

SUPPORTING STATEMENT

This information collection is being submitted to obtain the Office of Management Budget (OMB) approval for revised information collection requirements due to a recent Federal Communications Commission (Commission or FCC) order modifying requirements. We propose to revise this collection consistent with this modification, as described below. Additionally, the proposed revisions also include the retitling of this collection from “Sections 1.2002, 54.201, 54.202, Telecommunications Carriers Eligible for Universal Service Support” to “Sections 1.2002, 54.201, 54.202, 54.205, Telecommunications Carriers Eligible for Universal Service Support.”

A. Justification:

1. Circumstances that make the collection necessary.

With this submission, the Commission seeks OMB approval to increase the requirements in this information collection. The Commission estimates that these requirements will only marginally increase the reporting burden of Eligible Telecommunications Carriers (ETCs).

Section 254(e) of the Communications Act of 1934, as amended (Act) provides that “only an ETC designated under section 214(e) shall be eligible to receive specific Federal universal service support.”

Section 214(e)(2) of the Act gives state commissions the primary responsibility for performing ETC designations.

Section 214(e)(6) vests the Commission with authority to designate as an ETC “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission.”

Section 214(e)(4) provides that state commissions, in a case of a common carrier designated under paragraph (2) of this section, or the Commission, in a case of a common carrier designated under paragraph (6) of this section, “shall permit” an ETC to relinquish its designation “in any area served by more than one” ETC so long as “the remaining [ETCs] ensure that all customers served by the relinquishing carrier will continue to be served,” and the relinquishing carrier provides “sufficient notice to permit the purchase or construction of adequate facilities by any remaining eligible telecommunications carrier.” The ETC must provide advance notice to the state commission or the Commission.

The Commission’s rules for ETC designation require the collection of information specified below, except where the Commission has waived information collection requirements when enforcing them would not serve the public interest.

On October 20, 2023, the Commission adopted the *Connect America Fund et al.*, WC Docket No. 10-90 et al. WT Docket No. 10-208, Notice of Proposed Rulemaking and Report and Order, FCC 23-87 (Oct. 20, 2023) (*Administrative Order*). In the *Administrative Order*, the Commission modified, in relevant part, section 205 of the Commission’s rules, to require an ETC that intends to relinquish its ETC designation to provide: 1) advance notice to the state commission and to the Commission of such intention to relinquish, and 2) notice to the Commission of the state authority’s decision to permit or deny such relinquishment, within 10 days of its decision. These

filings must be submitted regardless of whether the ETC is currently receiving federal support. The Commission identified its statutory authority to impose these requirements through section 254 of the Act and as reasonably ancillary thereto.

The Commission notes that information collections associated with the Lifeline-only ETC designations and relinquishments are reflected in OMB Control No. 3060-0819.

New requirements for which we are seeking approval:

- (1) Notification of Relinquishment of ETC Designation (See 12.a.): An ETC designated by a state authority and seeking to relinquish its ETC designation before the state authority must provide advance notice to the Commission.

An ETC or former ETC must notify the Commission of the state's decision to permit or deny such relinquishment by submitting the relevant state order or other document issued by the state within 10 days of such issuance.

Currently approved requirement in this information collection (no changes to requirement):

- (2) ETC Designation Application (See 12.b.): A petitioner seeking Commission designation as an ETC must:
 - 1) Certify that it offers or intends to offer all services designated for support by the Commission pursuant to section 254(c) of the Act (which service must be offered on a common carriage basis). § 54.201(d)(1).
 - 2) Certify that it offers or intends to offer the supported services (as defined in § 54.101, as "voice telephony services") either using its own facilities or a combination of its own facilities and resale of another carrier's services. § 54.201(d)(1).
 - 3) Provide a description of how the petitioner advertises the availability of supported services and the charges therefor using media of general distribution. § 54.201(d)(2).
 - 4) Submit a detailed description of the geographic service area for which the petitioner requests to be designated as an ETC. § 54.201(d)(1).
 - 5) Certify that it will comply with the service requirements applicable to the support that it receives. § 54.202(a)(1)(i).
 - 6) Submit a five-year plan that describes with specificity proposed improvements or upgrades to the applicant's network throughout its proposed service area, with estimates of the area and population that will be served as a result of the improvements. § 54.202(a)(1)(ii).
 - 7) Demonstrate its ability to remain functional in emergency situations by showing that it:

- (a) has a reasonable amount of back-up power to ensure functionality without an external power source,
 - (b) can reroute traffic around damaged facilities,
 - (c) can manage traffic spikes resulting from emergency situations. § 54.202(a)(2).
- 8) Demonstrate that it will satisfy applicable consumer protection and service quality standards. A commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service will satisfy this requirement. § 54.202(a)(3).
- 9) Section 1.2002(a)-(b), requires that before any “new, modified, and/or renewed instrument of authorization from the Commission,” including but not limited to an ETC designation, a carrier must certify that neither it, nor any party to the petition, is subject to a denial of benefits pursuant to the Anti-Drug Abuse Act of 1988. § 1.2002(a)–(b).

A carrier seeking ETC designation for any part of Tribal lands shall provide a copy of its petition to the affected tribal government and tribal regulatory authority, as applicable, at the time it files its petition with the Commission.

In addition, the Commission will send any public notice seeking comment on any petition for designation as an ETC on Tribal lands, at the time it is released, to the affected tribal government and tribal regulatory authority, as applicable, by the most expeditious means available, § 54.202(c).

Designation as an ETC makes a telecommunications carrier eligible to receive support from the universal service high-cost and low-income programs, which support the extension of telecommunications services to underserved rural communities. In the absence of this information collection, the Commission’s ability to fulfill its statutory obligation and to oversee the use of federal universal service funds and to combat waste, fraud, and abuse in the use of federal funds would be compromised.

Statutory authority is contained in sections 201(b), 214(e)(6), and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 201(b), 214(e)(6), 303(r).

This information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. *Use of information.* The Commission will use the information collected to ensure that each ETC satisfies its obligation under section 214(e) of the Act to provide services supported by the universal service mechanism(s) throughout the areas for which each ETC is designated. The Commission will also use the information collected to help deter waste, fraud, and abuse by enabling swift discontinuance of support payments to non-ETCs, and, where applicable, allow the Commission to initiate default and potentially enforcement proceedings.
3. *Technological collection techniques.* The Commission encourages ETCs to use information technology to whatever extent possible to reduce the burden of this information collection.

Respondents currently respond both with paper copies and via the Internet (the Commission's Electronic Comment Filing System).

4. *Efforts to identify duplication.* There is no duplication of information. The information sought is unique to each respondent and similar information is not already available.
5. *Impact on small entities.* The collections of information may affect small entities as well as large entities. The Commission has limited the information requirements to those necessary for the purposes for which the information will be used, and we expect respondents to use information technology and standardized practices to minimize the time necessary to comply with these requirements.
6. *Consequences if information is not collected.* Without the requested information, the Commission could not determine whether each applicant satisfies its obligation under section 214(e) of the Act to provide services supported by the universal service mechanism(s) throughout the areas for which each ETC is designated.
7. *Special circumstances.* There are no special circumstances associated with this information collection.
8. *Federal Register notice; efforts to consult with persons outside the Commission.* A 60-day notice was also published in the *Federal Register* pursuant to 5 C.F.R. § 1320.8(d) on November 28, 2025 (90 FR 54683). We received one comment in the PRA mailbox in response to this notice. *See Sections 1.2002, 54.201, 54.202, 54.205, Telecommunications Carriers Eligible for Universal Service Support*, OMB Control No. 3060-1081 (emailed November 28, 2025) (Comment). The commenter states that “it disagrees with the change,” and that “the state authority should get advance notice and have time to act on any notice.”

This revision operationalizes a Commission rule adopted in the *Connect America Fund et al.*, WC Docket No. 10-90 et al., WT Docket No. 10-208, Notice of Proposed Rulemaking and Report and Order, FCC 23-87 (Oct. 20, 2023) (*Administrative Order*) requiring any carrier seeking to relinquish its ETC designation to provide advance notice to the state commission and to the Commission and to provide notice to the Commission of the state authority's decision within 10 days of the state's decision. Where the state commission has jurisdiction to decide whether to grant a request for relinquishment, the rule changes specifically ensure that it receives notice. It does not alter any current processes or rules governing state decision-making or process.

9. *Payments or gifts to respondents.* The Commission will not pay or provide any payment or gift to respondents for complying with this information collection.
10. *Assurances of confidentiality.* Pursuant to 47 CFR § 0.459, a respondent may request that information submitted to the Commission not be put in the public record. The respondent must state the reasons, and the facts on which those reasons are based for withholding the information from the public record.
11. *Questions of a sensitive nature.* This information collection does not address any private matters of a sensitive nature.
12. *Estimates of the hourly burden of the collection to respondents.* The following represents the hour burden on the collections of information:

a. ETC Relinquishment Notices (new requirement):

- (1) Number of respondents: 4.
- (2) Frequency of response: One-time reporting requirement.
- (3) Total number of responses per respondent: 2.
- (4) Estimated time per response: 1 hour.
- (5) Total annual hour burden: 2 hours.

2 hours per respondent for 4 respondents filing on an annual basis. Total annual hour burden is calculated as follows:

4 respondents x 2 filings per respondent = 8 responses x 1 hour = **8 total annual hours**.

- (6) Total estimate of in-house cost to respondents: \$320 (8 hours x \$40/hour).
- (7) Explanation of calculation: We estimate the average ETC will require a total of at least 2 hours to complete the information collections required.

8 (responses) x 1 (hours to prepare, review, and submit application) x \$40 per hour = \$320.

b. ETC Designation Application (no revisions):

- (1) Number of respondents: 20.
- (2) Frequency of response: One-time reporting requirement.
- (3) Total number of responses per respondent: 1.
- (4) Estimated time per response: 40 hours.
- (5) Total annual hour burden: 800 hours.

40 hours per respondent for 20 respondents filing on an annual basis. Total annual hour burden is calculated as follows:

20 respondents x 1 filing per respondent = 20 responses x 40 hours = **800 total annual hours**.

- (6) Total estimate of in-house cost to respondents: \$32,000. (800 hours x \$40/hour).
- (7) Explanation of calculation: We estimate the average ETC will require a total of at least 40 hours to complete the information collections required for its application.

20 (responses) x 40 (hours to prepare, review, and submit application) x \$40 per hour = \$32,000.

The estimated respondents and responses and burden hours are listed below:

Information Collection Requirements	Number of Respondents	Number of Responses Per Year	Estimated Time per Response (hours)	Total Burden Hours	In-house Cost to Respondents
<u>a. ETC Relinquishment Notices</u>	4	2	1	8	\$320
<u>b. ETC Designation Application</u>	20	1	40	800	\$32,000

TOTALS:

Total Number of Respondents = 24

Total Number of Responses Annually = 28

Total Annual Hourly Burden for requirements = 808.

Total Annual In-house Costs to respondents = \$32,320.

13. *Estimates of the cost burden of the collection to respondents.* — There are no outside contracting costs for this information collection.
14. *Estimates of the cost burden to the Commission.* — There will be few, if any, additional costs to the Commission because oversight and enforcement requirements are already part of Commission duties. Moreover, there will be minimal cost to the Federal government since an outside party administers the program.
15. *Program changes or adjustments.* The Commission is reporting program changes as a result of a new requirement that require ETCs to file additional relinquishment information. This addition will increase the burdens. The program change resulted in an increase in the number of respondents from 20 to 24 (+4), an increase in the number of responses from 20 to 28 (+8), and an increase in total annual burden hours from 800 to 800 (+8).

No adjustments are being reported to this revised information collection.
16. *Collections of information whose results will be published.* — Non-proprietary information may be made publicly available although the Commission does not have specific plans for doing so at this time.

17. *Display of expiration date for OMB approval of information collection.* — The information collection does not include any Commission forms; consequently, the Commission has no reason to seek approval to avoid displaying the expiration date on forms for OMB approval.

18. *Exceptions to the certification statement for Paperwork Reduction Act submissions.*

There are no exceptions to the Certification Statement.

B. Collections of Information Employing Statistical Methods:

The information collection does not employ any statistical methods.