



GAO

Accountability * Integrity * Reliability

United States General Accounting Office
Washington, DC 20548

B-288296

July 26, 2001

The Honorable Ernest F. Hollings
Chairman
The Honorable John McCain
Ranking Minority Member
Committee on Commerce, Science, and Transportation
United States Senate

The Honorable W.J. "Billy" Tauzin
Chairman
The Honorable John D. Dingell
Ranking Minority Member
Committee on Energy and Commerce
House of Representatives

Subject: Federal Communications Commission: Assessment and Collection of
Regulatory Fees for Fiscal Year 2001

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Federal Communications Commission (FCC), entitled "Assessment and Collection of Regulatory Fees for Fiscal Year 2001" (MD Docket No. 01-76, FCC 01-196). We received the rule on July 2, 2001. It was published in the Federal Register as a final rule on July 11, 2001. 66 Fed. Reg. 36177

The final rule revises the regulatory fee schedule to bring it into compliance with the amount of such fees Congress has required the FCC to collect for fiscal year 2001. For FY 2001, the amount to be recovered is \$200,146,000, or almost 7.75 percent more than was required for FY 2000. The purpose of the fees is to recover the costs of regulation in the areas of enforcement, policy and rulemaking, international and user information activities.

Enclosed is our assessment of the FCC's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that the FCC complied with the applicable requirements.

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO evaluation work relating to the subject matter of the rule is John Anderson,

Managing Director, Physical Infrastructure. Mr. Anderson can be reached at (202) 512-2834.

signed

Kathleen E. Wannisky
Managing Associate General Counsel

Enclosure

cc: Terry Johnson
Program Analyst, AMD-PERM
Federal Communications Commission

ENCLOSURE

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE
ISSUED BY THE
FEDERAL COMMUNICATIONS COMMISSION
ENTITLED
"ASSESSMENT AND COLLECTION OF
REGULATORY FEES FOR FISCAL YEAR 2001"
(MD DOCKET NO. 01-76, FCC 01-196)

(i) Cost-benefit analysis

The FCC's submission to our Office stated that it was not required to prepare and did not prepare a cost-benefit analysis of the rule.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

The FCC prepared both Initial and Final Regulatory Flexibility Analyses, which were incorporated into the proposed and final rule, respectively. The analyses contain the required information, including the steps taken to reduce the burden on small entities. These include the use of a single form for all fee-filing licensees and regulatees. Because the collection of the fees is statutory in nature, other alternatives that the FCC could use are necessarily restricted.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

As an independent regulatory agency, the FCC is not subject to title II of the Unfunded Mandates Reform Act of 1995.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seq.

The FCC promulgated this rule under the notice and comment procedures of 5 U.S.C. 553. A notice of proposed rulemaking was published on April 16, 2001, in the Federal Register. 66 Fed. Reg. 19681. Comments were received from nine firms in response to the notice and were considered in the issuance of the final rule.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

The FCC requires the submission of FCC Form 159 with the payment of the annual fees. The FCC had previously received Office of Management and Budget (OMB) clearance for the form (OMB # 3060-0589).

Statutory authorization for the rule

The authority for this final rule is contained in sections 4(i) and (j), 8, 9, and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i) and (j), 159, and 303(r).

Executive Order No. 12866

As the rule is promulgated by an independent regulatory agency, it is not subject to the review requirements of Executive Order No. 12866.