

FCC Sets Regulatory Fees for Fiscal Year 2011 - Look for August or September Payment Deadline

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The FCC has <u>announced the final amount of its regulatory fees for FCC Fiscal Year</u> <u>2011</u> - fees that will be due during a window not yet announced - but likely sometime in late August or September. The Fees, set out below, are pretty much identical to those that were proposed in May, when the FCC sought comments on these fees. The procedures for filing will be much the same as in the recent past, though the FCC did make a few clarifications on some issues affecting broadcasters. These issues include the following:

- The FCC will no longer mail notices to broadcasters about their fee obligations. Instead, stations will need to go to the FCC website to verify the amount of the fees they owe. Look for the site containing that information to be live in the next few weeks.
- The FCC decided that LPTV and TV translator stations that operate both analog and digital facilities during their digital transition will pay only one fee. As <u>we</u> <u>wrote last week</u>, that transition will end (barring reconsideration or other review of last week's order) for stations operating on Channels 52-69 at the end of the year, and will end in 2015 for all other LPTV and TV translator stations.
- The FCC promised to start a new rulemaking before the end of the year to reassess the allocation of the regulatory fee burden. Within the broadcast industry, that would mean looking at issues such as whether VHF television stations should pay more than UHF stations for their fees - when in the digital world, most think that UHF channels are actually more valuable than those on the VHF band. But, with potentially more impact, the FCC would look at rebalancing its fees over all the different industries that it regulates. Congress gives the FCC a specific amount of fees that it must raise from all of the industries that it regulates. The percentage that broadcasters pay has been unchanged for many years. The FCC is going to review that allocation to assess how business in the various industries have changed to see how those allocations should be changed in the future.

The FCC also reminded broadcasters that they needed to make the payments on time to avoid late fees and interest charges. Broadcasters pay fees based on a station's



status as of October 1, 2010. Thus, a station that was an unbuilt CP as of October I, 2010, but has subsequently been constructed, still pays the CP fee for this year. The same goes for stations that have received upgrades in the period after October 1 - they pay only the amount due for their status as of October 1, 2010. However, if a station has changed ownership since October 1, the new owner is still the one liable for the fee payment. The broadcast regulatory fees for this year are set forth below:

Radio [AM and FM]

1. AM Class A

Under 25,000 population \$700 25,001-75,000 population -- \$1,400

75,001-150,000 population -- \$2,100

150,001-500,000 population -- \$3,150

500,001-1,200,000 population -- \$4,550

1,200,001-3,000,000 population -- \$7,000

More than 3,000,000 population -- \$8,400

2. AM Class B

Under 25,000 population -- \$575

25,001-75,000 population -- \$1,150

75,001-150,000 population -- \$1,450

150,001-500,000 population -- \$2,450

500,001-1,200,000 population -- \$3,750

1,200,001-3,000,000 population -- \$5,750

More than 3,000,000 population -- \$6,900



3. AM Class C

Under 25,000 population -- \$525

25,001-75,000 population -- \$800

75,001-150,000 population -- \$1,050

150,001-500,000 population -- \$1,575

500,001-1,200,000 population -- \$2,625

1,200,001-3,000,000 population -- \$3,950

More than 3,000,000 population -- \$5,000

4. AM Class D

Under 25,000 population -- \$600

25,001-75,000 population -- \$900

75,001-150,000 population -- \$1,500

150,001-500,000 population -- \$1,800

500,001-1,200,000 population -- \$3,000

1,200,001-3,000,000 population -- \$4,800

More than 3,000,000 population -- \$6,000

5. AM Construction Permit -- \$490

6. FM Classes A, B1 and C3

Under 25,000 population -- \$675

25,001-75,000 population -- \$1,350



- 75,001-150,000 population -- \$1,850
- 150,001-500,000 population -- \$2,875
- 500,001-1,200,000 population -- \$4,550
- 1,200,001-3,000,000 population -- \$7,425
- More than 3,000,000 population -- \$9,450

7. FM Classes B, C, C0, C1 and C2

- Under 25,000 population -- \$850
- 25,001-75,000 population -- \$1,500
- 75,001-150,000 population -- \$2,750
- 150,001-500,000 population -- \$3,600
- 500,001-1,200,000 population -- \$5,300
- 1,200,001-3,000,000 population -- \$8,500
- More than 3,000,000 population -- \$11,050

8. FM Construction Permits -- \$675

<u>TV</u>

VHF Commercial

- 1. Markets 1 thru 10 -- \$84,625
- 2. Markets 11 thru 25 -- \$68,175
- 3. Markets 26 thru 50 -- \$40,475
- 4. Markets 51 thru 100 -- \$22,750



- 5. Remaining Markets -- \$6,100
- 6. Construction Permits -- \$6,100

UHF Commercial

- 1. Markets 1 thru 10 -- \$34,650
- 2. Markets 11 thru 25 -- \$32,950
- 3. Markets 26 thru 50 -- \$20,950
- 4. Markets 51 thru 100 -- \$12,325
- 5. Remaining Markets -- \$3,275
- 6. Construction Permits -- \$3,275

Satellite UHF/VHF Commercial

- 1. All Markets -- \$1,250
- 2. Construction Permits -- \$ 670

Low Power TV, Class A TV, TV/FM Translator, TV/FM Booster -- \$ 395

Broadcast Auxiliary --\$ 10