular Second R&O, the Commission adopted revised radiated power rules, giving Cellular licensees the option to comply with limits based on power spectral density (PSD), and it made conforming changes to related technical provisions to accommodate PSD. The Commission retained, as an option, the existing radiated power limits (non-PSD) and related technical requirements for Cellular licensees that either cannot or choose not to use a PSD model. The Commission also revised the definition and filing requirements for permanent discontinuance of operations, consistent with transitioning the Cellular Service from a site-based regime to one that is geographic-based.

The Commission now seeks approval for revisions to its currently approved collection of information under OMB Control Number 3060-0798 to permit the collection of PSD-related technical information (in lieu of certain non-PSD technical information) for Cellular Service licensees that opt to use a PSD model for their systems, pursuant to the Cellular Second R&O. We are revising Schedule F of Form 601 accordingly to allow licensees to request modifications to their licenses based on PSD operations. We do not anticipate that this revision will have any impact on the burden to complete the form/Schedule F.

On October 22, 2018, the Commission released a Report and Order in WP Docket No. 15-32 which revises the text to Section 90.175(e) of the Commission's rules. The updated rule section requires applicants seeking to license newly available 12.5 kHz bandwidth interstitial channels in the 809-817 MHz / 854-862 MHz segment of the 800 MHz band (800 MHz Mid-Band) to include a showing of frequency coordination with their application for license.

Applicants include a showing of frequency coordination by completing Schedule H of FCC Form 601. Applicants indicate on Schedule H whether their application was successfully coordinated before it was filed with the Commission and, if so, which Commission-approved frequency coordinator performed the coordination.

The Commission is submitting a non-substantive change request for OMB approval to modify its currently approved collection of information under OMB Control Number 3060-0798 to permit the collection of frequency coordination information on Schedule H of FCC Form 601 from applicants seeking to license the newly available 12.5 kHz bandwidth interstitial channels in the 800 MHz Mid-Band. The Commission does not anticipate this modification having any impact on the burden for applicants to complete FCC Form 601 including Schedule H.

The Report and Order makes no change to the questions, instructions or information collected on FCC Form 601. Applicants seeking to license newly available 12.5 kHz bandwidth interstitial channels in the 800 MHz Mid-Band submit the same frequency coordination information on Schedule H that they were required to submit before the Report and Order was released. Consequently, the Commission anticipates no change to the information collection burden or in the total annual costs stemming from the modification to the text of Section 90.175(e) in the Report and Order.

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 if the applicant is legally, technically and financially qualified to provide licensed services and 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 possible abuses of the processes.
6. Generally, the frequency of filing FCC Form 601 is determined by the applicant and/or licensee and the frequency of response can be on occasion or periodic.
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 June 5, 2017 [82 FR 25799], 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 that 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 255,352 respondents (applicants/licensees) will file FCC Form 601 applications annually and that the *average* burden per response is 1.25 hours.

The Commission estimates that 50% of the 255,352 respondents (127,676) will complete the application themselves with no additional assistance and the remaining 50% (127,676) will contract out 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:

$$\begin{aligned} 127,676 \text{ responses} \times 1.25 \text{ hours} &= 159,595 \text{ hours} \\ 127,676 \text{ responses} \times .50 \text{ hours} &= 63,838 \text{ hours} \end{aligned}$$

Total Annual burden: 159,595 hours + 63,838 hours = 223,433 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 such entities.

The Commission estimates that 50% of these 400 respondents (200) will complete the application themselves with no additional assistance and the remaining 50% (200) will contract out 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 form themselves. For those respondents hiring a consultant, we estimate a burden of approximately 45 minutes (0.75 hours) to coordinate with the consultant.

The estimated annual burden is:

$$\begin{aligned} 200 \text{ responses} \times 1.25 \text{ hour} &= 250 \text{ hours} \\ 200 \text{ responses} \times 0.75 \text{ hours} &= 150 \text{ hours} \end{aligned}$$

Annual burden hours: 250 + 150 = 400

TOTAL ANNUAL BURDEN HOURS: 223,433+ 400 = 223,833

TOTAL NUMBER OF RESPONDENTS: 255,352

TOTAL NUMBER OF RESPONSES: 255,352

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 (102,141 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 \$52.66 per hour @ 1.25 hours per filing. The cost per filing: $\$52.66 \times 1.25 = \65.83 .

$$127,676 \text{ applications} \times \$65.83 \text{ per filing} = \$8,404,911.08$$

The Commission estimates that 50% will contract out 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 (GS-13, Step 5) to coordinate this submission we estimate the cost to be approximately \$52.66 per hour @ 0.5 hours per filing. The cost per filing = \$26.33.

$$127,676 \text{ applications} \times \$26.33 \text{ per filing} = \$3,361,709.08$$

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 \$52.66 per hour @ 1 hour per filing. The cost per filing = \$52.66

$$200 \text{ responses} \times \$52.66 \text{ per response} = \$10,532.00$$

The Commission estimates that 50% will contract out 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 (GS-13, Step 5) to coordinate this submission we estimate the cost to be approximately \$52.66 per hour @ 0.5 hours per filing. The cost per filing = \$26.33.

200 responses x \$26.33 per response = \$5,266.00

TOTAL IN-HOUSE COST:

\$8,404,911.08 + \$3,361,709.08 + \$10,532.00 + \$5,266.00= \$11,782,418.20

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 255,352 various applications filed require an application fee of \$65-\$430 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 broadcasters, 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:

255,352 total respondents x 75% (feeable) = 191,514 feeable filings

191,514 filings x \$125 average fee = \$23,939,250

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.

127,676 applications x 1.25 hours x \$300/hour = \$47,878,500

Regarding respondents eligible 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 out 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 applications x 1 hour x \$300 hour = \$60,000

TOTAL ESTIMATED RESPONDENT COST: \$23,939,250 + \$47,878,500 + \$60,000 = \$71,877,750

14. Cost to the Federal Government:

FCC Form 601 Applications estimated to be filed: 255,352

127,676 applications x 30 mins. (0.50 hrs)
@ \$24.96 per hour (GS-7 Step 5) for an Industry Analyst = \$1,593,396.48 (Processing)

127,676 applications x 10 mins. (0.166 hrs)
@ \$24.96 per hour (GS-7 Step 5) for an Industry Analyst = \$529,007.63 (Processing)

Total = \$2,122,404.11

15. The Commission is reporting adjustments to this information collection. We are correcting our estimates to the burden hours from 222,055 to 223,833 (+1,778) and to the total annual costs from \$71,306,250 to \$71,877,750 (+\$571,500). These updated estimates accurately reflect the non-substantive change request from July 2018.

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.