## A. Justification

#### 1. Circumstances that Make the Information Collection Necessary.

The Infrastructure Investment and Jobs Act (Infrastructure Act), in relevant part, directed the Federal Communications Commission (Commission or FCC) "[n]ot later than 1 year after the date of enactment of th[e] Act, to promulgate regulations to require the display of broadband consumer labels, as described in the Public Notice of the Commission issued on April 4, 2016 (DA 16–357), to disclose to consumers information regarding broadband Internet access service plans."<sup>1</sup> Further, the Infrastructure Act required that the label "include information regarding whether the offered price is an introductory rate and, if so, the price the consumer will be required to pay following the introductory period."<sup>2</sup> The Infrastructure Act also directed the Commission to conduct a series of public hearings to assess: 1) how consumers of information regarding broadband Internet access service plans; and 2) whether disclosures to consumers of information regarding broadband Internet access service plans, including the disclosures required under 47 CFR § 8.1, are available, effective, and sufficient.<sup>3</sup>

On January 27, 2022, the Commission released a Notice of Proposed Rulemaking (*Broadband Label NPRM*) initiating a proceeding to implement section 60504 of the Infrastructure Act.<sup>4</sup> Specifically, the Commission proposed to require that broadband Internet access service providers (ISPs or providers) display, at the point of sale, labels that disclose to consumers certain information about prices, introductory rates, data allowances, broadband speeds, and management practices, among other things.<sup>5</sup>

Consistent with the Infrastructure Act's mandate, the Commission proposed to require the display of labels that it had allowed ISPs to use as a safe harbor from enforcement of the broadband transparency requirements in 2016. Those 2016 labels were largely the product of recommendations by the Commission's Consumer Advisory Committee (CAC).<sup>6</sup> In the *Broadband Label NPRM*, the Commission sought comment on whether broadband service offerings and consumers' use of broadband services had changed sufficiently since 2016 to necessitate modifications to the labels' content and/or format, or whether there were any other

<sup>2</sup> Infrastructure Act § 60504(b)(1).

<sup>3</sup> See id. § 60504(c).

<sup>4</sup> See Empowering Broadband Consumers Through Transparency, CG Docket No. 22-2, Notice of Proposed Rulemaking, FCC 22-7 (rel. Jan. 27, 2022) (Broadband Label NPRM).

<sup>5</sup> Broadband Label NPRM, para. 14.

<sup>6</sup> *See 2016 Public Notice*; *see also* FCC Consumer Advisory Committee Recommendation, Broadband Consumer Disclosures (Oct. 26, 2015) at <u>https://docs.fcc.gov/public/attachments/DOC-336136A1.pdf</u>.

<sup>&</sup>lt;sup>1</sup> The Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429, § 60504(a) (2021) (Infrastructure Act). *See also Consumer and Governmental Affairs, Wireline Competition, and Wireless Telecommunications Bureaus Approve Open Internet Broadband Consumer Labels,* GN Docket No. 14-28, Public Notice, 31 FCC Rcd 3358 (CGB/WCB/WTB 2016) (*2016 Public Notice*). Before enactment of the Infrastructure Act, the President issued Executive Order 14036, which, in relevant part, encouraged the Commission to consider "initiating a rulemaking that requires broadband service providers to display a broadband consumer label, such as that described in the [*2016 Public Notice*] so as to give consumers clear, concise, and accurate information regarding provider prices and fees, performance, and network practices." *See* Executive Order No. 14036, Promoting Competition in the American Economy, 86 FR 36987 (July 9, 2021).

reasons to change the content or format of the labels.<sup>7</sup> The Commission also sought comment on where the labels should be displayed to best inform consumers.<sup>8</sup> In addition, the Commission conducted three public hearings to solicit input from various stakeholders on the content, format, and location of the labels.<sup>9</sup>

On November 14, 2022, the Commission adopted a Report and Order and Further Notice of Proposed Rulemaking (*Broadband Label Order*) requiring ISPs to display a new broadband label to help consumers comparison shop among broadband services, thereby implementing section 60504 of the Infrastructure Act.<sup>10</sup> Specifically, the Commission required ISPs to display, at the point of sale, a broadband consumer label containing critical information about the provider's service offerings, including information about pricing, introductory rates, data allowances, performance metrics, and whether the provider participates in the Affordable Connectivity Program (ACP).<sup>11</sup> The Commission required that ISPs display the label for each stand-alone broadband Internet access service they currently offer for purchase, and that the label link to other important information such as network management practices, privacy policies, and other educational materials.

Consistent with the Infrastructure Act, the label adopted for fixed and mobile broadband Internet access service is similar to the two labels the Commission approved in 2016, with certain modifications. In addition to label content, the Commission adopted requirements for the label's format and display location to ensure consumers can make side-by-side comparisons of various service offerings from an individual provider or from alternative providers—something essential for making informed decisions. In this way, the label resembles the well-known nutrition labels that consumers have come to rely on when shopping for food products. The label must be accessible for people with disabilities and for non-English speakers. A customer's label must also be available via the provider's online account portal. In addition, third parties will be able to easily analyze information contained in the labels and help consumers with their purchase decisions, as providers are required to make the label content available in a machine-readable format on their websites. Finally, the Commission adopted a label template (shown below) that all ISPs are required to display at the point of sale. This label establishes the formatting and content of all requirements adopted in the *Broadband Label Order*.

On July 18, 2023, the Commission's Consumer and Governmental Affairs Bureau (CGB) released an Order updating the template for the broadband consumer label.<sup>12</sup> The revised template reflects a new Affordable Connectivity Program (ACP) application landing page,

<sup>8</sup> Id.

<sup>10</sup> Infrastructure Act § 60504(a).

<sup>&</sup>lt;sup>7</sup> Broadband Label NPRM, para 14.

<sup>&</sup>lt;sup>9</sup> *See* FCC, Broadband Consumer Labels, *Public Hearings on Broadband Labels* (Mar. 11, 2022, Apr. 7, 2022, and May 25, 2022), <u>https://www.fcc.gov/broadbandlabels</u>.

<sup>&</sup>lt;sup>11</sup> In the Infrastructure Act, Congress appropriated \$14.2 billion to transform the Emergency Broadband Benefit Program into the Affordable Connectivity Program (ACP), which provides eligible low-income households discounted Internet service and a one-time discount on a connected device. *See Affordable Connectivity Program, Emergency Broadband Benefit Program*, WC Docket Nos. 21-450 and 20-445, Report and Order and Further Notice of Proposed Rulemaking, FCC 22-2 (Jan. 21, 2022) (*ACP Order*). The ACP provides a monthly discount of up to \$30 for broadband service and up to \$75 a month for households on qualifying Tribal lands. *See* 47 CFR § 54.1803(a).

now available at <u>GetInternet.gov</u>. This action did not modify or otherwise change any entity's underlying responsibilities under the *Broadband Label Order*. CGB also made clear that, should a provider be required to display a Spanish version of the label, it must include the Spanish-language landing page for the ACP: AccedeaInternet.gov. If necessary, the Commission will submit the updated label separately to OMB pursuant to its non-substantive modification process. The updated label is displayed below after the label adopted by the Commission in November 2022.

<sup>&</sup>lt;sup>12</sup> See Empowering Broadband Consumers Through Transparency, CG Docket No. 22-2, Order, DA 23-617 (rel. July 18, 2023).

| <b>Broadband</b>                                                                                                                                                                                                                                                              | Facts                                              |  |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|--|--|
| Provider Name                                                                                                                                                                                                                                                                 |                                                    |  |  |
| Service Plan Name and/or Speed Tier                                                                                                                                                                                                                                           |                                                    |  |  |
| Fixed or Mobile Broadband Consumer                                                                                                                                                                                                                                            | Disclosure                                         |  |  |
| Monthly Price                                                                                                                                                                                                                                                                 | [\$]                                               |  |  |
| This Monthly Price [is/is not] an introductory<br>rate is applicable, identify length of introduct<br>rate that will apply after introductory period of<br>This Monthly Price [does not] require[s] a [x<br>contract. [only required if applicable; if so, price<br>contract] | tory period and the<br>concludes]<br>year/x month] |  |  |
| Additional Charges & Terms                                                                                                                                                                                                                                                    |                                                    |  |  |
| Provider Monthly Fees [Itemize each fee]                                                                                                                                                                                                                                      | [\$]                                               |  |  |
| One-time Fees at the Time of Purchase                                                                                                                                                                                                                                         |                                                    |  |  |
| [ltemize each fee]                                                                                                                                                                                                                                                            | [\$]                                               |  |  |
| Early Termination Fee                                                                                                                                                                                                                                                         | [\$]                                               |  |  |
| Government Taxes                                                                                                                                                                                                                                                              | Varies by Location                                 |  |  |
| phone, and wireless service, and use of your own equipment<br>like modems and routers. [Any links to such discounts and<br>pricing options on the provider's website must be provided in<br>this section.]                                                                    |                                                    |  |  |
| Affordable Connectivity Program (ACI<br>The ACP is a government program to help<br>cost of internet service. To learn more ab<br>to find out whether you qualify, visit afford<br>Participates in the ACP                                                                     | lower the monthly out the ACP, including           |  |  |
| Speeds Provided with Plan                                                                                                                                                                                                                                                     |                                                    |  |  |
| Typical Download Speed                                                                                                                                                                                                                                                        | [] Mbps                                            |  |  |
| Typical Upload Speed<br>Typical Latency                                                                                                                                                                                                                                       | [] Mbps<br>[] ms                                   |  |  |
| Data Included with Monthly Price<br>Charges for Additional Data Usage                                                                                                                                                                                                         | [] GB<br>[\$/GB]                                   |  |  |
| Network Management                                                                                                                                                                                                                                                            | Read our Policy                                    |  |  |
|                                                                                                                                                                                                                                                                               | Read our Policy                                    |  |  |
| Customer Support<br>Contact Us: example.com/support / (555                                                                                                                                                                                                                    | i) 555-5555                                        |  |  |
| Learn more about the terms used on this lab<br>Federal Communications Commission's Con<br>Center.                                                                                                                                                                             |                                                    |  |  |
|                                                                                                                                                                                                                                                                               |                                                    |  |  |

| Broadband<br>Provider Name<br>Service Plan Name and/or Speed Tier<br>Fixed or Mobile Broadband Consumer<br>Monthly Price<br>This Monthly Price [is/is not] an introductor<br>rate is applicable, identify length of introductor<br>rate that will apply after introductory perior<br>This Monthly Price [does not] require[s] a [<br>contract. [only required if applicable; if so,<br>contract] | Disclosure [\$] ry rate. [if introductory ictory period and the d concludes] x year/x month] |  |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|--|--|
| Additional Charges & Terms<br>Provider Monthly Fees<br>[Itemize each fee]                                                                                                                                                                                                                                                                                                                        | [\$]                                                                                         |  |  |
| One-time Fees at the Time of Purchase<br>[Itemize each fee]                                                                                                                                                                                                                                                                                                                                      | [\$]                                                                                         |  |  |
| Early Termination Fee                                                                                                                                                                                                                                                                                                                                                                            | [\$]                                                                                         |  |  |
| Government Taxes                                                                                                                                                                                                                                                                                                                                                                                 | Varies by Location                                                                           |  |  |
| Discounts & Bundles<br>Click Here for available billing discounts and pricing options for<br>broadband service bundled with other services like video,<br>phone, and wireless service, and use of your own equipment<br>like modems and routers. [Any links to such discounts and<br>pricing options on the provider's website must be provided in<br>this section.]                             |                                                                                              |  |  |
| Affordable Connectivity Program (ACP)The ACP is a government program to help lower the monthlycost of internet service. To learn more about the ACP, includingto find out whether you qualify, visit GetInternet.gov.Participates in the ACP[Yes/No]                                                                                                                                             |                                                                                              |  |  |
| Speeds Provided with Plan<br>Typical Download Speed<br>Typical Upload Speed<br>Typical Latency<br>Data Included with Monthly Price<br>Charges for Additional Data Usage                                                                                                                                                                                                                          | [] Mbps<br>[] Mbps<br>[] ms<br>[] GB<br>[\$/GB]                                              |  |  |
| Network Management<br>Privacy                                                                                                                                                                                                                                                                                                                                                                    | Read our Policy<br>Read our Policy                                                           |  |  |
| Customer Support<br>Contact Us: example.com/support / (5                                                                                                                                                                                                                                                                                                                                         | 55) 555-5555                                                                                 |  |  |
| Learn more about the terms used on this I<br>Federal Communications Commission's Co<br>Center.                                                                                                                                                                                                                                                                                                   |                                                                                              |  |  |

fcc.gov/consumer

### Information Collection Requirements:

(a) <u>Section 8.1(a)(1)</u>. Any person providing broadband Internet access service shall create and display an accurate broadband consumer label for each stand-alone broadband Internet access service it currently offers for purchase. The label must be prominently displayed, publicly available, and easily accessible to consumers, including consumers with disabilities, at the point of sale, with the content and in the format prescribed by the Commission in "[Fixed or Mobile] Broadband Consumer Disclosure." *See* label template above.

The label must display the following:

- (i) Monthly price information (including introductory rate and contract plan information);
- (ii) Any additional provider discretionary monthly charges (e.g., equipment rentals) and one-time fees (e.g., activation fees);
- (iii) Government taxes will apply;
- (iv) Links to any available billing discounts and pricing options for bundled services;
- (v) Information about the Affordable Connectivity Program (ACP) and whether the provider participates in the ACP;
- (vi) Performance information (specifically download and upload speeds and latency measurements);
- (vii) The amount of data included with the monthly price and the charges for additional data that exceeds that allowance;
- (viii) Links to the provider's network management policies (e.g., blocking, throttling, and paid prioritization) and privacy policies;
- (ix) Customer support contact information;
- (x) A link to the FCC's website containing a glossary of terms used on the label and other related information; and
- (xi) A Unique Plan Identifier.

As noted above, the Commission provided a template of the required label in the *Broadband Label Order*, and explained that it will also post a sample template, along with terms used on the label, on the FCC's website no later than 30 days before the label requirements become effective.

The Commission also notes that, for performance information, providers must display their typical upload and download speeds and typical latency, consistent with their current obligations under the existing transparency rule and the Commission's *2011 Advisory Guidance*.<sup>13</sup> Thus, for purposes of satisfying this requirement, fixed broadband service providers that choose to participate in the Measuring Broadband America (MBA) program may disclose their results as a sufficient representation of the actual performance their customers can expect to experience for the relevant speed tier. Fixed broadband

<sup>&</sup>lt;sup>13</sup> See 47 CFR § 8.1(a); Restoring Internet Freedom, WC Docket No. 17-108, Declaratory Ruling, Report and Order, and Order, 33 FCC Rcd 311, 441, para. 222 & n.818 (2017) (2017 Restoring Internet Freedom Order); FCC Enforcement Bureau and Office of General Counsel Issue Advisory Guidance for Compliance with Open Internet Transparency Rule, GN Docket No. 09-191, WC Docket No. 09-191, Public Notice, 26 FCC Rcd 9411, 9411 (EB/OGC 2011) (2011 Advisory Guidance).

service providers that do not participate may use the methodology from the MBA program to measure actual performance, or may disclose actual performance based on internal testing, consumer speed test data, or other data regarding network performance, including reliable, relevant data from third-party sources.<sup>14</sup> Mobile broadband service providers that have access to reliable information on network performance may disclose the results of their own or third-party testing. Those mobile broadband service providers that do not have reasonable access to such network performance data may disclose a Typical Speed Range (TSR) representing the range of speeds and latency that most of their consumers can expect, for each technology and service tier offered.<sup>15</sup> The Commission does not anticipate that the new rules will require providers to gather any new performance information; rather, they will need only to display currently available performance information in the broadband label format.

- (b) <u>Section 8.1(a)(2)</u>. Broadband Internet access service providers shall display the label required under section 8.1(a)(1) at each point of sale. "Point of sale" is defined to mean a provider's website and any alternate sales channels through which the provider's broadband Internet access service is sold, including a provider-owned retail location, third-party retail location, and over the phone.
  - (i) <u>Websites</u>. For labels displayed on provider websites, the actual label must be displayed in close proximity to the associated advertised service plan. Providers are not required to display the label information in any particular font size; however, providers should ensure that the labels are prominently displayed on any device on which the consumer accesses and views the labels, including mobile devices. "Point of sale" also means the time a consumer begins investigating and comparing broadband service offerings available to them at their location. Thus, providers must display the labels only after the consumer enters any required location information. Once the consumer has done so, the label must appear on the provider's primary advertising web page that identifies the plans available to the consumer.
  - (ii) <u>Alternate Sales Channels</u>. If the provider has a provider-owned retail location or third-party retail location, it must make the label available to consumers at each point of sale. If the provider cannot ensure the consumer will be able to access the label either with an Internet connection at home or in the retail location, it must make the label available in hard copy. Thus, in the case of alternate sales channels, while a provider may satisfy the label requirement by providing a hard copy of the label, it may do so through other means. This could include directing the consumer to the specific web page on which the label appears by, for example, providing Internet access in the retail location or giving the customer a card with the printed URL or a Quick Response (QR) code, or orally providing information from the label to the consumer over the phone. In such circumstances, the provider must read the entire label to the consumer over the

<sup>&</sup>lt;sup>14</sup> 2017 Restoring Internet Freedom Order, 33 FCC Rcd at 441 n.818 (citing 2011 Advisory Guidance, 26 FCC Rcd at 9414-15).

<sup>&</sup>lt;sup>15</sup> *Id.* at 441 n.818 (citing 2011 Advisory Guidance, 26 FCC Rcd at 9415-16).

phone. Providers shall document each instance when it directs a consumer to a label at an alternate sales channel and retain such documentation for two years.

- (iii) <u>E-Rate and Rural Health Care Programs</u>. "Point of sale" for purposes of the E-Rate and Rural Health Care programs is defined as the time a service provider submits its bid to a program participant. Providers participating in the E-Rate and Rural Health Care programs must provide their labels to program participants when they submit their bids to participants.
- (c) <u>Section 8.1(a)(2)</u>. <u>Online Account Portals</u>. Broadband Internet access service providers that offer online account portals to their customers shall also make each customer's label easily accessible to the customer in such portals.
- (d) <u>Section 8.1(a)(3). Machine-Readable Format</u>. The content of the label required under section 8.1(a)(1) must be displayed on the broadband Internet access service provider's website in a machine-readable format. Broadband Internet access service providers must provide the information in any label separately in a spreadsheet file format on their websites via a dedicated URL that contains all of their labels. Providers must publicize the URL with the label data in the transparency disclosures required under 47 CFR § 8.1(a).
- (e) <u>Section 8.1(a)(4)</u>. <u>Languages</u>. The label required under section 8.1(a)(1) must be provided in English and in any other languages in which the broadband Internet access service provider markets its services in the United States.
- (f) <u>Section 8.1(a)(5)</u>. Archive of Labels. Broadband Internet access service providers shall maintain an archive of all labels required under section 8.1(a)(1) for a period of no less than two years from the time the service plan reflected in the label is no longer available for purchase by a new subscriber and the provider has removed the label from its website or alternate sales channels.

Providers must provide any archived label to the Commission, upon request, within thirty days. Providers must provide an archived label, upon request and within thirty days, to an existing customer whose service plan is associated with the particular label. A provider is not required to display a label once the associated service plan is no longer offered to new subscribers.

(g) <u>Section 8.1(a)(6)</u>. Broadband consumer label requirements and the transparency rule in section 8.1(a) are subject to enforcement using the same processes and procedures. The label required under section 8.1(a)(1) is not a safe harbor from the transparency rule or any other requirements established by the Commission. (<u>Note</u>: This rule does not involve a distinct information collection, but is being submitted to OMB as part of this overall information collection.)

<u>Implementation Timelines</u>. The Commission adopted several different implementation timelines to ensure providers have a reasonable amount of time to comply with the *Broadband Label Order* requirements:

- 1) Apart from the exceptions explained below, the Commission established a six-month period for most providers to come into compliance with the new requirements to ensure they can implement necessary changes in a cost-effective way that makes sense for their individual business models and potential customers. This six-month period will begin with the announcement in the Federal Register that OMB has completed its review of the rules;
- 2) The Commission adopted a one-year implementation period for providers with 100,000 or fewer subscriber lines;
- 3) Compliance with the requirement to make labels accessible in customer online account portals will not be required for all providers until one year after OMB completes its review of such requirement; and
- 4) Compliance with the requirement to make label information available in a machinereadable format will not be required for all providers until one year after OMB completes its review of such requirement.

This collection does not affect individuals or households; thus, there are no impacts under the Privacy Act because it does not require the collection of personally identifiable information (PII) from individuals.

The statutory authority for the information collection requirements is contained in sections 4(i), 4(j), 13, 201(b), 254, 257, 301, 303, 316, and 332 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 163, 201(b), 254, 257, 301, 303, 316, 332, section 60504 of the Infrastructure Investment and Jobs Act, Pub. L. 117-58, 135 Stat. 429 (2021), and section 904 of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, 134 Stat. 1182 (2020), as amended.

2. Use of Information.

The information will be used to implement section 60504(a) of the Infrastructure Act. The Infrastructure Act, in relevant part, directs the Commission "[n]ot later than 1 year after the date of enactment of th[e] Act, to promulgate regulations to require the display of broadband consumer labels, as described in the Public Notice of the Commission issued on April 4, 2016 (DA 16–357), to disclose to consumers information regarding broadband Internet access service plans."<sup>16</sup> The information will help consumers easily compare a provider's broadband service offerings and the services among different providers, and ensure that they have the information necessary to make smart choices without overwhelming them with too much information or unnecessarily burdening providers.

3. Technological Collection Techniques.

The required label disclosures must be provided primarily over the Internet (i.e., on provider websites). Similarly, the label information that must be provided in machine-readable formats will be available on provider websites through dedicated URLs. Providers must also archive their labels electronically. Hard copies will be necessary only when the consumer

<sup>&</sup>lt;sup>16</sup> Infrastructure Act § 60504(a).

cannot access the label with an Internet connection at home or in the provider's retail location.

#### 4. Efforts to Identify Duplication.

The information collection requirements generally are not duplicative of any currently existing federal regulatory obligation.<sup>17</sup> While the information that must be disclosed is likely already available to the public at various locations (on websites and retail locations), the information is not all currently and consistently available in a single location and format that would aid in a consumer's ability to comparison shop, which is the specific purpose of the Infrastructure Act.

In addition, the Commission noted in the *Broadband Label Order* that although there is overlap between the purpose of the new broadband labels and that of the existing transparency rule at 47 CFR § 8.1(a), those purposes are not identical. There are different—albeit overlapping—purposes served by the two requirements. For example, helping consumers make informed choices regarding broadband Internet access service plans is a goal of both broadband labels and the transparency rule.<sup>18</sup> Broadband labels, however, are designed to play a unique role in that regard by providing a quick reference tool enabling easy comparisons among different service plans at the time of purchase. By contrast, the transparency rule seeks to enable a deeper dive into details of broadband Internet service offerings, which could be relevant not only for consumers as a whole, but also for consumers with particularized interests or needs, as well as a broader range of participants in the Internet community—notably including the Commission itself.<sup>19</sup> Providers must therefore take steps to comply with the labeling and transparency rules independently to the extent that the details of the requirements diverge.

5. Impact on Small Entities.

The collection of information will impact ISPs that are small business entities. The Commission is committed to reducing the regulatory burdens on small businesses whenever possible, consistent with the Commission's other public interest responsibilities. Therefore, pursuant to the *Broadband Label Order*, the Commission's label requirements balance reducing these burdens and ensuring that consumers have the necessary information to make comparisons among broadband providers and select the services that best meet their budgets and needs. As discussed above, the Commission adopted a different implementation period for providers with 100,000 or fewer subscribers, which will likely include substantially all small entities. Specifically, the Commission determined that these providers should have more time to comply with the new label requirements and adopted a one-year implementation period for these providers. The Commission was persuaded that implementing broadband labels may require providers to complete certain tasks such as compiling the information that must be presented in the label and posting labels on their websites. Thus, the Commission concluded that additional time was warranted for these providers that are less likely to have

<sup>&</sup>lt;sup>17</sup> OMB PRA Guide at 42.

<sup>&</sup>lt;sup>18</sup> See, e.g., Infrastructure Act § 60504(a); 2017 Restoring Internet Freedom Order, 33 FCC Rcd at 435, para. 209.

<sup>&</sup>lt;sup>19</sup> See, e.g., 2017 Restoring Internet Freedom Order, 33 FCC Rcd at 435, 438, paras. 209-10, 216.

in-house attorneys and compliance departments to assist with their broadband labels and will need to engage outside legal resources to implement several proposed requirements.

## 6. Consequences if Information is Not Collected.

The information collection is required by section 60504(a) of the Infrastructure Act and is necessary to assist consumers with comparison shopping for broadband services. All broadband Internet access service providers are subject to enforcement action by the Commission's Enforcement Bureau if they do not meet the applicable requirements. In addition, members of the public may file informal or formal complaints against providers they believe have not complied with the label requirements.

### 7. Special Circumstances.

The collections are not being conducted in any manner inconsistent with the guideline of 5 CFR section 1320.

8. Federal Register Notice; Efforts to Consult with Persons Outside of the Commission.

The Commission published a *Notice* in the *Federal Register* (*Notice*), as required by 5 CFR section 1320.8(d), on February 7, 2023 at 88 FR 7973, seeking comments from the public on the information collection requirements contained in this supporting statement.<sup>20</sup> The Commission received four comments in response to the *Notice*. CTIA—The Wireless Association (CTIA), NTCA—The Rural Broadband Association (NTCA), USTelecom—The Broadband Association (USTelecom), and WISPA—Broadband Without Boundaries (WISPA) argue generally that the *Notice* underestimates the burden hours and costs resulting from the *Broadband Label Order*. In addition, AT&T, Lumen, and Verizon filed *ex parte* letters with the Commission after the 60-day comment period closed, identifying what they claim are their companies' burden hour and cost estimates associated with the broadband label rules. Each argues that the estimates should be treated as confidential and withheld from public disclosure.

## Clarification and Modification of the Estimated Burden

Below, the Commission addresses the specific issues raised by commenters in response to the *Notice* burden estimates and explains why some elements of the estimated burden have been modified:

CTIA (7, 9), WISPA (1), NTCA (1, 4), AT&T (2), Lumen (2), Verizon (1-2) – CTIA, WISPA, and Verizon point out that the *Notice* states that compliance with the broadband label information collection will require 6,010 respondents to provide 30,050 responses, at 30 minutes to nine hours per response, with a total annual burden of 117,271 hours. CTIA argues that this amounts to only five responses per broadband provider averaging four hours of work each response, or 20 hours per provider per year. CTIA and WISPA also argue that the Commission's *Notice*, despite estimating a total annual burden of over 100,000 hours, states that there will be "No cost," which "plainly cannot be correct."

<sup>&</sup>lt;sup>20</sup> See Notice of Public Information Collection Being Reviewed by the Federal Communications Commission, Comments Requested, 88 Fed. Reg. 7973 (Feb. 7, 2023) (Notice).

They state that "Total Annual Capital, Operation, and Maintenance Costs Required for All Respondents: \$0" does not reflect the actual projected financial inputs that will be necessary to comply with the broadband label requirements. CTIA then asserts that "one large wireless provider estimates it would cost millions per year to implement." Verizon states that it will need to create well over 500 labels, in excess of the Commission's estimates. AT&T and Lumen estimate that the number of employee hours spent developing the initial labels will exceed the Commission's burden hour estimates. AT&T specifically states that the number of hours it has spent to date on conference calls and technical development work to implement the new labels, which it estimates represents less than half the burden it will ultimately incur assuming the Commission grants the Joint Petition, is inconsistent with the Commission's estimates.

**Response:** The Commission disagrees with commenters' characterization of our burden estimates. The estimates of the number of responses and the burden hours per response are averages across all providers, so that some providers will be required to perform more hours of work than others given the number of labels they must create and display. As three of the largest providers of broadband services, AT&T, Lumen, and Verizon may potentially need to perform more hours of work at a greater cost than the thousands of other providers the Commission must also consider. In addition, commenters' assertions appear to be based in part upon a misunderstanding of the types of costs that properly are included in "Total Annual Costs." Consistent with OMB's instructions<sup>21</sup> and as demonstrated by the Commission's calculations made available to commenters upon request and attached to the comments filed by NTCA (Attachment A) and WISPA (Appendix A), the Commission's estimate of "Total Annual Cost" includes capital, startup, operation, and maintenance costs, and excludes hourly labor costs, which are estimated separately. Thus, commenters mischaracterize \$0 Annual Costs as meaning providers will have no costs to implement the new broadband label. Provider costs are simply captured elsewhere in the information collection. Nevertheless, considering the comments, we upwardly adjust the estimate of the time and costs to create and display the labels at the point of sale and in customer online account portals, and to make the label information available in machine-readable format and to archive the labels. These estimates are expressly stated as averages, which recognize that for larger broadband providers, the actual burden might be higher than these estimates, while for smaller broadband providers the actual burden might be lower (see NTCA's estimates for rural providers, described below).

NTCA (4, 6), CTIA (8) – NTCA states that the Commission lists [in the supporting statement on which the *Notice* is based] several processes required by the *Broadband Label Order*, including creation of the label; display of the label at point of sale; display of the label on online customer portals; display of label contents in machine readable format; and archiving of labels. CTIA argues that the estimates the Commission published in the *Notice* are unreasonable both as to the number of responses required and the amount of time each will require. NTCA argues that both the hourly burdens and cost estimates associated with these requirements are inconsistent with projections offered by industry participants, and moreover that the Commission fails to include such critical details as translating labels to non-English languages or requirements to read labels over

<sup>&</sup>lt;sup>21</sup> Paperwork Reduction Act Submission, Form 83-I, Office of Management and Budget.

the phone. NTCA also states that, in the *Notice*, the Commission estimates that affected providers will need to devote between 30 minutes and nine hours per response. In contrast, NTCA states that its review of these regulations, undertaken with management firms that serve the rural industry, project "time in" requirements of eight-to-16 hours per respondent. NTCA argues that the requirements to publish individual labels for each service will increase those burdens.

**Response:** First, NTCA asserts that the Commission's hourly burdens and cost estimates are below "projections offered by industry participants," but fails to state what those projections actually are, apart from generally saying that rural broadband providers will spend between eight and 16 hours per respondent to create and "publish" the labels. Nevertheless, considering NTCA's and CTIA's comments, we upwardly adjust our burden hour estimates per respondent for each process involved in the labels. Second, NTCA incorrectly asserts that the Commission does not include the requirement to make the labels available in any languages in which the provider markets its services in the United States. In fact, the Commission makes clear in the supporting statement provided to commenters and herein that the estimates for creating the labels includes the burdens and costs for respondents that advertise in languages other than English and thus, must display the labels in those languages. We also believe, however, that if a provider markets its services in any non-English languages, it should not be burdensome to ensure the label is also available in those languages as all information contained in the label should be part of the provider's existing advertising materials, with many numerical portions needing no translation at all. The same is true for reading labels over the phone, as we think it is reasonable to assume that providers that market in languages other than English have customer service representatives to field questions from consumers in those languages and, thus, can also easily read a non-English version of the label over the phone.

WISPA (5, 7), NTCA (4, 5) – WISPA states that the Commission attempts to support its PRA estimates using annual "in-house" costs to generate an average hourly cost of \$61.98 and an average total cost of \$528.89. WISPA asserts that these cost estimates are based on the assumption that providers will utilize the services of in-house personnel in developing and maintaining their broadband labels. WISPA states that the *Notice* makes no mention of additional external resources that small providers may need to engage, such as technical writers and engineers. WISPA states that only a handful of its more than 600 operator members have in-house legal counsel, and most small broadband providers have few, if any, engineers, technical writers, staff administrators or web administrators on staff that are qualified to contribute to the labels' content and design. WISPA maintains that they will need to hire outside legal counsel, engineers, and consultants to comply, at substantially higher cost than the Commission assumes. WISPA states that the costs to hire the necessary private sector resources are not comparable to the mid- to senior-level federal employee hourly rates on which the Commission relies. NTCA states that small ISPs that use third-party billing services will need to outsource certain label functions, and that while many companies can manage basic web changes in-house, they will need to outsource for more complicated web-based label changes. NTCA also argues that the costs presumed by the *Notice*, based on

hourly professional rates, are substantially lower than what firms can expect to pay in the market for trained professionals.

**Response:** WISPA's assertion appears to be based on a misunderstanding of the Commission's cost estimates as it cites only those costs associated with archiving the labels. Additionally, beyond asserting that "most" small broadband providers have few in-house personnel to help comply with the label requirements, WISPA provides no specific information about the number of providers that would rely on outside personnel and consultants. Similarly, apart from asserting that the Commission's hourly wage estimates for in-house staff are below the hourly costs associated with hiring private sector resources, WISPA and NTCA provide no information about the costs of obtaining outside assistance. Further, the Commission adopted a one-year implementation period for providers with 100.000 or fewer subscriber lines—six months more than larger providers—in part to enable them to identify and hire outside resources, if necessary. Considering this additional time to comply with the new rules and in the absence of more specific information from commenters, the Commission believes broadband providers generally will rely on in-house staff and that any costs associated with obtaining necessary outside staff will not be substantially different from the estimates of in-house costs. We make clear that the in-house cost estimates identified below include these external costs. Nevertheless, to ensure all such costs are captured, we upwardly adjust our estimate of the annual in-house costs for each label requirement. We have not, however, modified our estimate of hourly wage rates, which reflect current General Schedule rates—a reasonable practice accepted by OMB in its review of numerous information collection submissions.<sup>22</sup>

• CTIA (8), Verizon (2) – CTIA and Verizon argue that the internal systems, employees, and resources that will be needed to create labels for each of the relevant broadband plans is not accounted for in the *Notice* and will far exceed the Commission's burden estimate. CTIA maintains that one provider has concluded, for instance, that more than 25 of its IT systems will be impacted by the new information collection, as well as multiple back-end systems for even a single product line. CTIA says that every system affected must be carefully reviewed and tested to ensure that it works as intended, satisfies the new legal requirements, and delivers accurate, consumer-friendly information.

**Response:** We disagree that the Commission did not account for employees and resources needed to design, update, review, and test providers' IT systems. The estimates reflected in the *Notice* and supporting statement on which the *Notice* was based specifically consider the hour burdens and costs associated with paying/hiring technical writers, staff administrators, web administrators, engineers, and attorneys to implement the label requirements. Such employees should ensure that the labels are accurate and displayed consistent with the label template adopted by the Commission. Nevertheless, in response to comments, we upwardly adjust the burden hours and costs associated with creating the labels.

<sup>&</sup>lt;sup>22</sup> *See* United States Office of Personnel Management, Paperwork Reduction Act (PRA) Guide (April 2011), at 39 (instructing agencies to use "appropriate wage rate categories").

• CTIA (3), USTelecom (5), AT&T (3-4), Verizon (2), Lumen (2) – CTIA notes that the Broadband Label Order requires broadband providers that use alternate sales channels (e.g., company or third-party retail locations, kiosks, or over the phone) to make the labels available to consumers at each point of sale. CTIA acknowledges that the Commission allows some "useful flexibility" in allowing providers to make the label available at alternate sales channels through a variety of means other than hard copies, including by providing Internet access at the retail location or giving the customer a card with a printed URL or OR code. CTIA and Lumen, however, argue that the Broadband Label Order imposes an "extremely onerous and vague requirement" that each provider document each instance when it directs a consumer to a label at an alternate sales channel and retain such documentation for two years. Lumen states that, based on data from the previous year estimating the total volume of calls received annually by their customer care teams regarding broadband services, the new document retention requirements would be exceedingly burdensome. And AT&T estimates that, based on the number of customer visits to its retail stores last year, it would be a "monumental undertaking" to track each instance when a consumer is directed to a label at one of its alternate sales channels. Verizon also asserts that attempting to track and retain records consistent with this requirement would require the development of numerous backend systems and the training of thousands of employees, without any clear consumer benefit. CTIA contends that this latter obligation "appeared for the first time in the Broadband Label Order without the benefit of public comment on the concept or its costs." CTIA asserts that neither the Broadband Label Order nor the Notice offers any explanation or justification for this documentation and recordkeeping requirement. USTelecom argues that the burden associated with the documentation requirement is very high. USTelecom states that "depending on their size and geographic reach, broadband providers interact with hundreds, thousands, or millions of customers and prospective customers through alternate sales channels, such as over the phone and in retail locations, each year." USTelecom argues that creating a system by which customer-facing employees must record the details of when and how they share the label during a consumer interaction would impose a significant cost from a training and systems perspective.

**Response:** We believe that the justification for the requirement to document when a label is provided to a consumer at an alternate sales channel is apparent in the Commission's Broadband Label Order. The Commission asked a number of questions in the Broadband Label Notice of Proposed Rulemaking about enforcement of the label requirements and the accuracy of the information disclosed in the labels. Based on the extensive record developed in the proceeding-including numerous comments about enforcement of the labels—the Commission determined that providers must document their interactions with consumers when providing the label to them so that the Commission can properly enforce the rules. Labels displayed on provider websites (unlike labels provided at alternate sales channels) will be easily accessed by the Commission for the time they are posted and then when they are archived for two years once the plans associated with the labels are no longer offered to new customers. However, the Commission determined that the best way to ensure labels are, in fact, provided at alternate sales channels and that those labels are accurate, is for providers to document when customers are directed to the labels and to retain such documentation for two years. CTIA and USTelecom argue that this requirement will be costly but do not

provide any cost data to support their assertions. AT&T, Lumen, and Verizon provide estimates of the number of consumer calls and visits to retail stores, but these figures do not distinguish those inquiries from existing customer inquiries about their current broadband services (e.g., repairs, performance issues, billing, etc.) and inquiries from consumers shopping for new broadband service/plans. Thus, we believe such estimates about the number of times a provider must direct a consumer to a broadband label at alternate sales channels are not useful to this analysis. Nevertheless, to address commenters' concerns, we make clear that the hours and cost estimates are included in the requirement to display labels at all points of sale. We also upwardly adjust the burden estimates associated with this requirement.

CTIA (4), NTCA (6), USTelecom (5), Verizon (2) – CTIA states that the alternate sales channel "documentation" requirement does not meet the Commission's obligation under the PRA to certify that any information collection "is written using plain, coherent, and unambiguous terminology." CTIA and Verizon believe it is not clear what is required to "document each instance" in which a consumer is directed to a label. CTIA argues that it does not know whether it is a count of consumers who have been directed to the label by day, week, month, or year; whether providers are required to identify each consumer; or whether documentation is required separately for each retail location. Finally, CTIA asks whether providers must include details on the methods offered or chosen to view the labels. CTIA argues that the alternate sales channel documentation requirement creates "substantial uncertainty" and lacks any indication of why such a burden is necessary or appropriate. NTCA speculates that document retention and tracking of labels presented in alternate sales channels may require embedding labels into service orders, which NTCA claims would require amendments to billing software. USTelecom further argues that it is unclear what benefit the documentation requirement will have, particularly for consumers, when providers are already required to make the label available at each point of sale.

**Response:** We disagree with the assertion that the requirement to document interactions with consumers at alternate sales channels is unclear. The Commission stated in the *Broadband Label Order* that "[p]roviders must document *each* instance when it directs a consumer to a label at an alternate sales channel and retain such documentation for two years" (emphasis added). We believe it is unambiguous that this would include the identity of *each* consumer and that a "count of consumers" or the failure to identify how the label was provided to the consumer would not be sufficient to allow the Commission to investigate and enforce providers' obligation to make the label available to consumers at each point of sale. The Commission similarly stated (in the context of the requirement to archive labels displayed on websites and at alternate sales channels for two years) that, without such documentation, "the Commission would be unable to fully investigate consumer complaints alleging, for example, that a service provider failed to comply with the broadband label requirements or that a particular label was inaccurate."

CTIA (5-6, 8), AT&T (2-3), Verizon (1-2) – CTIA notes that the *Broadband Label Order* requires providers to display in the labels all recurring monthly fees that they impose at their discretion, i.e., fees not mandated by a government. CTIA argues that displaying all such fees on the label would be confusing to consumers and burdensome for providers,

"contravening the fundamental PRA requirements that information collections be necessary, useful, and minimally burdensome." Verizon maintains that it will need to create over 500 labels for its service offerings and that this number will be exponentially higher if the labels must account for every provider fee passed on to consumers. CTIA also asserts that requiring either "hundreds of labels" to account for geographic variability or a very lengthy label for each plan has no countervailing benefit for consumers who will receive the same information on their personalized monthly bills. CTIA argues that, instead, the Commission should clarify or reconsider this requirement so as to confirm that providers may use language similar to that used to disclose government taxes or, alternatively, may identify generally the maximum dollar figure of fees that providers will charge their customers. CTIA argues that many providers have far more than five plans—some, CTIA says, have hundreds. And CTIA claims that, if the Commission does not clarify or reconsider the information collection requirements regarding recurring monthly fees, one provider estimates the number of its labels could grow to more than 30,000 with over 150,000 labels per year to maintain (accounting for quarterly fee changes). AT&T also asserts that, if the Commission does not grant the industry petition in this regard, AT&T would be forced either to list all fees it imposes in each state and locality across the country on each label or to create separate labels to disclose such fees on a state-by-state or locality-by-locality basis. AT&T states this could force it to produce over 29,000 separate labels, a figure that is further multiplied by the revised labels that would be needed annually due to changes in fees and updated network performance data.

**Response:** The Commission disagrees with the assertion that the requirement to display in the label any fees consumers will be required to pay as part of their monthly service is unnecessary or not useful to consumers. The Commission, on the basis of the extensive record developed in the Broadband Label proceeding, found that the requirement to itemize additional fees assessed on top of the base monthly price will allow consumers to more meaningfully compare providers' rates and service packages, and to make more informed decisions when purchasing broadband services. Including additional fees on the monthly bill alone does not assist consumers at the point of sale as such information is critical in deciding which broadband plan meets their needs and budgets. Commenters may not want to disclose recurring fees they opt to pass through to consumers; however, we believe that requiring providers to disclose geographically relevant information (which types and amounts of fees that apply to consumers in certain areas) enhances the accuracy of pricing information for consumers. Finally, we reiterate that ISPs may choose to roll such fees into their monthly base price, which will eliminate the need to itemize fees on the labels altogether. Nevertheless, considering the comments that providers may need to produce more labels than expected because of their monthly fees, we upwardly adjust the burden estimates for the creation of the labels.

• CTIA (8), WISPA (6), NTCA (6) - CTIA notes that providers must translate the labels into any non-English language in which a provider markets service in the U.S. It asserts that this is not simply a matter of running the label through an automated translation program. CTIA also states that the *Broadband Label Order* encourages providers "to review their translations for context and vernacular language by native-level speakers who work directly with community members to ensure the language is not only accurate,

but also easily accessible and understandable to target audiences." WISPA states that, while automation may be possible with languages such as Spanish, that may not be the case with respect to Native American or other less common languages. Moreover, WISPA states that the Commission's estimates do not appear to include the translation services that providers may need to contract for in order to meet the requirement to recite their labels' contents over the telephone. NTCA similarly argues that the costs of compliance are anticipated to be higher when the language is not commonly spoken and that translation costs are also expected to be higher when translating to Native American and Alaskan Native languages and dialects.

**Response:** During the rulemaking proceeding, some commenters supported requiring providers to translate labels into multiple languages, while others asserted that doing so would be burdensome. Based on the record, and weighing the costs to industry against the benefits to consumers, the Commission determined to require broadband providers to make labels available at this time only in those languages in which they market their services in the U.S. It did not require providers to employ native-level speakers to review translations for context and vernacular language. Thus, while the Commission encourages providers to ensure the labels are easily accessible and that consumers are not left uninformed due to a language barrier, it did not adopt any requirements beyond simply translating the labels into languages that they advertise in. If the provider advertises in certain non-English languages, we expect that they have already utilized an automated translation program or other translation service for their advertising materials. The labels should not contain much, if any, additional information that providers do not provide in their marketing materials, with the possible exception of a few words. Further, much of the label content is numerical in nature and would not need translation; once the label template is translated, it should remain static apart from the changes to a broadband plan's pricing amounts or speed/latency numbers. And, as the Commission stated in the Broadband Label Order, trade associations can be very helpful in translating the label template into non-English languages and distributing them widely to members to reduce or even eliminate the necessity for translating services by individual providers. As explained above, commenters incorrectly state that translation services are not included in the burden/cost estimates, as the Commission captures them in the estimates for creating the labels. Finally, commenters suggest that there are providers that will need to translate the labels into Native American and Alaskan Native languages (we assume because they market their broadband services in such languages). Commenters provide no data to support the claim that more than a handful of providers market in languages other than English, Spanish, Simplified and Traditional Chinese, and possibly a few additional languages because they offer service in a given area with a significant population that speaks such languages. But we believe those providers have already invested resources in translating their marketing materials into these other non-English languages and any additional burdens associated with translating the label content will be minimal.

 CTIA (7-8), WISPA (8), NTCA (6) – CTIA states that OMB regulations make clear that the burden of an information collection encompasses "the total time, effort, or financial resources expended" to "generate, maintain, retain, or disclose or provide information." CTIA asserts that this encompasses developing technology and systems to collect, validate, and verify information and to process, maintain, and provide that information, as

well. CTIA argues that the Commission's estimates as to the number of responses and the amount of time to update the labels periodically are unreasonable. WISPA argues that the *Notice* and supporting statement on which the *Notice* is based does not appear to include estimates of the cost to update the labels. NTCA argues that the on-going updating of labels will cost companies significantly more than the rates anticipated by the Commission.

**Response:** We agree with commenters that the labels will likely need to be updated periodically or "on occasion" (which is a commonly used OMB term<sup>23</sup>) as broadband plans change (e.g., changes to the monthly base price, provider fees, data allowances, and speed/latency metrics). We presume providers will update the labels at the same time they update their advertisements and marketing materials. We disagree with WISPA, however, that any additional time/costs to update the labels was not included in the burden estimates, as the Commission states below that "the disclosures required under this information collection may need to be updated on occasion." To eliminate any confusion about updating the labels, we make clear herein that the estimates for creating the labels include any necessary updates as well as putting new data into the label format. Considering the comments, the Commission also upwardly adjusts the estimates for the time and cost to update labels.

9. Payments or Gifts to Respondents.

The Commission does not anticipate providing any payment or gift to respondents.

10. Assurances of Confidentiality.

The Commission is not requesting that respondents submit confidential information to the Commission.

11. Questions of a Sensitive Nature.

There are no questions of a sensitive nature with respect to the information collected.

12. Estimates of the Hour Burden for the Collection of Information.

The Commission currently has one approved information collection related to the Transparency Rule, OMB Control No. 3060-1158, which included *voluntary* broadband labels as a safe harbor from enforcement of the transparency rule, 47 CFR § 8.1(a). The Commission, however, is submitting this as a new information collection, as the collection stems from section 60504(a) of the Infrastructure Act, which requires that the Commission adopt broadband consumer labels. The disclosures required under this information collection may need to be updated on occasion. The details of the collection for which the Commission seeks approval are described below.

### Annual Burden Hours Under the Broadband Consumer Label Requirements:

<sup>&</sup>lt;sup>23</sup> *See* United States Office of Personnel Management, Paperwork Reduction Act (PRA) Guide (April 2011), at 33 (describing "on occasion" recordkeeping or reporting requirements).

(a) <u>Sections 8.1(a)(1), 8.1(a)(4)</u> – Creation of Broadband Consumer Label (using label template)

The Commission believes that most broadband Internet access service providers already disclose most, if not all, of the required label information in some manner, and that creating labels using the Commission's label template will therefore not be a significant additional burden. The Commission also believes, however, that not all information is currently and consistently available at each point of sale location and in a form that serves the purposes of the Infrastructure Act and the *Broadband Label Order*. Thus, complying with the new label requirements will entail some implementation costs. In addition, this estimate recognizes that a small number of respondents that advertise in languages other than English may need to translate the information on the label to meet the requirement that the label be displayed in all languages in which the provider markets its services. The Commission anticipates that many respondents will automate this process and that the level of effort required will decrease over time either through automation or familiarity with the process.

The Commission estimates that there are approximately 6,010 broadband Internet access service providers (respondents) that will be subject to the label requirements over a three-year period. While respondents may need to display numerous labels, the process to create the initial labels as well as to update the labels on occasion will require approximately 60 hours on average to complete per respondent. Thus, one response does not necessarily equate to one label.

#### Annual Number of Respondents: 6,010 Annual Number of Responses: 1 per respondent (6,010 responses) Annual Burden Hours: 60 per respondent

6,010 respondents x 1 response x 60 hours = **360,600 Total Burden Hours** 

The Commission assumes that respondents use "in house" personnel, or in some cases outside resources, whose pay is comparable to mid-to-senior level federal employees (GS-12/5, GS-14/5 and GS-15/5). As detailed below, the Commission estimates respondent's average cost to be \$61.98 per hour to comply with the requirement to create a label associated with its broadband service offering:

| <u>Staff</u>                 | <u>Hours</u> | Hourly Cost | Total Cost |
|------------------------------|--------------|-------------|------------|
| GS-12/5 Technical Writer     | 10           | \$51.15     | \$511.50   |
| GS-12/5 Staff Administrator  | 10           | \$51.15     | \$511.50   |
| GS-12/5 Web Administrator    | 15           | \$51.15     | \$767.25   |
| GS-14/5 Engineer             | 15           | \$71.88     | \$1,078.20 |
| GS-15/5 Attorney             | 10           | \$84.55     | \$845.50   |
| Total Hours and Average Cost | 60           | \$61.98     | \$3,713.95 |

#### Annual "In-House" Cost:

6,010 respondents x 1 response x 60 hours x \$61.98/hr = **\$22,349,988.00** 

(b) <u>Section 8.1(a)(2)</u> – Display of Broadband Consumer Label at Each Point of Sale

As noted above, the Commission estimates that there are approximately 6,010 broadband Internet access service providers (respondents) that must comply with the requirement to display labels at each point of sale (on websites and at alternate sales channels). This process will be done "on occasion" and will require approximately 1.5 hours, or 40 hours for some providers, to comply with the requirement. This estimate contemplates that the effort to display the label at the point of sale should be minimal for the majority of respondents. Displaying the label at the point of sale may require more effort for a small number of larger respondents that have alternate sales channels and might need to print the label or read the label over the phone for consumers who do not have Internet access at home or at providers' retail locations. This estimate also takes into account that providers will need to document each time a consumer is directed to a label at an alternate sales channel and to retain such documentation for two years. This estimate therefore assumes that 100 respondents will need to document interactions with consumers at alternate sales channels (40 hours) and the remaining respondents will only need to provide the label electronically (1.5 hours), as detailed below:

### Annual Number of Respondents: 6,010 Annual Number of Responses: 1 per respondent (6,010 responses) Annual Burden Hours: 1.5 per respondent (40 for a small number of respondents)

1) Respondents that need only display labels on websites: 5,910

5,910 respondents x 1 response x 1.5 hours = 8,865 Burden Hours

2) Respondents that must display labels on websites and document providing labels at alternate sales channels: 100

100 respondents x 1 response x 40 hours = 4,000 Burden Hours

8,865 + 4,000 = 12,865 Total Burden Hours (rounded)

The Commission assumes that respondents use "in house" personnel whose pay is comparable to mid-to-senior level federal employees (GS-12/5 and GS-14/5). The Commission estimates respondent's average cost to be \$56.33 per hour to comply with the point of sale requirements:

| <u>Staff</u>                 | <u>Hours</u> | Hourly Cost | <u>Total Cost</u> |
|------------------------------|--------------|-------------|-------------------|
| GS-12/5 Technical Writer     | 0.25         | \$51.15     | \$12.79           |
| GS-12/5 Staff Administrator  | 0.25         | \$51.15     | \$12.79           |
| GS-12/5 Web Administrator    | 0.5          | \$51.15     | \$25.58           |
| GS-14/5 Engineer             | 0.5          | \$71.88     | \$35.94           |
| Total Hours and Average Cost | 1.5          | \$56.33     | \$87.10           |

## Annual "In-House" Cost:

5,910 respondents x 1 response x 1.5 hours x \$56.33/hr = **\$499,365.45** 

100 respondents x 1 response x 40 hours x \$56.33/hr = **\$225,320** 

## Total "In-House" Cost": \$499,365.45 + \$225,320 = \$724,685.45

(c) <u>Section 8.1(a)(2)</u> – Display of Broadband Consumer Label on Online Account Portals

The Commission estimates that there are approximately 6,010 broadband Internet access service providers (respondents) that must comply with the requirement to display labels on their customers' online account portals. This process will be done "on occasion" and will require approximately 35 hours to comply with the requirement. This estimate contemplates that the initial setup of the system is likely to require significantly more effort than the effort to maintain it in the subsequent years. The 35-hour estimate reflects the average level of effort over a three-year period.

### Annual Number of Respondents: 6,010 Annual Number of Responses: 1 per respondent (6,010 responses) Annual Burden Hours: 35 per respondent

6,010 respondents x 1 response x 35 hours = 210,350 Total Burden Hours

The Commission assumes that respondents use "in house" personnel whose pay is comparable to mid-to-senior level federal employees (GS-12/5, GS-14/5 and GS-15/5). The Commission estimates respondent's average cost to be \$61.98 per hour to comply with online account portal requirements:

| Staff                        | <u>Hours</u> | Hourly Cost | <u>Total Cost</u> |
|------------------------------|--------------|-------------|-------------------|
| GS-12/5 Technical Writer     | 2.5          | \$51.15     | \$127.88          |
| GS-12/5 Staff Administrator  | 5            | \$51.15     | \$255.75          |
| GS-12/5 Web Administrator    | 15           | \$51.15     | \$767.25          |
| GS-14/5 Engineer             | 10           | \$71.88     | \$718.80          |
| GS-15/5 Attorney             | 2.5          | \$84.55     | \$211.38          |
| Total Hours and Average Cost | 35           | \$61.98     | \$2,081.06        |
|                              |              |             |                   |

#### Annual "In-House" Cost:

6,010 respondents x 1 notification x 35 hours x \$61.98/hr = **\$13,037,493.00** 

### (d) Section 8.1(a)(3) – Display of Label Contents in Machine-Readable Format

The Commission estimates that there are approximately 6,010 broadband Internet access service providers (respondents) that must comply with the requirement to display the content of the broadband labels on their websites in a machine-readable format through a dedicated URL in a file format such as .csv. This process will be done "on occasion" and will require approximately 1.5 hours to comply with the requirement. The Commission believes doing so should be a straightforward technical task and that most respondents will likely automate the

task. This estimate assumes that 25 respondents will not automate the task and will spend on average 2 hours to comply with the requirement.

## Annual Number of Respondents: 6,010 Annual Number of Responses: 1 per respondent (6,010 responses) Annual Burden Hours: 1.5 per respondent (2 hours for respondents that do not automate process)

1) Respondents using automation to make information available in machine-readable format: 5,985

5,985 respondents x 1 response x 1.5 hours = **8,977.50 Burden Hours** 

2) Respondents that will not use automation to make label information available in machinereadable format: 25

25 respondents x 1 response x 2 hours = **50 Burden Hours** 

8,977.50 + 50 = 9,028 Total Burden Hours (rounded)

The Commission assumes that respondents use "in house" personnel whose pay is comparable to mid-to-senior level federal employees (GS-12/5). The Commission estimates respondent's average cost to be \$51.15 per hour to comply with the machine readability requirements:

| Total Hours and Average Cost | 1.5          | \$51.15     | \$76.73           |
|------------------------------|--------------|-------------|-------------------|
| GS-12/5 Web Administrator    | 1            | \$51.15     | \$51.15           |
| GS-12/5 Staff Administrator  | .5           | \$51.15     | \$25.58           |
| <u>Staff</u>                 | <u>Hours</u> | Hourly Cost | <u>Total Cost</u> |

### Annual "In-House" Cost:

5,985 respondents x 1 response x 1.5 hours x \$51.15/hr = **\$459,199.13** 

25 respondents x 1 response x 2 hours x \$51.15 = **\$2,557.50** 

Total "In-House" Cost: \$459,199.13 + \$2,557.50 = \$461,756.63

#### (e) <u>Section 8.1(a)(5)</u> – Archive of Labels

The Commission estimates that there are approximately 6,010 broadband Internet access service providers (respondents) that must comply with the requirement to archive labels for two years from the time a service plan is no longer available for purchase and the label associated with the plan is not posted on any website or alternate sales channel. This estimate includes the effort required to archive the labels as well as the cost to retrieve the information upon the request of the Commission or a customer. Because each customer's label is

available to the customer on their online account portal, we anticipate respondents will receive a small number of requests for historical data. The process will be done "on occasion" and will require approximately 65 hours on average to comply with the requirements.

## Annual Number of Respondents: 6,010 Annual Number of Responses: 1 per respondent (6,010 responses) Annual Burden Hours: 65 per respondent

6,010 respondents x 1 response x 65 hours = **390,650 Total Burden Hours** 

The Commission assumes that respondents use "in house" personnel whose pay is comparable to mid-to-senior level federal employees (GS-12/5, GS-14/5 and GS-15/5). The Commission estimates respondent's average cost to be \$61.98 per hour to comply with label archiving and retrieval requirements:

| <u>Staff</u>                 | <u>Hours</u> | Hourly Cost | <u>Total Cost</u> |
|------------------------------|--------------|-------------|-------------------|
| GS-12/5 Technical Writer     | 5            | \$51.15     | \$255.75          |
| GS-12/5 Staff Administrator  | 20           | \$51.15     | \$1,023.00        |
| GS-12/5 Web Administrator    | 15           | \$51.15     | \$767.25          |
| GS-14/5 Engineer             | 20           | \$71.88     | \$1,437.60        |
| GS-15/5 Attorney             | 5            | \$84.55     | \$422.75          |
| Total Hours and Average Cost | 65           | \$61.98     | \$3,906.35        |

### Annual "In-House" Cost:

6,010 respondents x 1 notification x 65 hours x \$61.98/hr = **\$24,212,487.00** 

<u>Cumulative Totals for the Information Collection</u>: Total Annual Number of Respondents: 6,010 respondents Total Annual Number of Responses: 30,050 responses Total Annual Burden Hours: 983,493 hours Total Annual "In-House" Costs: \$60,786,410.10

### 13. Estimates of the Cost Burden of the Collection to Respondents.

The Commission expects most, if not all, reporting requirements will be met by respondents' "in-house" staff as described above. Any outside resources, however, that must be retained to implement the label requirements are also captured in the "in-house" cost estimates. The Commission believes that respondents will have negligible additional capital costs to comply with the requirements. Any such costs will be related to updating existing software and equipment, rather than purchasing new equipment. Thus, the Commission estimates the following:

(a) Total annualized capital/start-up costs for all respondents: **\$0** 

- (b) Total annual costs (Operation & Maintenance) for all respondents: **\$0**
- (c) Total Annual Capital, Operation, and Maintenance Costs Required for All Respondents: \$0
- 14. Estimates of the Cost Burden to the Commission.

The Commission has determined there are no costs to the Federal Government for requiring respondents to comply with these requirements.

15. Program Change or Adjustment.

As this is a new information collection, there are program changes which will be added to OMB's inventory once approved as follows: 6,010 to the number of respondents, 30,050 to the number of annual responses, and 983,493 to the annual burden hours.

16. Collection of Information Whose Results will be Published.

There are no plans to publish the result of the collection of information.

17. Display of Expiration Date of OMB Approval of Collection.

The Commission is not seeking approval to not display the expiration date for OMB approval of the information collection.

18. Exception to the Certification Statement for Paperwork Reduction Act Submissions.

There is an exception to the certification statement. When the Commission published the 60day Federal Register Notice seeking PRA comments from the public, that notice had the annual burden hours stated as 117,271 hours. The Commission adjusted the annual burden hours once PRA comments were received from the public. The annual burden hours are now 983,493 hours.

### B. Collections of Information Employing Statistical Methods

The Commission does not anticipate that the collection of information will employ any statistical methods.