

FCC Adopts New Schedule of Regulatory Fees

Washington, D.C., July 8, 2002 -- By Report and Order issued Friday, the FCC has revised its Schedule of Regulatory Fees to collect the amount of regulatory fees that Congress, pursuant to Section 9(a) of the Communications Act, as amended, requires for Fiscal Year (FY) 2002.

In the Report and Order, the FCC concluded that it must collect \$218,757,000 through regulatory fees to recover the costs of its competition, enforcement, spectrum management, and consumer information activities for FY 2002. This amount is \$18,611,000 or approximately 9.3% more than the amount designated for recovery through regulatory fees for FY 2001.

With respect to interstate long distance services, the FCC defined Interstate Telecommunication Service Providers responsible for paying fees to include "CAP/CLECs, incumbent local exchange carriers (local telephone operating companies), interexchange carriers (long distance telephone companies), local resellers, OSPs (operator service providers that enable customers to make away from home calls and to place calls with alternative billing arrangements), payphone service providers, prepaid card, private service providers, satellite carriers that provide fixed local or message toll services, shared tenant service providers, toll resellers, and other local and other service providers." The services covered include "the interstate and international portion of wireline local exchange service, local and long distance private line services for both voice and data, dedicated and network packet and packet-like services, long distance message telephone services, and other local and toll services."

To avoid imposing a double payment burden on resellers, the FCC bases the regulatory fee on end-user revenues.

For FY 2002, carriers must multiply their interstate and international revenue from subject local and toll services by the factor 0.00153 (increased from 0.00132) to determine the appropriate fee for this category of service. To avoid imposing a double payment burden on resellers, the FCC bases the regulatory fee on end-user revenues.

If you would like a complete copy of the FCC's new fee schedule, or assistance in calculating fees, please feel free to contact us.
