

Sections 1.946(d), 27.10(d), 27.12, 27.14 and 27.17, Service Rules for the Advanced Wireless Services H Block—Implementing Section 6401 of the Middle Class Tax Relief and Job Creation Act of 2012 Related to the 1915-1920 MHz and 1995-2000 MHz Bands – R&O, FCC 13-88

SUPPORTING STATEMENT

Introduction: The Commission is seeking a three year extension from the Office of Management and Budget (OMB) for this collection. This information collection supports “Auction of H Block Licenses in the 1915-1920 MHz and 1995-2000 MHz Bands”, also known as Auction 96, which began on January 22, 2014 and closed on February 27, 2014.

A. Justification:

1. On June 27, 2013, the FCC adopted the Service Rules for the Advanced Wireless Services H Block—Implementing Section 6401 of the Middle Class Tax Relief and Job Creation Act of 2012 Related to the 1915-1920 MHz and 1995-2000 MHz Bands, WT Docket 12-357, *Report and Order*, 28 FCC Rcd 9483 (2013) (*H Block R&O*). The *H Block R&O* adopted service rules for the H Block and makes available 10 MHz of paired spectrum for flexible use in accordance with the Middle Class Tax Relief and Job Creation Act of 2012. The *H Block R&O* contained new information collection requirements.

For the purpose of this collection, a winning bidder of H Block spectrum must comply with each of the following rule sections:

- (a) **Section 1.946(d)** requires H Block licensees to file a construction notification and certify that they have met the applicable performance benchmarks.
- (b) **Section 27.10(d)** requires an H Block licensee to notify the Commission within 30 days if it changes, or adds to, the carrier status on its license.
- (c) **Section 27.12** requires H Block licensees to comply with certain eligibility reporting requirements.
- (d) **Section 27.14** requires H Block licensees to file license renewal applications. Included in the application should be a detailed description of: (1) the level and quality of service provided by the applicant; (2) the date service commenced; (3) whether service was ever interrupted; (4) the duration of any interruption or outage; (5) the extent to which service is provided to rural areas; (6) the extent to which service is provided to qualifying Tribal lands; and (7) any other factors associated with the level of service to the public.
- (e) **Section 27.17** requires H Block licensees to notify the Commission within ten days if they permanently discontinue service by filing FCC Form 601 or 605 and requesting license cancellation.

Statutory authority for these collections are contained in 15 U.S.C. 79 et seq.; 47 U.S.C. §§ 151, 154(i), 154(j), 155, 157, 225, 227, 303(r), 309, 310, 1404, and 1451.

The information collection requirements in this collection do not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. *Use of information.* The Commission will use the information to ensure H Block licensees' compliance with required filings of notifications, certifications, regulatory status changes, and applicable performance benchmarks. Also, such information will be used to verify whether H Block applicants and, in the context of the national security certification requirement, whether other applicants for Spectrum Act licenses are legally and technically qualified to hold licenses; and to determine compliance with Commission rules.
3. *Technological collection techniques.* The Commission wants licensees to provide the requested information and notifications electronically through the Universal Licensing System (ULS). The ULS is an electronic filing system that reduces the burden on respondents.
4. *Efforts to identify duplication.* There will be no duplicative information collected. The information sought is unique to each respondent and is not already available, because the Commission does not impose a separate similar information collection on the respondents. Thus, there is no similar data available under another information collection. Moreover, the information proposed to be collected under the new collection implements a new statutory requirement.
5. *Impact on small entities.* In conformance with the Paperwork Reduction Act of 1995 ("PRA"), the Commission is making an effort to minimize burdens on all respondents, regardless of size. The Commission has limited the information requirements to those absolutely necessary for evaluating compliance with Commission rules.
6. *Consequences if information is not collected.* The information collected will only be required when an H Block licensee changes its regulatory status, provides certain notifications or certifications to the Commission, or renews its license. Therefore, the filings would be in years 4 and 10 of the initial license term and on occasion depending on whether the applicant/licensee makes certain filings.
7. *Special circumstances.* No special circumstances exist for this collection.
8. *Federal Register notice; efforts to consult with persons outside the Commission.* The Commission published a 60-day Federal Register Notice (81 FR 29859) on May 13, 2016 seeking PRA comments on the information collection requirements contained in this collection. No PRA comments were received from the public.
9. *Payments or gifts to respondents.* Respondents will not receive any payments associated with this collection.
10. *Assurances of confidentiality.* There is no need for confidentiality with this collection of information.
11. *Questions of a sensitive nature.* The information collection requirements contained in this collection do not address any private matters of a sensitive nature.
12. **Estimate of Respondent Burden:** For purposes of this supporting statement, the Commission states that one respondent will submit occasional filings subject to the collection burdens imposed by the rule requirements.

Please see the chart below for the number of respondents, frequency of response, time per response, total annual burden hours. In Auction 96 (Auction of H Block Licenses in the 1915-1920 MHz and 1995-2000 MHz Bands), one applicant won all of the 176 Economic Areas (EA) including Gulf of Mexico. Each EA is awarded one license. The number of licenses (176) will be the frequency of responses. The number of burden hours is based on the following:

| 12 - | Burden on Respondents | Number of Respondents | Number of Responses/ Frequency of Responses | Time per Response (Hours) | Total Annual Burden Hours |
|------|--|--|--|---------------------------|---------------------------|
| a. | § 1.946(d) H Block Licensee Construction Notification, Certification, or Cancellation (Form 601 or Form 605) | 1 ¹ | 176 (4 th year) | .5 | 88 |
| b. | § 27.10(d) H Block Licensee Change in Regulatory Status | 1 | 0 ² On Occasion | 0 | 0 |
| c. | § 27.12 Eligibility Compliance pursuant to 47 USC §§ 310 (b) and 1404 | 1 | 0 ³ On Occasion | 0 | 0 |
| d. | § 27.14 H Block ten year license renewal | 0 | 176 ⁴ (10 years - which will be accounted for later) | 0 | 0 |
| e. | § 27.17 H Block Licensee Notification of changes resulting in discontinuance, reduction, or impairment | 1 | 0 ⁵ On Occasion | 0 | 0 |
| | Totals: | 1⁶ Respondent / Fulfilling Multiple Requirements | 176 Responses | .5 | 88 Hours |

12-a. Reporting—Compliance with performance requirement for H Block licensees pursuant to 47 C.F.R. § 1.946(d). The Commission adopted performance requirements for the H Block that require H

¹ For Auction 96, one bidder won 176 licenses. Therefore, the bidder will submit 176 construction notifications in years 4 and 10. See 47 C.F.R. §§ 1.946(d); 27.14. All licenses were granted on April 29, 2014 so we expect the licensee to comply with 47 C.F.R. §§ 1.946(d); 27.14 in 2018. The Commission is accounting for the total 176 responses under Section 1.947(d) with this submission to OMB although the filings are not expected to occur until 2018.

² There is one respondent, and we do not expect them to make this filing in the next three years.

³ There is one respondent, and we do not expect them to make this filing in the next three years.

⁴ We expect compliance with the 10 year license renewal in 2024. The Commission will include that burden in this collection closer to that date.

⁵ There is one respondent, and we do not expect them to make this filing in the next three years.

⁶ There is one respondent that would make all of the filings. OMB approval is needed for this information collection because the one respondent will have an additional burden.

Block licensees to provide signal coverage and offer service to 40 percent of the license area's population within four years. We estimate that the H Block licensee would make 176 filings in 2018. On average, the Commission believes that these filings will be prepared by a licensee's existing staff attorneys ("in-house") at approx. \$59.13 per hour (equivalent to a GS-14 step 5, staff attorney), and we estimate that it would take about .5 hours to complete this filing.

1 respondent x 176 responses x 0.5 hours per response x \$59.13/hour = \$5,203.44

12-b. *Reporting—Compliance with Change in Regulatory Status for H Block licensees pursuant to 47 C.F.R. § 27.10(d).* An H Block licensee must notify the Commission within 30 days if it changes, or adds to, the carrier status on its license. We do not anticipate that the H Block licensee will make this occasional filing over the next three years.

= **0 hours** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

12-c. *Reporting—Compliance with Eligibility Requirements pursuant to 47 C.F.R. § 27.12.* We estimate that the Commission will not incur any costs over the next three years to review foreign ownership notifications.

= **0 hours** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

12-d. *Reporting—Compliance with License Renewal pursuant to 47 C.F.R. § 27.14.* The Commission requires that H Block licensees must renew their H Block licenses every ten years by filing a license renewal application. Because the license renewal application will not be filed until ten years after the initial license is granted, we do not anticipate any burden hours for this collection during the next three-year approval period.

= **0 hours** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

12-e. *Reporting—Compliance with Licensee Notification of Permanently Discontinuing Service pursuant to 47 C.F.R. § 27.17.* H Block licensees must notify the Commission within ten days if they permanently discontinue service by filing FCC Form 601 or 605 and requesting license cancellation. We estimate that the H Block licensee will not make this occasional filing over the next three years

= **0 hours** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

TOTAL NUMBER OF RESPONDENTS: 1

TOTAL NUMBER OF ANNUAL RESPONSES: 176 + 0 + 0 + 0 + 0 = 176

TOTAL ANNUAL BURDEN: 88 + 0 + 0 + 0 + 0 = 88 hours

TOTAL ANNUAL IN-HOUSE COSTS: \$5,203.44 + 0 + 0 + 0 + 0 = \$5,203.44

13. Annual Costs to the Respondent:

No external costs are expected under this collection request or estimated at this time. Internal costs are discussed in item 12.

Applicants should not incur outside capital and start-up costs or operation and maintenance of purchase or services in connection with this information collection.

TOTAL CAPITAL AND START-UP COSTS or OPERATION AND MAINTENANCE (O&M COSTS):

None at this time.

14. Government Costs:

14-a. *Performance Requirement for H Block licensees pursuant to 47 C.F.R. § 1.946(d).* The Commission adopted rules that require H Block licensees to provide signal coverage and offer service to 40 percent of the license area's population within four years and 70 percent within ten years. We estimate that the cost to the Commission for a GS 7 step 5 legal instrument examiner at \$23.72 per hour and to take .25 per hour to review the application.

176 licenses x .25 hours x \$23.72 = **\$1,043.68**

14-b. *Change in Regulatory Status for H Block licensees pursuant to 47 C.F.R. § 27.10(d).* We estimate that the Commission will not incur any costs over the next three years to review a change in regulatory status.

= **\$0** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

14-c. *Foreign Ownership Notifications pursuant to 47 C.F.R. § 27.12.* We estimate that the Commission will not incur any costs over the next three years to review foreign ownership notifications.

= **\$0** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

14-d. *Compliance with License Renewal pursuant to 47 C.F.R. § 27.14.* The license renewal application will not be filed until ten years after the initial license is granted so we do not anticipate any license renewal applications being filed during the next three-year approval period.

= **\$0** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

14-e. *Licensee Notification of Permanently Discontinuing Service pursuant to 47 C.F.R. § 27.17.* We estimate that the Commission will not incur any costs over the next three years to review the licensee notification.

= **\$0** (this entry is on the statement merely to remind FCC staff to reactivate it in the future and to act as a place holder for this requirement.)

Total Annual Cost Burden for the Federal Government -

\$1,043.68 + 0 + 0 + 0 + 0 = \$1,043.68

15. *Program changes or adjustments from the new collection.* There are no program changes to this collection. There are adjustments to the following: -3 to the number of respondents, -3 to the annual number of responses and +85 to the annual burden hours. There are no changes to the annual cost.

16. *Collections of information whose results will be published.* The data will not be published for statistical use.

17. *Display of expiration date for OMB approval of information collection.* We do not request OMB approval to not display the expiration date for OMB approval of the information collection. The Commission publishes a comprehensive listing of all OMB-approved information collections in 47 C.F.R. § 0.408. This listing “displays” the title of the collection, its OMB control number and OMB expiration date.

18. *Exceptions to certification statement for Paperwork Reduction Act submissions .* There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods:

No statistical methods are employed.