**SUPPORTING STATEMENT**

This new information collection is being submitted to obtain approval from the Office of Management and Budget (OMB) for new information collection requirements due to a recent Federal Communications Commission (Commission or FCC) order, as explained below.

The new collection will fulfill a statutory requirement to establish an annual mandatory collection of data relating to the price and subscription rates of broadband internet plans subscribed to by households participating in the Commission’s Affordable Connectivity Program. The collection will also allow the Commission to determine the value being provided by the affordable connectivity benefit to households. *See* *Affordable Connectivity Program*, WC Docket No. 21-450, Fourth Report and Order and Further Notice of Proposed Rulemaking, FCC 22-87 (adopted November 15, 2022); *see also* FCC, *Affordable Connectivity Program: Emergency Broadband Benefit Program*, Final Rule, 88 Fed. Reg. 2248 (Jan. 13, 2023).

1. **Justification**
	1. *Circumstances that make the collection necessary*. On November 15, 2021, the President signed the Infrastructure Investment and Jobs Act (Infrastructure Act), Public Law No. 117-58, 135 Stat. 429 (2021), which appropriated $14.2 billion to expand and modify the Emergency Broadband Benefit Program in the form of a new, longer-term broadband affordability program called the Affordable Connectivity Program (ACP). The Affordable Connectivity Program provides qualifying low-income households with a monthly discount of up to $30 per month (or up to $75 per month for households on qualifying Tribal Lands) for broadband services, and a one-time $100 discount on a connected device (tablet, laptop, or desktop computer) from the participating provider with a co-pay of more than $10 but less than $50.

The Infrastructure Act also directed the Commission to “issue final rules regarding the annual collection by the Commission of data relating to the price and subscription rates of each internet service offering of a participating provider under the Affordable Connectivity Program . . . to which an eligible household subscribes.” Infrastructure Act § 60502(c)(1). On November 15, 2022, the Commission adopted a Fourth Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 21-450, FCC 22-87 (Fourth Report and Order) establishing the ACP Transparency Data Collection to satisfy the statutory collection requirement. The data collection also will allow the Commission to determine the value being provided by the affordable connectivity benefit.

***New requirements for which we are seeking OMB approval:***

The Commission initiates this information collection to gather data from broadband providers participating in the Affordable Connectivity Program related to the price, subscription rates, and characteristics of internet service offerings (i.e., broadband internet plans) to which ACP households subscribe. Under the ACP Transparency Data Collection, participating providers are required annually to submit the information noted below using the ACP Transparency Data Collection System (ACP Data System), an online portal that allows providers to upload and review data electronically. The ACP Data System may auto-populate some of the fields, particularly regarding company information, based on information previously filed with the Universal Service Administrative Company (USAC), which administers the Affordable Connectivity Program.

The ACP Data System has three key functions: (1) allows ACP participating providers annually to submit data about all broadband service plans with ACP subscribers; (2) permits participating providers to review and revise their previously submitted data; and (3) enables service providers to view reports of their data, view their historical data for all years, and export their data.

***Features of the system:***

Online Access for Streamlined Filing – Participating providers will securely log in, submit the data set forth below, and certify the accuracy of the data. Providers will submit plan data through a webform or by uploading a CSV (comma-separated values) or TXT (text) template. The ACP Data System will reject data that does not meet certain validation settings, and a flag will indicate why the data was rejected. Service providers will be allowed to make revisions and resubmissions, including corrections to their data. The ACP Data System may auto-populate data regarding provider company information if the information has already been filed with USAC. After the initial submission, providers will have the option to copy their plan data for subsequent collections and would only need to update plan and subscribership information that has changed during the year.

Review and Report Capability – Providers will be able to review the data they have submitted, including historical data for all years, view reports on their data, and export their data for every Study Area Code associated with their identification number.

We propose to collect the following information through the ACP Data System:

* Company Information
	+ Company name and business identification information
	+ Name and contact information for person submitting the data
	+ Name and contact information for officer certifying accuracy of data submitted
* Plan characteristics for each broadband plan with ACP subscribers
	+ Plan identification (unique identifier and service plan name)
	+ Basic information about the plan (i.e., fixed or mobile, legacy plan, bundle plan, contract requirements, associated equipment required, discounts)
	+ Base monthly price
	+ Whether the base monthly price is introductory, and if so, the term of the introductory price and the post-introductory price
	+ Itemized provider-imposed recurring monthly charges
	+ Itemized one-time charges
	+ Speed (actual and advertised speeds)
	+ Latency
	+ Data caps (including type of data cap, amount of cap, and any charges for additional data usage)
	+ Bundle components (high-level components, number of mobile voice minutes, number of text messages)
* Subscribership rate information by plan (unique identifier) per ZIP Code
	+ Number of ACP subscribers
	+ Number of ACP subscribers receiving enhanced Tribal benefit
	+ Number of ACP subscribers receiving other benefits (Lifeline, ACP High-Cost Benefit)
	+ Number of ACP subscribers reaching data cap, average amount by which households have exceeded data cap (overage), average overage amount paid by households exceeding the data cap

Providers also have the option to provide additional information on discounts, all-in prices, bundle component pricing, and the number of ACP subscribers on introductory prices, the number of ACP subscribers who pay set-up fees, and the number of subscribers who pay $0 after all discounts are applied.

The Commission will develop education and training materials to assist providers with complying with the ACP Transparency Data Collection rules and associated processes.

Statutory authority for this information collection is contained in section 904 of Division N, Title IX of the Consolidated Appropriations Act, 2021, Public Law No. 116-260, 134 Stat. 1182, as amended by the Infrastructure Investment and Jobs Act, Public Law No. 117-58, § 60502(c), 135 Stat. 429, 1243 (2021) and 47 U.S.C. section 1752.

Some of the requirements contained in this information collection affect individuals or households, and thus, there are impacts under the Privacy Act.

* 1. *Use of Information*: The Commission will use the information to obtain a more accurate depiction of subscriber service experience, to study which ACP-supported services are received by program participants, to analyze subscriber preferences and trends in the program, to understand the true price of ACP-supported services, to assess the value provided by the Affordable Connectivity Program to households. The Commission will use the information to evaluate Commission progress toward reducing the digital divide. Additionally, section 60502(c)(4) of the Infrastructure Act requires the Commission to make data collected available to the public while protecting personally identifiable and proprietary information.
	2. *Technology collection techniques*: The Commission’s Wireline Competition Bureau, in consultation with the Commission’s Office of Economics and Analytics and Office of Managing Director, is developing an electronic system for providers to submit the required information for this collection. All submissions will be made electronically.
	3. *Efforts to Identify Duplication*: There will be no duplication of information. This will be the first time the Commission collects information on price, subscription rates, and plan characteristics for plans to which ACP households subscribe. This collection leverages information that providers will be required to display via consumer broadband labels. The requirements of section 60504 of the Infrastructure Act to promulgate rules requiring providers to display broadband consumer labels is being implemented under Empowering Broadband Consumers Through Transparency, Report and Order and Further Notice of Proposed Rulemaking, CG Docket No. 22-2, FCC 22-86, OMB Control Number 3060-xxxx (pending OMB action)). The Act further requires the Commission to rely on price information displayed on the labels for purposes of the ACP Transparency Data Collection. To reduce burdens on providers and to prevent duplication, the information on plan characteristics required in this collection largely reflects the information providers will need to display on their labels.
	4. *Impact on Small Entities*: The collection of information may affect small entities as well as large entities. In establishing the information collection, the Commission interpreted the Infrastructure Act as requiring all providers participating in the Affordable Connectivity Program to submit data for the ACP Transparency Data Collection. The Commission made efforts to mitigate the impact of the collection on small entities by collecting aggregated rather than subscriber-level data, by not collecting data on the reliability of broadband service, and by directing the Wireline Competition Bureau to establish a reasonable compliance date for the collection. Additionally, the Commission directed staff and USAC, to develop provider education and training programs to reduce compliance burden for providers.
	5. *Consequences if information is not collected*. Because the Infrastructure Act requires the Commission to collect data relating to price and subscription rates, not collecting such information would violate the statute. Further, not collecting the information set forth in the ACP Transparency Data Collection would hinder Commission efforts to evaluate the efficacy of the Affordable Connectivity Program.
	6. *Special Circumstances*. We do not foresee any special circumstances with this information collection.
	7. *Federal Register notice; efforts to consult with persons outside the Commission.* On March 14, 2023, the Commission published a 60-day Federal Register Notice (Notice) at 88 FR 15716 seeking comment from the public on the information collection requirements contained in this supporting statement.[[1]](#footnote-3) The Commission received one comment in response to the Notice. NTCA—The Rural Broadband Association (NTCA) argues generally that the Notice underestimates the burden hours and costs resulting from the ACP Transparency Data Collection but does not supply alternative burden hour or cost estimates.

**Clarification and Modification of the Estimated Burden and Costs**

Below, the Commission addresses the specific issues raised by NTCA in response to the burden and cost estimates in the Notice and explains why some elements of the estimated burdens and costs have been modified.

NTCA (1-2, 4, 5) notes that the Notice estimates that 21 hours of time per provider per year will be required to comply with the ACP Transparency Data Collection but states that “Total Annual Cost” is “No Cost.” According to NTCA, these findings are “impossible to square.” NTCA’s assertion appears to be based in part on a misunderstanding of the types of costs that are properly included in “Total Annual Costs.” Consistent with OMB’s instructions, the Commission’s estimate of “Total Annual Cost” includes capital, start-up, operation, and maintenance costs, and excludes hourly labor costs, which are estimated separately. Thus $0 “Total Annual Cost” does not mean that Commission does not expect that providers will have no costs to implement the ACP Transparency Data Collection. Provider costs are simply captured elsewhere in the information collection. Nevertheless, as set forth below, the Commission has adjusted upward the estimate of the time and costs required for providers to familiarize themselves with the collection, including the inaugural collection, to modify, upgrade, or configure systems, and to review submitted data for accuracy and compliance.

NTCA (4) also contends that the Notice ignores “the portion of Fully-Loaded Costs of Full Time Equivalent employees devoted to compliance” with the ACP Transparency Data Collection, resulting in an “estimate that the burden of reporting is ‘$0’.” As noted above, this argument reflects a misunderstanding of what is represented in “Total Annual Cost” in the Notice. The Commission did not ignore costs incurred by in-house staff, rather those costs are captured elsewhere in the collection, not in “Total Annual Cost.” NTCA did not provide any estimate for hourly wage rates for provider in-house staff, and the Commission’s estimate that providers will use mid- to senior-level personnel to comply with the requirements comparable in pay to the Federal Government, approximately $60.83 per hour (equivalent to a GS 13, step 5 federal employee in the DC-Baltimore-Arlington locality area), is reasonable.

NTCA (3, 4) states that most of its members, which it characterizes as small businesses, will work with outside expert consultants for at least the inaugural collection, and likely subsequent collections. According to NTCA, the Commission should not ignore consulting costs, resulting in an estimate that the reporting burden is “$0.” As noted above, the Commission, in the Notice, did not suggest that providers would incur no costs in responding to the collection. Further, NTCA did not provide estimates for: (a) how many providers would rely on outside expert consultants, (b) how much consultant time would be incurred by providers, (c) what type of consultants would be used (e.g., NTCA did not specify whether “outside expert consultants” would be attorneys, engineers, or web administrators, etc.), or (d) the costs of obtaining outside expert consultants (e.g., hourly rates). The Commission believes that providers will rely on in-house staff, and given the lack of specificity about consultant usage, type, or rates, in the comment, we are not including outside consultant costs in the burden and cost estimates. In any event, we do not estimate that any costs associated with obtaining necessary outside consultants would be substantially different from the estimates of in-house costs.

NTCA (4, 5-6) argues that although “21 hours per submission estimate seems reasonable as an ongoing matter, it must not be overlooked that providers are likely to require a greater number of hours to complete the *inaugural* annual filing successfully and accurately,” and that “familiarity with the online reporting portal and with the requirements of the ACP Collection itself will require additional time.” NTCA argues that there is no indication that the 21 hours estimate is an “averaged figure” or factors in additional time needed on the “front end.” We make clear that the burden estimate includes front-end time necessary for providers to review and familiarize themselves with ACP Transparency Data Collection requirements, instructions, public notices, and webinars. However, to address commenter concerns, we upwardly adjust the burden estimate to account for additional time necessary for these activities, which are particularly associated with the inaugural collection.

NTCA (5) asserts that that providers will incur costs to review required data for accuracy and compliance with the ACP Transparency Data Collection requirements. The Commission’s burden estimates account for time necessary to certify to the accuracy of the data submitted. To address NTCA’s comment, however, we upwardly adjust the burden estimate to account for additional time necessary for review data for accuracy and compliance.

Finally, NTCA (4-5) contends that some of its members may need to make billing system modifications and upgrades to produce data for the collection, which will involve costs, even if those modifications or upgrades are only required for the inaugural collection. NTCA further argues that even providers who find upgrades unnecessary will incur “several hours to configure existing billing systems to produce specific data requested by the Commission and to review it for accuracy and compliance.” Additionally, NTCA asserts, consultants and staff will need to ensure billing systems can interface with the Commission’s online reporting portal. We believe that given that smaller providers like NTCA’s members have fewer service offerings in fewer ZIP codes, they are less likely to need to configure their billing systems than larger providers with more service offerings and scale. Larger providers that might need to configure their systems are likely to do so in-house. Moreover, NTCA does not specify how many providers would need to modify, upgrade, or configure their billing systems or the cost of making any such system changes. Nevertheless, the Commission has upwardly adjusted the burden estimates for the collection to account for in-house costs necessary to modify, upgrade, or configure billing systems.

* 1. *Payments or gifts to respondents*. The Commission does not anticipate providing any payment or gifts to respondents.
	2. *Assurances of confidentiality.* The Infrastructure Act requires the Commission to make data relating to broadband internet access service collected under the ACP Transparency Data Collection available to the public “without risking the disclosure of personally identifiable information or proprietary information.” Because the Commission is collecting aggregated rather than subscriber-specific information, the Commission will not be collecting personally identifiable information about subscribers. The Commission will, however, be collecting personal identifying information about a provider’s data subject matter expert and certifying officer. The Commission treats this business contact information and certification information as personal identifying information subject to an agency-wide Privacy Act System of Records, FCC-2. A Privacy Act Statement will be included at the point of collection. Because the information collected, particularly regarding subscription rates, may be commercially sensitive, the Commission determined that it would not publish provider-specific information. Instead, the Commission will publish non-provider-specific data aggregated at least the state level. The Commission will also publish data by ZIP Code so long as doing so will not directly or indirectly disclose subscriber personally identifiable information or result in the publication of provider-specific data. Respondents may request materials or information submitted to the Commission or to the Administrator be withheld from public inspection under 47 C.F.R. § 0.459 of the Commission’s rules.

* 1. *Questions of a sensitive nature.* There are no questions of a sensitive nature with respect to the information collection requirements described herein.

* 1. *Estimates* *of the hour burden of the collection to respondents.* The following represents the hour burden on the collection of information:
		+ 1. Number of Respondents: Approximately 1,755 ACP participating providers with subscribers.
			2. Frequency of Response: Annually.
			3. Total number of responses per respondent: 1
			4. Estimated time per response: 31 hours
			5. Total annual hour burden: Burden of 54,405 hours.

31 hours per response for 1,755 providers. Total annual hour burden is calculated as follows:

1,755 respondents x 1 response per respondent = 1,755 responses x 31 hours = **54,405 hours**.

* + - 1. Total estimate of in-house cost to respondents: $3,309,456 (54,405 hours x $60.83 per hour)
			2. Explanation of calculation: We estimate that each participating provider will take, on average, 31 hours per response. We estimate that respondents use mid- to senior-level personnel to comply with the requirements comparable in pay to the Federal Government, approximately $60.83 per hour (equivalent to a GS 13, step 5 federal employee in the DC-Baltimore-Arlington locality area).

54.405 hours x $60.83 per hour = $3,309,456

**Total Number of Respondents: 1,755**

**Total Number of Responses: 1,755**

**Total Hourly Burden: 54,405 hours**

 **Total In-House Costs to Respondents: $3,309,456**

* 1. *Estimates for the cost burden of the collection to respondents*. The Commission expects most, if not all, ACP Transparency Data Collection requirements will be met by respondents’ “in-house” staff as described above. The Commission believes that respondents will have negligible additional capital costs to comply with the requirements. Any such costs will likely be related to updating or configuring existing systems, rather than purchasing new equipment.
	2. *Estimates of the cost burden to the Commission.* There will be few, if any, costs to the Commission because complying with statutory requirements and evaluating the value being provided by the affordable connectivity benefit is already part of Commission duties. Although the Wireline Competition Bureau, in consultation with the Office of Economics and Analytics and Office of Managing Director, is developing a new system for providers to submit required information, doing so will not result in material additional costs to the Commission.
	3. *Program changes or adjustments*. The Commission is reporting program changes due to this new collection. The adoption of FCC 22-87 resulted in program changes/increases to the total number of respondents/total annual responses of 1,755 and the total annual burden hours of 54,405. These estimates will be added to OMB’s Active Inventory.
	4. *Collections of information whose results will be published.* The Commission will publish non-provider-specific data on the price and subscription rates. The data will be published at the state or ZIP Code level. The Commission will make the data available in a downloadable format on the Commission’s or USAC’s website.
	5. *Display of expiration date for OMB approval of information collection.* There is no paper form associated with this information collection; it will be collected electronically through an online portal. The Commission seeks approval to not display the expiration date for OMB approval of this information collection. The Commission will use an edition date in lieu of the OMB expiration date. This will prevent the Commission from having to repeatedly update the expiration date on the portal each time this collection is submitted to OMB for review and approval. OMB control numbers and expiration dates for the Commission’s information

collection requirements assigned by OMB pursuant to the Paperwork Reduction Act of 1995, Public Law 104–13 can be found at [*https://www.reginfo.gov/public/do/PRAMain*](https://www.reginfo.gov/public/do/PRAMain) *See* 47 CFR § 0.408.

* 1. *Exceptions to certification for Paperwork Reduction Act Submissions*. There is an exception to the Certification Statement. When the 60-day notice was published in the FR on March 14, 2023 (88 FR 15716), the Commission published the estimated time per response as 21 hours and the total annual burden as 36,855 hours.  Because a comment was received from the public as a result of this Notice, the Commission took into account NTCA’s comment regarding the estimated time per response and revised it from 21 hours to 31 hours and the total annual burdens from 36,855 to 54,405. These revised estimates are reflected in this submission to OMB.

There are no other exceptions to the Certification Statement.

1. **Collections of Information Employing Statistical Methods:**

No statistical methods are employed.

1. Public Information Collection Being Reviewed by the Federal Communications Commission, Notice and Request for Comments, 88 Fed. Reg. 15716 (Mar. 14, 2023). [↑](#footnote-ref-3)