

## SUPPORTING STATEMENT

### A. Justification<sup>1</sup>

1. 47 CFR Section 76.952 states that all cable operators must provide to the subscribers on monthly bills the name, mailing address and phone number of the franchising authority, unless the franchising authority in writing requests that the cable operator omits such information. The cable operator must also provide subscribers with the FCC community unit identifier for the cable system in their communities.

47 CFR Section 76.990(b)(1) requires that a small cable operator, may certify in writing to its franchise authority at any time that it meets all criteria necessary to qualify as a small operator. Upon request of the local franchising authority, the operator shall identify in writing all of its affiliates that provide cable service, the total subscriber base of itself and each affiliate, and the aggregate gross revenues of its cable and non-cable affiliates. Within 90 days of receiving the original certification, the local franchising authority shall determine whether the operator qualifies for deregulation and shall notify the operator in writing of its decision, although this 90-day period shall be tolled for so long as it takes the operator to respond to a proper request for information by the local franchising authority. An operator may appeal to the Commission a local franchise authority's information request if the operator seeks to challenge the information request as unduly or unreasonably burdensome. If the local franchising authority finds that the operator does not qualify for deregulation, its notice shall state the grounds for that decision. The operator may appeal the local franchising authority's decision to the Commission within 30 days.

### History

On April 9, 1996, the FCC released an *Order and Notice of Proposed Rulemaking*, FCC 96-154, In the Matter of Implementation of Cable Act Reform Provisions of the Telecommunications Act of 1996. This document amended certain rules to implement the 1996 Act, established interim rules, and proposed certain final rules. The item focused principally on rules relating to cable television rate regulation. Under the 1996 Act, regulation of cable programming services tiers (CPST) sunset on March 31, 1999. On March 29, 1999, the FCC released a *Report and Order*, FCC 99-57, *Implementation of Cable Act Reform Provisions of the Telecommunications Act of 1996*. This document adopted final rules regulating cable TV service and cable system operators pursuant to Sections 301 and 302, Telecommunications Act of 1996. The 1996 Act amended or deleted numerous provisions of Title VI, Communications Act of 1934, as amended, and added new provisions affecting cable TV.

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<sup>1</sup> The Commission removed the reference to 47 CFR Section 76.990(b)(3) because it should have previously been removed from the collection since under the 1996 Telecommunications Act, regulation of cable programming services tiers (CPST) sunset on March 31, 1999. The removal of this rule section does not impact the burden for this collection.

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**March 2014**

**Title: Sections 76.952 and 76.990, Cable Act Reform**

The Commission is requesting an extension of this information collection to receive the full three year OMB approval/clearance for the collection.

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

The statutory authority for this collection of information is contained in the Telecommunications Act of 1996, Pub. L. No. 104-104, Sections 301 and 302, 110 Stat. 56, 114-124.

2. The requirements accounted for in this information collection serve a variety of purposes for subscribers, cable operators, franchising authorities and the Commission.

Section 76.952 states that contact information of the franchising authority appear on the monthly billing statements unless the franchising authority request otherwise.

Section 76.990 states that a small cable operator may certify in writing its qualifications as a small operator. The franchising authority makes a final determination and cable operator may appeal decision to FCC if necessary.

3. Use of information technology is not feasible for this collection information because the majority of this collection is comprised of third-party disclosures.

4. This agency does not impose similar information collection requirements on the respondents.

5. Information collection requirements accounted for in this information collection will directly affect entities which are small business entities, as defined in Section 601(3) of the Regulatory Flexibility Act, however, a limited amount of small businesses or other small entities will be affected by this collection of information.

6. If not permitted to conduct the collection of information in this information collection, the Commission would not be in compliance with the Cable Act Reform provisions of the Telecommunications Act of 1996.

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

8. The Commission published a Notice (79 FR 3800) on January 23, 2014, seeking public comment on the information collection requirements contained in this supporting statement. No comments were received from the public.

9. Respondents will not receive gifts or payments.

10. There is no need for confidentiality with this collection of information.

11. These information collection requirements do not address matters of a sensitive nature.

12. The public burden for this information collection is as follows:

<b><u>Rule Section</u></b>	<b><u>Responses</u></b>	<b><u>Hourly Burden</u></b>	<b><u>Total Annual Burden Hours</u></b>
<b>Section 76.952<sup>2</sup></b>	50 written notifications	1 hour/notice	50 hours
<b>Section 76.990</b>	10 requests/certification responses	8 hours/response	80 hours
	10 reviews and decisions responses	8 hours/review/decision	<u>80 hours</u>
<b>TOTAL:</b>	<b>70 responses</b>		<b>210 hours</b>

**Total Number of Annual Respondents:**

**Section 76.952 -** 50 LFAs  
**Section 76.990 -** 10 small cable operators  
10 LFAs  
**70 respondents**

**Total Number of Annual Responses – 70 (responses)**

**Total Annual Burden Hours – 210 hours**

**Annual “In-house” Cost:** Section 76.990 details procedures for certifications that are prepared by cable operators and that are reviewed by franchising authorities. These activities will be performed by in-house legal staff at an estimated pay rate of \$100 per hour. Other activities

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<sup>2</sup> Since subscribers are provided the name, mailing address and phone number of the franchising authority in their monthly bills there is no burden attached to this requirement. The only burden is attached to the written notices prepared by LFAs.

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accounted for in this collection under Section 76.952 are assumed to be performed by a variety of professional and administrative staff at an estimated average rate of \$25 per hour.

Section 76.952: 50 notices x \$25 per hour x 1 hr/notice =	\$ 1,250.00
Section 76.990: 20 requests/certifications/reviews/decisions x \$100/hr. x 8 hrs./request/review/decision =	<u>\$16,000.00</u>
<b>Total Annual In-House Cost Burden =</b>	<b>\$17,250.00</b>

**13. Annual Cost Burden:**

(a) Total annualized capital/startup costs: None

(b) Total annual costs (O&M): None

(c) Total annualized cost required: None

14. There is no cost to the Federal Government.

15. There are no program changes or adjustments to this information collection.

16. The data will not be published for statistical use.

17. The Commission does not seek approval to not display the expiration date for this collection of information.

18. There are no other exceptions to the Certification Statement.

**B. Collections of Information Employing Statistical Methods**

No statistical methods are employed.