



**6712-01**

**FEDERAL COMMUNICATIONS COMMISSION**

**Information Collection Being Reviewed by the Federal Communications Commission**

**[OMB 3060-XXXX]**

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice and request for comments.

**SUMMARY:** As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or the Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collection. Comments are requested concerning: whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees. The FCC may not conduct or sponsor a collection of information unless it displays a currently valid control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid Office of Management and Budget (OMB) control number.

**DATES:** Written PRA comments should be submitted on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

**ADDRESSES:** Direct all PRA comments to Nicole Ongele, FCC, via email [PRA@fcc.gov](mailto:PRA@fcc.gov) and to [Nicole.Ongele@fcc.gov](mailto:Nicole.Ongele@fcc.gov).

**FOR FURTHER INFORMATION CONTACT:** For additional information about the information collection, contact Nicole Ongele at (202) 418-2991.

**SUPPLEMENTARY INFORMATION:**

As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501-3520), the Federal Communications Commission (FCC or Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collections. Comments are requested concerning: whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees.

**SUPPLEMENTARY INFORMATION:**

**OMB Control Number:** 3060-XXXX.

**Title:** Part 32 Uniform System of Accounts.

**Form Number:** N/A.

**Type of Review:** New collection.

**Respondents:** Business or other for-profit entities.

**Number of Respondents:** 1,176 respondents; 2,458 responses.

**Estimated Time per Response:** 20-40 hours.

**Frequency of Response:** One-time, on occasion, and annual reporting requirements; recordkeeping requirements.

**Obligation to Respond:** Required to obtain or retain benefits. Statutory authority for this information collection is contained in 47 U.S.C. 10, 201, 219-220, 224, 254(k), 272(e)(3), and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 160, 201, 219-220, 224, 254(k), 272(e)(3), and 403.

**Total Annual Burden:** 103,240 hours.

**Total Annual Cost:** No cost.

**Privacy Impact Assessment:** No impact(s).

**Nature and Extent of Confidentiality:** Respondents are not being asked to submit confidential information to the Commission. If the Commission requests respondents to submit information which respondents believe is confidential, respondents may request confidential treatment of such information under 47 CFR 0.459 of the Commission's rules.

**Needs and Uses:** On February 24, 2017, the Commission released the *Part 32 Order*, WC Docket No. 14-130, CC Docket No. 80-286, FCC 17-15, which minimized the compliance burdens imposed by the Uniform System of Accounts (USOA) on price cap and rate-of-return telephone companies, while ensuring that the Commission retains access to the information it needs to fulfill its regulatory duties.

The Commission consolidated Class A and Class B accounts by eliminating the current classification of carriers, which divides incumbent LECS into two classes for accounting purposes based on annual revenues. Carriers subject to Part 32's USOA will now only be required to keep Class B accounts.

Pursuant to the *Part 32 Order*, price cap carriers may elect to use generally accepted accounting principles (GAAP) for all regulatory accounting purposes if they: (1) establish an "Implementation Rate Difference" (IRD) which is the difference between pole attachment rates calculated under Part 32 and under GAAP as of the last full year preceding the carrier's initial opting out of Part 32 accounting requirements; and (2) adjust their annually-computed GAAP-based pole attachment rates by the IRD for a period of 12 years after the election. Alternatively, price cap carriers may elect to use GAAP accounting for all purposes other than those associated with pole attachment rates and continue to use the Part 32 accounts and procedures applicable to pole attachment rates for up to 12 years.

A price cap carrier may be required to submit pole attachment accounting data to the Commission for three years following the effective date of the rule permitting a price cap carrier to elect GAAP accounting. If a pole attacher informs the Commission of a suspected problem with pole attachment rates, the Commission will require the price cap carrier to file its pole attachment data for the state in question. This requirement may be extended for an additional three years, if necessary.

The Commission reduced the accounting requirements for telephone companies with a continuing obligation to comply with Part 32 in a number of areas. Telephone companies may: (1) carry an asset at its purchase price when it was acquired, even if its value has increased or declined when it goes into regulated service; (2) reprice an asset at market value after a merger or acquisition consistent with GAAP;

(3) use GAAP principles to determine Allowance-for-Funds-Used-During Construction; and (4) employ the GAAP standard of materiality. Rate-of-return carriers receiving cost-based support must determine materiality consistent with the general materiality guidelines promulgated by the Auditing Standards Board.

Price cap carriers with a continuing Part 32 accounting obligation must maintain continuing property records necessary to track substantial assets and investments in an accurate, auditable manner. The carriers must make such property information available to the Commission upon request. Carriers subject to Part 32 must continue to comply with the USOA's depreciation procedures and its rules for cost of removal-and-salvage accounting.

**Federal Communications Commission.**

**Katura Jackson,**  
Federal Register Liaison Officer.  
Office of the Secretary

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