

we will announce by Public Notice in the Federal Register.

3. Advance Payments of Small Fees

74. As we have in the past, we are treating regulatory fee payments by certain licensees as small fees subject to advance payments. Advance payments will be required from licensees of those services that have been required to make advance payments in the past.²¹ Payers of advance fees are required to submit the entire regulatory fee for the full term of their license when filing their initial, renewal or reinstatement application. Regulatees subject to a payment of small fees shall pay the amount due for the current fiscal year multiplied by the number of years in the term of their requested license. In the event that the regulatory fee is adjusted following payment of the fee, the new fee will not become effective until the expiration of the licensing term. Thus, payment for the full license term would be made based upon the regulatory fee applicable at the time the application is filed. The effective date for the payment of all small fees pursuant to the FY 1996 Schedule will be announced by Public Notice in the Federal Register following Congressional notification.

H. Schedule of Regulatory Fees

75. The Commission's Schedule of Regulatory Fees for FY 1996 is contained in Appendix D of this Report and Order.

IV. Ordering Clause

76. Accordingly, it is ordered that the rule changes as specified herein are adopted. It is further ordered that the rule changes made herein will become effective 60 days from the date of publication in the Federal Register, except that changes to the Schedule of Regulatory Fees, made pursuant to Section 9(b)(3) of the Communications Act, and incorporating regulatory fees for CMRS Mobile Services, CMRS One-Way Paging, Geosynchronous Space Stations, Intelsat and Inmarsat Signatories, and Low Earth Orbit Satellite Systems, will become effective 90 days from notification to Congress. However, it should be noted that for the CMRS Mobile Services, licensees who did not elect to convert their stations from private to commercial status prior to December 31, 1995, will not be subject to payment of a CMRS Mobile Services regulatory fee for FY 1996. Therefore, for stations licensed as commercial on or before the date of determination of fee liability the fee will become effective 60 days from the date of publication

²¹ Applicants for new, renewal and reinstatement licenses in the following services are required to pay their regulatory fees in advance: Land Mobile Services, Microwave services, Interactive Video Data Services (IVDS), Marine (Ship) Service, Marine (Coast) Service, Private Land Mobile (Other) Services, Aviation (Aircraft) Service, Aviation (Ground) Service, General Mobile Radio Service (GMRS). In addition, applicants for Amateur Radio vanity call signs are required to submit an advance payment.

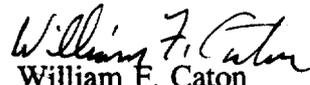
in the Federal Register. See para. 17-22 supra. As noted above, the date payment of the regulatory fee is due will be announced by Public Notice in the Federal Register.

V. Authority and Further Information

77. Authority for this proceeding is contained in Sections 4(i) and (j), 9, and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(1) and (j) and 159 and 303(r).

78. Further information about this proceeding may be obtained by contacting the Fees Hotline at (202) 418-0192.

FEDERAL COMMUNICATIONS COMMISSION


William F. Caton
Acting Secretary

List of Subjects in 47 CFR Part 1

Administrative practice and procedure, communication common carriers, radio, telecommunications, television.

Appendix A

Final Regulatory Flexibility Analysis

Final Analysis of the Report and Order

1. As required by Section 603 of the Regulatory Flexibility Act, 5 U.S.C. § 603, an Initial Regulatory Flexibility Analysis (IRFA) was provided in the Notice of Proposed Rulemaking (NPRM). The Commission sought written public comments on the proposals in the NPRM, including the IRFA.

2. Need for and Objective of the Report and Order: Congress has directed the Commission to collect \$126,400,000 in regulatory fees for fiscal year (FY) 1996. The Commission, pursuant to 47 U.S.C. § 159, is modifying its Schedule of Regulatory Fees in order to comply with the Congressional directive.

3. Summary of Significant Issues Raised by the Public in response to the IRFA: No comments were submitted in response to the IRFA.

4. Description and Estimate of Number of Small Businesses to Which the Modifications of the Schedule of Fees Will Apply: The Regulatory Flexibility Act generally defines the term "small business" as having the same meaning as the term "small business concern" under the Small Business Act, 15 U.S.C. §632. A small business concern is one which (1) is independently owned and operated; (2) is not dominant in its field of operations; and satisfies additional criteria established by the Small Business Administration (SBA). Id. According to the SBA's regulations, entities engaged in the provision of communications services may have maximum revenues of \$11 million in order to qualify as a small business concern. 13 C.F.R. §121.201. Therefore, this standard also applies in determining whether an entity is a small business for purposes of the Regulatory Flexibility Act.

5. The Report and Order creates a Commercial Mobile Radio Services (CMRS) category of fees which replaces the Cellular/Public Mobile category in our FY 1995 Schedule of Regulatory Fees. Creation of the new category does not affect any fees payable by licensees nor the manner in which these fees are paid. Cellular and Public Mobile Service licensees representing an estimated 30 million assessable units will continue to pay an annual fee as they have in the past. Business Radio, Special Mobile Radio Services and 220-222 Land Mobile Systems, which are regulated under Part 90 of the Rules, and Public Coast Stations, which are regulated under Part 80, currently pay small fees in advance for the full period of their license terms, when filing their initial, reinstatement or renewal application. Certain of these licensees may now elect to become CMRS licensees. However, they are not required to make that choice

before August 10, 1996. When and if they do, those licensees which have converted from the Private Mobile Radio Services (PMRS) to CMRS will be required to pay annual regulatory fees predicated on the number of units they have in service. Based on survey responses from licensees, we estimate that roughly 120,000 stations will be eligible for conversion from PMRS to CMRS. Although we know that many entities hold licenses for multiple stations and not all licensees are small entities, we estimate the number of small entities that will be affected in the future to be approximately 20,000. However, because these conversions will not occur until the end of FY 1996 and were not effective on our established date for fee liability, no annual fee is being imposed on them for FY 1996.

6. With certain exceptions not relevant here, the Commission's Regulatory Fee Schedule applies to all Commission licensee and regulatees. The only other changes in the fee schedule, consist of adjustments in the assessments for various entities necessitated by the Congressionally mandated increase in the amount of fees to be recovered and new fees for Low Earth Orbit Satellite Systems, and Intelsat and Inmarsat Signatory Fees. There is only one Low Earth Orbit System, and Comsat is the sole Intelsat and Inmarsat Signatory. They are dominant carriers. Thus, we certify that these new fees are not subject to the Regulatory Flexibility Act of 1980, as amended, because they do not apply to small entities as defined by Section 601(3) of the Regulatory Flexibility Act. We further certify that the changes in the amounts of the other regulatory fees to be collected are not subject to the Act because they are relatively small and not likely to have a significant economic impact on a substantial number of small entities. Moreover, the Commission's policy is to waive the regulatory fee for licensees which can establish that payment of the regulatory fees would create a compelling case of financial hardship.

7. Description of Projected Reporting, Record Keeping and Other Compliance Requirements: Compliance with the fee schedule requires CMRS licensees to tabulate the number of units they have in service, complete and file a form FCC 159, and pay an annual regulatory fee based on the number of units in service. Licensees ordinarily will keep a list of the number of units they have in service as part of their normal business practices. No outside professional skills are required to complete the form FCC 159, and it can be completed by the employees responsible for an entity's business records. The Commission estimates that it will take each licensee about 5-15 minutes to fill in and file a form FCC 159 after computing the number of units subject to the fee. As an option, licensees are permitted to file electronically or on computer diskette to ease the burden of filing information which would require multiple forms FCC 159. Although not mandatory, the latter may require additional professional skills. For Cellular and Public Mobile Services licensees there is no change to these requirements. Licensees who paid small fees in advance supplied fee information as part of their application and did not use form FCC 159. When and if they convert to CMRS, they must use the form FCC 159, but the impact would be minimal since the basic information is the same as was on the application form.

8. Minimizing the Impact on Small Entities and Consistent with Stated Objectives:

Although no comments were submitted on the IRFA, we have amended our procedures in a manner calculated to minimize the impact on small entities. The fee schedule will assess the fees to be paid by those who choose to convert from PMRS to CMRS in the future, and require that the fees be paid on an annual basis. These new CMRS licensees will also be required to make annual fee payments, since single advance payments would no longer be practicable because of fluctuations in the numbers of units a licensee may have in service over the length of its license term. Additionally, the economic burden of annual fee payments would be substantially less than would be the burden of requiring advance payment of larger fees. Moreover, the conversion is voluntary, and any licensee can avoid the burden by remaining a private carrier. In addition, because the conversion of existing stations will not take effect until August 10, 1996, licensees who have not converted will be exempt from the fee for FY 1996. Finally, in order to ease the burden on small entities, licensees with fee obligations of less than \$10 will be exempt from the fees.

Appendix B

SOURCES OF PAYMENT UNIT ESTIMATES FOR FY 1996

In order to calculate individual service fees for FY 1996, we adjusted FY 1995 payment units for each service to more accurately reflect expected FY 1996 payment liabilities. We obtained our updated estimates through a variety of means. For example, we used Commission licensee data bases, actual prior year payment records and industry and trade association projections when available. We tried to obtain verification for these estimates from multiple sources and, in all cases, we compared FY 1996 estimates with actual FY 1995 payment units to ensure that our revised estimates were reasonable. Where it made sense, we adjusted and/or rounded our final estimates to take into consideration the fact that certain variables that impact on the number of payment units yet cannot be estimated exactly. These include an unknown number of waivers and/or exemptions that may occur in FY 1996 and the fact that, in many services, the number of actual licensees or station operators fluctuates from time to time due to economic, technical or other reasons. Therefore, when we note, for example, that our estimated FY 1996 payment units are based on FY 1995 actual payment units, it does not necessarily mean that our FY 1996 projection is exactly the same number as FY 1995. It means that we have either rounded the FY 1995 number or adjusted it slightly to account for these variables.

FEE CATEGORY	SOURCES OF PAYMENT UNIT ESTIMATES
Land Mobile (All), Microwave, IVDS, Marine (Ship & Coast), Aviation (Aircraft & Ground), GMRS, Amateur Vanity Call Signs, Domestic Public Fixed	Based on Wireless Telecommunications Bureau (WTB) projections of new applications and renewals taking into consideration existing Commission licensee data bases. Aviation (Aircraft) and Marine (Ship) estimates have been adjusted to take into consideration proposals to license portions of these services on a voluntary basis.
CMRS Mobile Services (incl. Cellular/Public Mobile Radio Services and Two Way Paging Services)	Based on actual FY 1995 payment units adjusted to take into consideration industry estimates of growth between FY 1995 and FY 1996 and Wireless Telecommunications Bureau projections of new applications and average number of mobile units associated with each application.
CMRS One Way Paging Services	Based on industry estimates of the number of pager units in operation.
AM/FM Radio Stations	Based on actual FY 1995 payment units.
UHF/VHF Television Stations	Based on actual FY 1995 payment units.
AM/FM/TV Construction Permits	Based on actual FY 1995 payment units.
LPTV, Translators and Boosters	Based on actual FY 1995 payment units.
Auxiliaries	Based on actual FY 1995 payment units.
MDS/MMDS	Based on actual FY 1995 payment units.
Cable Antenna Relay System (CARS)	Based on actual FY 1995 payment units.
Cable Television System Subscribers	Based on Cable Services Bureau and industry estimates of subscribership.
IXCs/LECs,CAPs, Other Service Providers	Based on actual FY 1995 interstate revenues associated with contributions to the Telecommunications Relay System (TRS) Fund adjusted to take into consideration FY 1996 revenue growth in this industry as estimated by the Common Carrier Bureau.
Earth Stations	Based on actual FY 1995 payment units.
Space Stations & LEOs	Based on International Bureau licensee data bases.
International Bearer Circuits	Based on actual FY 1995 payment units.
International HF Broadcast Stations, International Public Fixed Radio Service	Based on actual FY 1995 payment units.

Appendix D

FY 1996 SCHEDULE OF REGULATORY FEES

Fee Category	Annual Regulatory Fee
Land Mobile (per license) (220-222 Mhz, above 470 Mhz, Base Station and SMRS) (47 CFR Part 90)	7
Microwave (per license) (47 CFR Part 101)	7
Interactive Video Data Service (per license) (47 CFR Part 95)	7
Marine (Ship) (per station) (47 CFR Part 80)	3
Marine (Coast) (per license) (47 CFR Part 80)	3
General Mobile Radio Service (per license) (47 CFR Part 95)	3
Land Mobile (per license) (all stations not covered above)	3
Aviation (Aircraft) (per station) (47 CFR Part 87)	3
Aviation (Ground) (per license) (47 CFR Part 87)	3
Amateur Vanity Call Signs (per call sign) (47 CFR Part 97)	3
CMRS Mobile Services (per unit) (47 CFR Parts 20, 22, 80 and 90)	.17
CMRS One-Way Paging (per unit) (47 CFR Parts 20, 22 and 90)	.02
Domestic Public Fixed Radio & Multipoint Distribution Services (per call sign) (47 CFR Part 21)	155
AM Radio (47 CFR Part 73)	
Class A	1,250
Class B	690
Class C	280
Class D	345
Construction Permits	140

Fee Category	Annual Regulatory Fee
FM Radio (47 CFR Part 73)	
Classes C, C1, C2, B	1,250
Classes A, B1, C3	830
Construction Permits	690
TV (47 CFR Part 73) VHF Commercial	
Markets 1-10	32,000
Markets 11-25	26,000
Markets 26-50	17,000
Markets 51-100	9,000
Remaining Markets	2,500
Construction Permits	5,550
TV (47 CFR Part 73) UHF Commercial	
Markets 1-10	25,000
Markets 11-25	20,000
Markets 26-50	13,000
Markets 51-100	7,000
Remaining Markets	2,000
Construction Permits	4,425
Satellite Television Stations (All Markets)	690
Construction Permits - Satellite Television Stations	250
Low Power TV, TV/FM Translators & Boosters (47 CFR Part 74)	190
Broadcast Auxiliary (47 CFR Part 74)	35
Cable Antenna Relay Service (47 CFR Part 78)	325
Cable Television Systems (per subscriber) (47 CFR Part 76)	.55
Interstate Telephone Service Providers (per revenue dollar)	.00098

Fee Category	Annual Regulatory Fee
Earth Stations (47 CFR Part 25)	370
Space Stations (per operational station in geosynchronous orbit) (47 CFR Part 25) also includes Direct Broadcast Satellite Service (per operational station) (47 CFR Part 100)	70,575
Low Earth Orbit Satellite (per operational system) (47 CFR Part 25)	97,725
INMARSAT/INTELSAT Signatory (per signatory)	233,425
International Circuits (per active 64KB circuit)	4
International Public Fixed (per call sign) (47 CFR Part 23)	225
International (HF) Broadcast (47 CFR Part 73)	280

**COMPARISON BETWEEN FY 1995, FY 1996
PROPOSED AND FY 1996 FINAL REGULATORY FEES**

Fee Category	Annual Regulatory Fee FY 1995	NPRM Proposed Fee FY 1996	Annual Regulatory Fee FY 1996
Land Mobile (per license) (220-222 Mhz, above 470 Mhz, Base Station and SMRS) (47 CFR Part 90)	6	6	7
Microwave (per license) (47 CFR Part 101)	6	6	7
Interactive Video Data Service (per license) (47 CFR Part 95)	6	6	7
Marine (Ship) (per station) (47 CFR Part 80)	3	3	3
Marine (Coast) (per license) (47 CFR Part 80)	3	3	3
General Mobile Radio Service (per license) (47 CFR Part 95)	3	3	3
Land Mobile (per license) (all stations not covered above)	3	3	3
Aviation (Aircraft) (per station) (47 CFR Part 87)	3	3	3
Aviation (Ground) (per license) (47 CFR Part 87)	3	3	3
Amateur Vanity Call Signs (per call sign) (47 CFR Part 97)	3	3	3
CMRS Mobile Services (per unit) (47 CFR Parts 20, 22, 80 and 90)	.15	.15	.17
CMRS One-Way Paging (per unit) (47 CFR Parts 20, 22, and 90)	.02	.02	.02
Domestic Public Fixed Radio & Multipoint Distribution Services (per call sign) (47 CFR Part 21)	140	140	155
AM Radio (47 CFR Part 73)			
Class A	1,120	1,125	1,250
Class B	620	630	690
Class C	250	255	280
Class D	310	315	345

Fee Category	Annual Regulatory Fee FY 1995	NPRM Proposed Fee FY 1996	Annual Regulatory Fee FY 1996
Construction Permits	125	125	140
FM Radio (47 CFR Part 73)			
Classes C, C1, C2, B	1,120	1,125	1,250
Classes A, B1, C3	745	755	830
Construction Permits	620	625	690
TV (47 CFR Part 73) VHF Commercial			
Markets 1-10	22,420	22,700	32,000
Markets 11-25	19,925	20,175	26,000
Markets 26-50	14,950	15,125	17,000
Markets 51-100	9,975	10,100	9,000
Remaining Markets	6,225	6,300	2,500
Construction Permits	4,975	5,025	5,550
TV (47 CFR Part 73) UHF Commercial			
Markets 1-10	17,925	18,150	25,000
Markets 11-25	15,950	16,150	20,000
Markets 26-50	11,950	12,100	13,000
Markets 51-100	7,975	8,075	7,000
Remaining Markets	4,975	5,025	2,000
Construction Permits	3,975	4,025	4,425
Satellite Television Stations (All Markets)	620	625	690
Construction Permits - Satellite Television Stations	225	230	250
Low Power TV, TV/FM Translators & Boosters (47 CFR Part 74)	170	170	190
Broadcast Auxiliary (47 CFR Part 74)	30	30	35
Cable Antenna Relay Service (47 CFR Part 78)	290	295	325
Earth Stations (47 CFR Part 25)	330	335	370

Fee Category	Annual Regulatory Fee FY 1995	NPRM Proposed Fee FY 1996	Annual Regulatory Fee FY 1996
Cable Television Systems (per subscriber) (47 CFR Part 76)	.49	.50	.55
Interstate Telephone Service Providers (per revenue dollar)	.00088	.00089	.00098
Space Stations (per operational station in geosynchronous orbit) (47 CFR Part 25) also includes Direct Broadcast Satellite Service (per operational station) (47 CFR Part 100)	75,000 n/a	63,500 63,500	70,575 70,575
Low Earth Orbit Satellite (per operational system) (47 CFR Part 25)	n/a	87,725	97,725
INMARSAT/INTELSAT Signatory (per signatory)	n/a	217,575	233,425
International Circuits (per active 64KB circuit)	4	4	4
International Public Fixed (per call sign) (47 CFR Part 23)	200	200	225
International (HF) Broadcast (47 CFR Part 73)	250	255	280

Appendix F

FY 1996 GUIDELINES FOR REGULATORY FEE CATEGORIES

1. The guidelines below provide an explanation of regulatory fee categories established by the Schedule of Regulatory Fees in section 9 (g) of the Communications Act, 47 U.S.C. § 159(g) as modified in the instant Report and Order. Where regulatory fee categories need interpretation or clarification, we have relied on the legislative history of section 9, our own experience in establishing and regulating the Schedule of Regulatory Fees for Fiscal Years (FY) 1994 and 1995 and the services subject to the fee schedule, and the comments of the parties in our proceeding to adopt fees for FY 1995. The categories and amounts set out in the schedule have been modified to reflect changes in the number of payment units, additions and changes in the services subject to the fee requirement and the benefits derived from the Commission's regulatory activities, and to simplify the structure of the schedule. The schedule may be similarly modified or adjusted in future years to reflect changes in the Commission's budget and in the services regulated by the Commission. See 47 U.S.C. § 159(b)(2), (3).

2. Exemptions. Most licensees and other entities regulated by the Commission must pay regulatory fees in 1996. However, governments and nonprofit (exempt under Section 501 of the Internal Revenue Code) entities are exempt from paying regulatory fees and should not submit payment, but may be asked to submit a current IRS Determination Letter documenting its nonprofit status, a certification of governmental authority, or certification from a governmental entity attesting to its exempt status. The governmental exemption applies even where the government-owned or community-owned facility is in direct competition with commercial stations. Other specific exemptions are discussed below in association with a particular service category or group.

1. Private Wireless Radio Services

3. Two levels of statutory fees were established for the Private Wireless Radio Services -- exclusive use services and shared use services. Thus, licensees who generally receive a higher quality communication channel due to exclusive or lightly shared frequency assignments, will pay a higher fee than those who share marginal quality assignments. This dichotomy is consistent with the directive of section 9 that the regulatory fees reflect the benefits provided to the licensees. See 47 U.S.C. § 159(b)(1)(A). In addition, because of the generally small amount of the fees assessed against Private Wireless Radio Service licensees, applicants for new licenses and reinstatements and for renewal of existing licenses are required to pay a regulatory fee covering the entire license term, with only a percentage of all licensees paying a regulatory fee in any one year. Applications for modification or assignment of existing authorizations do not require the payment of regulatory fees. The expiration date of those authorizations will reflect only the unexpired term of the underlying license rather than a new license term.

a. Exclusive Use Services

4. Land Mobile Services: Regulatees in this category include those authorized under Part 90 of the Commission's Rules to provide limited access Wireless Radio service that allows high quality voice or digital communications between vehicles or to fixed stations to further the business activities of the licensee. These services, using the 220-222 MHz band and frequencies at 470 MHz and above, may be offered on a private carrier basis in the Specialized Mobile Radio Services (SMRS).²² For FY 1996, Land Mobile licensees will pay a \$7 annual regulatory fee per license, payable for an entire five or ten year license term at the time of application for a new, renewal or reinstatement license.²³ The total regulatory fee due is either \$35 for a license with a five year term or \$70 for a license with a 10 year term.

5. Microwave Services: These services include private microwave systems and private carrier systems authorized under Part 101 of the Commission's Rules to provide telecommunications services between fixed points on a high quality channel of communications. Microwave systems are often used to relay data and to control railroad, pipeline and utility equipment. For FY 1996, Microwave licensees will pay a \$7 annual regulatory fee per license, payable for an entire ten year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$70 for the ten year license term.

6. Interactive Video Data Service (IVDS): The IVDS is a two-way point-to-multi-point radio service allocated high quality channels of communications and authorized under Part 95 of the Commission's Rules. The IVDS provides information, products and services, and also the capability to obtain responses from subscribers in a specific service area. The IVDS is offered on a private carrier basis. For FY 1996, IVDS licensees will pay a \$7 annual regulatory fee per license, payable for an entire five year license term at the time of application for a new, renewal, or reinstatement license. The total regulatory fee due is \$35 for the five year term of the license.

b. Shared Use Services

7. Marine (Ship) Service: This service is a shipboard radio service authorized under Part 80 of the Commission's Rules to provide telecommunications between watercraft or between watercraft and shore-based stations. Radio installations are required by domestic and international law for large passenger or cargo vessels. Radio equipment may be voluntarily installed on smaller vessels, such as recreational boats. The recently enacted Telecommunications Act of 1996 gave the Commission the authority to license certain ship stations by rule rather than by individual license.

²² This category only applies to licensees of shared-use private 220-222 MHz and 470 MHz and above in the Specialized Mobile Radio (SMR) service who have elected not to change to the Commercial Mobile Radio Service (CMRS). Those who have elected to change to the CMRS are referred to paragraph 14 of this Appendix.

²³ Although this fee category includes licenses with ten year terms, the estimated volume of ten year license applications in FY 1996 is less than one tenth of one percent and, therefore, is statistically insignificant.

Private boat operators sailing entirely within domestic U.S. waters and who are not otherwise required by treaty or agreement to carry a radio, may no longer be required to hold a marine license if the Commission enacts rules to that effect, and they will not be required to pay a regulatory fee. For FY 1996, parties required to be licensed and those choosing to be licensed for Marine (Ship) Stations will pay a \$3 annual regulatory fee per station, payable for an entire ten year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$30 for the ten year license term.

8. Marine (Coast) Service: This service includes land-based stations in the maritime services, authorized under Part 80 of the Commission's Rules, to provide communications services to ships and other watercraft in coastal and inland waterways. For FY 1996, licensees of Marine (Coast) Stations will pay a \$3 annual regulatory fee per call sign, payable for the entire five year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$15 per call sign for the five year license term.

9. Private Land Mobile (Other) Services: These services include Land Mobile Radio Services operating under Parts 90 and 95 of the Commission's Rules. Services in this category provide one or two way communications between vehicles, persons or to fixed stations on a shared basis and include radiolocation services, industrial radio services and land transportation radio services. For FY 1996, licensees of services in this category will pay a \$3 annual regulatory fee per call sign, payable for an entire five year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$15 for the five year license term.

10. Aviation (Aircraft) Service: These services include stations authorized to provide communications between aircraft and from aircraft to ground stations and includes frequencies used to communicate with air traffic control facilities pursuant to Part 87 of the Commission's Rules. The recently enacted Telecommunications Act of 1996 gave the Commission the authority to license certain aircraft radio stations by rule rather than by individual license. Private aircraft operators flying entirely within domestic U.S. airspace and who are not otherwise required by treaty or agreement to carry a radio, may no longer be required to hold an aircraft license if the Commission enacts rules to that effect, and they will not be required to pay a regulatory fee. For FY 1996, parties required to be licensed and those choosing to be licensed for Aviation (Aircraft) Stations will pay a \$3 annual regulatory fee per station, payable for the entire ten year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$30 per station for the ten year license term.

11. Aviation (Ground) Service: This service includes stations authorized to provide ground-based communications to aircraft for weather or landing information, or for logistical support pursuant to Part 87 of the Commission's Rules. Certain ground-based stations which only serve itinerant traffic; i.e., possess no actual units on which to assess a fee, are exempt from payment of regulatory fees. For FY 1996, licensees of Aviation (Ground) Stations will pay a \$3 annual regulatory fee per license, payable for the entire five year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee is \$15 per call sign for the five year license term.

12. General Mobile Radio Service (GMRS): These services include Land Mobile Radio licensees providing personal and limited business communications between vehicles or to fixed stations for short-range, two-way communications pursuant to Part 95 of the Commission's Rules. For FY 1996, GMRS licensees will pay a \$3 annual regulatory fee per license, payable for an entire five year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$15 per license for the five year license term.

c. Amateur Radio Vanity Call Signs

13. Amateur Vanity Call Signs: This fee covers voluntary requests for specific call signs in the Amateur Radio Service authorized under part 97 of the Commission's Rules. For FY 1996, applicants for Amateur Vanity Call-Signs will pay a \$3 annual regulatory fee per call sign, payable for an entire ten year license term at the time of application for a vanity call sign. The total regulatory fee due would be \$30 per license for the ten year license term.²⁴

d. Commercial Wireless Radio Services

14. Commercial Mobile Radio Services (CMRS) Mobile Services: The Commercial Mobile Radio Service (CMRS) is a new "umbrella" descriptive term attributed to various existing services authorized to provide interconnected mobile radio services for profit to the public, or to such classes of eligible users as to be effectively available to a substantial portion of the public. CMRS Mobile Services include certain licensees which formerly were licensed as part of the Private Radio Services (e.g., Specialized Mobile Radio Services) and others formerly licensed as part of the Common Carrier Radio Services (e.g., Public Mobile Services and Cellular Radio Service). While specific rules pertaining to each covered service remain in separate Parts 22, 80 and 90; general rules for CMRS are contained in Part 20. We have replaced the Public Mobile/Cellular Radio regulatory fee category with a CMRS Mobile Services category for regulatory fee collection purposes. CMRS Mobile Services will include: qualifying Business Radio Services, 220-222 MHz Land Mobile Systems, Specialized Mobile Radio Services (Part 90);²⁵ Public Coast Stations (Part 80); Public Mobile Radio, Cellular, 800 MHz Air-Ground Radiotelephone, and Offshore Radio Services (Part 22). Licensees who have not elected to convert from private to commercial operations will be exempt from payment of the annual CMRS Mobile Services fee for FY 1996. Existing commercial licensees and those who converted prior to December 31, 1995, must pay the annual CMRS Mobile

²⁴ Section 9(h) exempts "amateur radio operator licenses under Part 97 of the Commission's rules (47 CFR Part 97)" from the requirement. However, Section 9(g)'s fee schedule explicitly includes "Amateur vanity call signs" as a category subject to the payment of a regulatory fee.

²⁵ This category does not include licensees of private shared-use 220 MHz and 470 MHz and above in the Specialized Mobile Radio (SMR) service who have elected to remain non-commercial. Those who have elected not to change to the Commercial Mobile Radio Service (CMRS) are referred to paragraph 4 of this Appendix. Further, Congress provided for a three year transition period until August 10, 1996, for conversion to CMRS. See Omnibus Budget Reconciliation Act of 1993, Pub. L. No. 103-66, Title VI § 6002(b), 107 Stat. 312,392. Therefore, licensees who had not converted to CMRS prior to December 31, 1995, are not subject to the CMRS Mobile Services fee for FY 1996.

Services fee for FY 1996. Each licensee in this group will pay an annual regulatory fee for each mobile or cellular unit (mobile or cellular call sign or telephone number), including two-way paging units, assigned to its customers, including resellers of its services. For FY 1996, the regulatory fee is \$.17 per unit.

15. Personal Communications Service (PCS): For FY 1996, the Personal Communications Service (PCS) covered by Part 24 of the rules is exempt from payment of regulatory fees.

16. Commercial Mobile Radio Services (CMRS) One-Way Paging Services: The Commercial Mobile Radio Service (CMRS) is a new "umbrella" descriptive term attributed to various existing services authorized to provide interconnected mobile radio services for profit to the public, or to such classes of eligible users as to be effectively available to a substantial portion of the public. CMRS One-Way Paging Services include certain licensees which formerly were licensed as part of the Private Radio Services (e.g., Private Paging) and others formerly licensed as part of the Common Carrier Radio Services (e.g., Public Mobile One-Way Paging). While specific rules pertaining to each covered service remain in separate Parts 22 and 90; general rules for CMRS are contained in Part 20. We have replaced the Public Mobile One-Way Paging regulatory fee category with a CMRS One-Way Paging Services category for regulatory fee collection purposes. Licensees who have not elected to convert from private to commercial operations will be exempt from payment of the annual CMRS One-Way Paging Services fee for FY 1996. Existing commercial licensees and those who converted prior to December 31, 1995, must pay the annual CMRS One-Way Paging Services fee for FY 1996. Each licensee in the CMRS One-Way Paging Services will pay an annual regulatory fee for each paging unit, assigned to its customers, including resellers of its services. For FY 1996, the regulatory fee is \$.02 per unit.

2. Mass Media Services

17. The regulatory fees for the Mass Media fee category apply to broadcast licensees and permittees. Noncommercial Educational Broadcasters are exempt from regulatory fees.

a. Commercial AM and FM Radio

18. These categories include licensed Commercial AM (Classes A, B, C, and D) and FM (Classes A, B, B1, C, C1, C2, and C3) Radio Stations operating under Part 73 of the Commission's Rules.²⁶ The regulatory fees for AM and FM Stations for FY 1996 are as follows:

²⁶ The Commission acknowledges that certain stations operating in Puerto Rico and Guam have been assigned a higher level station class than would be expected if the station were located on the mainland. Although this results in a higher regulatory fee, we believe that the increased interference protection associated with the higher station class is necessary and justifies the fee.

AM Radio

Class A	\$1,250
Class B	690
Class C	280
Class D	345

FM Radio

Classes C, C1, C2, B	\$1,250
Classes A, B1, C3	830

b. Construction Permits - Commercial AM Radio

19. This category includes holders of permits to construct new Commercial AM Stations. For FY 1996, permittees will pay a fee of \$140 for each permit held. Upon issuance of an operating license, this fee would no longer be applicable and licensees would be required to pay the applicable fee for the designated class of the station.

c. Construction Permits - Commercial FM Radio

20. This category includes holders of permits to construct new Commercial FM Stations. For FY 1996, permittees will pay a fee of \$690 for each permit held. Upon issuance of an operating license, this fee would no longer be applicable. Instead, licensees would pay a regulatory fee based upon the designated class of the station.

d. Commercial Television Stations

21. This category includes licensed Commercial VHF and UHF Television Stations covered under Part 73 of the Commission's Rules, except commonly owned Television Satellite Stations, addressed separately below. Markets are Nielsen Designated Market Areas (DMA) as listed in the Television & Cable Factbook, Stations Volume No. 63, 1995 Edition, Warren Publishing, Inc. The fees for each category of station are as follows:

VHF Markets 1-10.....	\$32,000
VHF Markets 11-25.....	26,000
VHF Markets 26-50.....	17,000
VHF Markets 51-100.....	9,000
VHF Remaining Markets.....	2,500
UHF Markets 1-10.....	\$25,000
UHF Markets 11-25.....	20,000
UHF Markets 26-50.....	13,000
UHF Markets 51-100.....	7,000
UHF Remaining Markets.....	2,000

e. Commercial Television Satellite Stations

22. Commonly owned Television Satellite Stations in any market (authorized pursuant to Note 5 of Section 73.3555 of the Commission's Rules) that retransmit programming of the primary station are assessed a fee of \$690 annually. Those stations designated as Television Satellite Stations in the 1995 Edition of the Television and Cable Factbook are subject to the fee applicable to Television Satellite Stations. All other television licensees are subject to the regulatory fee payment required for their class of station and market.

f. Construction Permits - Commercial VHF Television Stations

23. This category includes holders of permits to construct new Commercial VHF Television Stations. For FY 1996, VHF permittees will pay an annual regulatory fee of \$5,550. Upon issuance of an operating license, this fee would no longer be applicable. Instead, licensees would pay a fee based upon the designated market of the station.

g. Construction permits - Commercial UHF Television Stations

24. This category includes holders of permits to construct new UHF Television Stations. For FY 1996, UHF Television permittees will pay an annual regulatory fee of \$4,425. Upon issuance of an operating license, this fee would no longer be applicable. Instead, licensees would pay a fee based upon the designated market of the station.

h. Construction Permits - Satellite Television Stations

25. The fee for UHF and VHF Television Satellite Station construction permits for FY 1996 is \$250. An individual regulatory fee payment is to be made for each Television Satellite Station construction permit held.

i. Low Power Television, FM Translator and Booster Stations, TV Translator and Booster Stations.

26. This category includes Low Power UHF/VHF Television stations operating under Part 74 of the Commission's Rules with a transmitter power output limited to 1 kW for a UHF facility and, generally, 0.01 kW for a VHF facility. Low Power Television (LPTV) stations may retransmit the programs and signals of a TV Broadcast Station, originate programming, and/or operate as a subscription service. This category also includes translators and boosters operating under Part 74 which rebroadcast the signals of full service stations on a frequency different from the parent station (translators) or on the same frequency (boosters). The stations in this category are secondary to full service stations in terms of frequency priority. We have also received requests for waivers of the regulatory fees from operators of community based Translators. These Translators are generally not affiliated with commercial broadcasters, they are nonprofit, non-profitable, or only marginally profitable, serve small rural communities, and are supported financially by the residents of the communities served. We are aware of the difficulties these Translators have in paying even minimal

regulatory fees, and we have addressed those concerns in the ruling on reconsideration of the FY 1994 Report and Order. Community based Translators are exempt from regulatory fees. For FY 1996, licensees in this category will pay a regulatory fee of \$190 for each license held.

j. Broadcast Auxiliary Stations.

27. This category includes licensees of remote pickup stations, Aural Broadcast Auxiliary Stations, Television Broadcast Auxiliary Stations, and Low Power Auxiliary Stations, authorized under Part 74 of the Commission's Rules. Auxiliary Stations are generally associated with a particular television or radio broadcast station or cable television system. For FY 1996, licensees of Commercial Auxiliary Stations will pay a \$35 annual regulatory fee on a per call sign basis.

k. Multipoint Distribution Service

28. This service is included in the Domestic Public Fixed Service category and covers Multipoint Distribution Service (MDS), and Multichannel Multipoint Distribution Service (MMDS), authorized under Part 21 of the Commission's Rules to use microwave frequencies for video and data distribution within the United States. For FY 1996, MDS and MMDS stations will pay an annual regulatory fee of \$155 per call sign. See para. 31 below.

3. Cable Services

a. Cable Television Systems

29. This category includes operators of Cable Television Systems, providing or distributing programming or other services to subscribers under Part 76 of the Commission's Rules. For FY 1996 Cable Systems will pay a regulatory fee of \$.55 per subscriber.²⁷ Payments for Cable Systems are to be made on a per subscriber by community unit basis as of December 31, 1995. Cable Systems should determine their subscriber numbers by calculating the number of single family dwellings, the number of individual households in multiple dwelling units, e.g., apartments, condominiums, mobile home parks, etc., paying at the basic subscriber rate, the number of bulk rate customers and the number of courtesy or fee customers. In order to determine the number of bulk rate subscribers, a system should divide its bulk rate charge by the annual subscription rate for individual households. See FY 1994 Report and Order, Appendix B at para. 31.

b. Cable Antenna Relay Service

30. This category includes Cable Antenna Relay Service (CARS) stations used to transmit television and related audio signals, signals of AM and FM Broadcast Stations and cablecasting from the point of reception to a terminal point from where the signals are distributed to the public

²⁷ Cable systems are to pay their regulatory fees on a per subscriber basis rather than per 1,000 subscribers as set forth in the statutory fee schedule. See FY 1994 Report and Order at para. 100.

by a Cable Television System. For FY 1996, licensees will pay an annual regulatory fee of \$325 per CARS license.

4. Common Carrier Services

a. Fixed Radio Services

31. Domestic Public Fixed Radio Service: This category includes licensees in the Point-to-Point Microwave Radio Service, Local Television Transmission Radio Service, Digital Electronic Message Service, Multipoint Distribution Service (MDS), and Multichannel Multipoint Distribution Service (MMDS)²⁸, authorized under Part 21 of the Commission's Rules to use microwave frequencies for video and data distribution within the United States. For FY 1996, Domestic Public Fixed Radio Service licensees pay a \$155 annual regulatory fee per call sign.

b. Interstate Telephone Service Providers

32. This category includes Inter-Exchange Carriers (IXCs), Local Exchange Carriers (LECs), Competitive Access Providers (CAPs), domestic and international carriers that provide operator services, Wide Area Telephone Service (WATS), 800, 900, telex, telegraph, video, other switched, interstate access, special access, and alternative access services either by using their own facilities or by reselling facilities and services of other carriers or telephone carrier holding companies, and companies other than traditional local telephone companies that provide interstate access services to long distance carriers and other customers. This category also includes pre-paid calling card providers. These common carriers, including resellers, must submit fee payments based upon their proportionate share of gross interstate revenues using the methodology that we have adopted for calculating contributions to the TRS fund. See Telecommunications Relay Services, 8 FCC Rcd 5300 (1993), 58 FR 39671 (1993). In order to avoid imposing any double payment burden on resellers, we will permit carriers to subtract from their gross interstate revenues, as reported to NECA in connection with their TRS contribution, any payments made to underlying common carriers for telecommunications facilities and services, including payments for interstate access service, that are sold in the form of interstate service. For this purpose, resold telecommunications facilities and services are only intended to include payments that correspond to revenues that will be included by another carrier reporting interstate revenue. For FY 1996, carriers should multiply their adjusted gross revenue figure (gross revenue reduced by the total amount of their payments to underlying common carriers for telecommunications facilities or services) by the factor 0.00098 to determine the appropriate fee for this category of service. You may want to use the following worksheet to determine your fee payment:

²⁸ MDS and MMDS are regulated by the Mass Media Bureau.

	TOTAL	INTERSTATE
(1) Revenue reported in TRS Fund worksheets		
(2) Less: Access charges paid		
(3) Less: Other telecommunications facilities and services taken for resale		
(4) Adjusted revenues (1)minus(2)minus(3)		
(5) Fee factor		0.00098
(6) Fee due (4)times(5)		

5. International Services

a. Earth Stations

33. Very Small Aperture Terminal (VSAT) Earth Stations, equivalent C-Band Earth Stations and antennas, and earth station systems comprised of very small aperture terminals operate in the 12 and 14 GHz bands and provide a variety of communications services to other stations in the network. VSAT systems consist of a network of technically-identical small Fixed-Satellite Earth Stations which often include a larger hub station. VSAT Earth Stations and C-Band Equivalent Earth Stations are authorized pursuant to Part 25 of the Commission's Rules. Mobile Satellite Earth Stations, operating pursuant to Part 25 of the Commission's Rules under blanket licenses for mobile antennas (transceivers), are smaller than one meter and provide voice or data communications, including position location information for mobile platforms such as cars, buses or trucks.²⁹ Fixed-Satellite Transmit/Receive and Transmit Only Earth Station antennas, authorized or registered under Part 25 of the Commission's Rules, are operated by private and public carriers to provide telephone, television, data, and other forms of communications. Included in this category are telemetry, tracking, and control (TT&C) earth stations and earth station uplinks. For FY 1996, licensees of VSATs, Mobile Satellite Earth Stations, and Fixed-Satellite Transmit/Receive and Transmit Only Earth Stations will pay a fee of \$370 per authorization or registration as well as a separate fee of \$370 for each associated Hub Station.

34. Receive only earth stations. For FY 1996, there is no regulatory fee for receive-only earth stations.

²⁹ Mobile earth stations are hand-held or vehicle-based units capable of operation while the operator or vehicle is in motion. In contrast, transportable units are moved to a fixed location and operate in a stationary (fixed) mode. Both are assessed the same regulatory fee for FY 1996.

b. Space Stations (Geosynchronous)

35. Geosynchronous Space Stations are domestic and international satellites positioned in orbit to remain approximately fixed relative to the earth. Most are authorized under Part 25 of the Commission's Rules to provide communications between satellites and earth stations on a common carrier and/or private carrier basis. In addition, this category includes Direct Broadcast Satellite (DBS) Service which includes space stations authorized under Part 100 of the Commission's rules to transmit or re-transmit signals for direct reception by the general public encompassing both individual and community reception. For FY 1996, entities authorized to operate geosynchronous space stations (including DBS satellites) will be assessed an annual regulatory fee of \$70,575 per operational station in orbit. Payment is required for any geosynchronous satellite that has been launched and tested and is authorized to provide service.

c. Low Earth Orbit Satellites (LEOs)

36. Low Earth Orbit Satellite Systems are space stations that orbit the earth in non-geosynchronous orbit. They are authorized under Part 25 of the Commission's rules to provide communications between satellites and earth stations on a common carrier and/or private carrier basis. For FY 1996, entities authorized to operate Low Earth Orbit Satellite Systems will be assessed an annual regulatory fee of \$97,725 per operational system in orbit. Payment is required for any LEO System that has one or more operational satellites.

d. Signatories

37. A Signatory to INMARSAT is an Administration or government, or the telecommunications entity designated as sole operating entity by an Administration or government, which participates in the International Mobile Satellite Organization (INMARSAT) in order to develop and operate a global maritime satellite telecommunication system which serves maritime commercial and safety needs of the United States and foreign countries. A Signatory to INTELSAT is an Administration or government, or the telecommunications entity designated as sole operating entity by an Administration or government, which participates in the International Telecommunications Satellite Organization (INTELSAT) in order to develop, construct, operate and maintain the space segment of the global commercial telecommunications satellite system established under the Interim Agreement and Special Agreement signed by Governments on August 20, 1964. For FY 1996, Signatories to INMARSAT and INTELSAT will be assessed an annual regulatory fee of \$233,425 in order to recover the cost of the Commission's regulatory activities associated with such entities.

e. International Bearer Circuits

38. Regulatory fees for International Bearer Circuits are to be paid by the facilities-based common carriers activating the circuit in any transmission facility for the provision of service to an end user or resale carrier. Payment of the fee for bearer circuits by private submarine cable operators is required for circuits sold on an indefeasible right of use (IRU) basis or leased to any

customer other than an international common carrier authorized by the Commission to provide U.S. international common carrier services. Compare FY 1994 Report and Order at 5367. The fee is based upon active 64 Kbps circuits, or equivalent circuits. Under this formulation, 64 Kbps circuits or their equivalent will be assessed a fee. Equivalent circuits include the 64 Kbps circuit equivalent of larger bit stream circuits. For example, the 64 Kbps circuit equivalent of a 2.048 Mbps circuit is 30 64 Kbps circuits. Analog circuits such as 3 and 4 KHz circuits used for international service are also included as 64 Kbps circuits. However, circuits derived from 64 Kbps circuits by the use of digital circuit multiplication systems are not equivalent 64 Kbps circuits. Such circuits are not subject to fees. Only the 64 Kbps circuit from which they have been derived will be subject to payment of a fee. For FY 1996, the regulatory fee is \$4.00 for each active 64 Kbps circuit or equivalent. For analog television channels we will assess fees as follows:

Analog Television Channel Size in MHz	No. of equivalent 64 Kbps Circuits
36.....	630
24.....	288
18.....	240

f. International Public Fixed

39. This fee category includes common carriers authorized under Part 23 of the Commission's Rules to provide radio communications between the United States and a foreign point via microwave or HF troposcatter systems, other than satellites and satellite earth stations, but not including service between the United States and Mexico and the United States and Canada using frequencies above 72 MHz. For FY 1996, International Public Fixed Radio Service licensees will pay a \$225 annual regulatory fee per call sign.

g. International (HF) Broadcast

40. This category covers International Broadcast Stations licensed under Part 73 of the Commission's Rules to operate on frequencies in the 5,950 khz to 26,100 Khz range to provide service to the general public in foreign countries. For FY 1996, International HF Broadcast Stations will pay an annual regulatory fee of \$280 per station license.