



May 22, 2008

MEMORANDUM TO CLIENTS

Re: FCC Releases Proposed 2008 Regulatory Fees Schedule

Comments Due: May 30, 2008

Reply Comments Due: June 6, 2008

The FCC recently issued its proposed annual regulatory fees schedule for FY 2008 (attached), generally retaining the methods and procedures used to calculate and collect regulatory fees in previous years and soliciting comment on ways to modify and improve the process.

Of particular note, the Commission seeks comment on the most efficient methods of assessing regulatory fees on AM expanded band stations, which have previously been exempt from regulatory fee payments. The Commission also seeks comment on ways to streamline and modernize its fee assessment and collection processes, including improving: (1) the online fee filing system; (2) the way that licensees are notified about changes to the regulatory fees schedule; (3) the methods by which fee assessments and bills are disseminated; and (4) how the FCC collects regulatory fee payments, such as altering the existing August-September regulatory fee payment window.

In many cases, the FY 2008 fees are higher than the FY 2007 fees, primarily because Congress has required the FCC to collect approximately \$312 million in FY 2008, a seven percent increase from FY 2007. Certain fees which may be of particular interest are:

Cable systems (per basic subscriber)	\$0.80 (up from \$0.75)
CARS	\$205 per station (up from \$185)
TV (VHF)	\$5,600 to \$69,400 (depending on market size)
TV (UHF)	\$1,875 to \$21,450 (depending on market size) ¹
FM Radio	\$600 to \$10,200 (depending on class and pop. size)
AM Radio	\$450 to \$7,925 (depending on class and pop. size)
Broadcast Microwave Auxiliaries	\$10 (same as FY 2007)

¹ As indicated in the attached fee schedule, there are no regulatory fee obligations imposed on digital television stations. Stations that broadcast in both analog and digital format must pay regulatory fees only with respect to their analog facilities. Stations that operate in digital-only format do not have to pay any regulatory fees.

As a general matter, regulatory fees for licenses, permits and other authorizations that are not based on a subscriber, unit, or circuit count must be submitted for any authorization held as of October 1, 2007. In the case of regulated entities whose fees are based on a per basic subscriber or other unit count basis, such as cable system operators, the number of the regulatee's customers on December 31, 2007 is used to calculate the fee payment under the proposal.² Basic cable subscribers include single family dwellings, each individual household in a multiple dwelling unit, bulk rate customers and courtesy/free service customers.³

Like last year, **cable operators** that have e-mail addresses populated in the Media Bureau's Cable Operations and Licensing System will receive e-mail reminders to notify them of the amount due and the payment filing window, however, the Commission seeks comment on whether this practice is effective and should continue.

With respect to **broadcast stations**, the FCC proposes to continue generating regulatory fee assessment postcards and letters that indicate the regulatory fee owed, mailing them to the licensee's primary and secondary contact persons identified in the Commission's Consolidated Database System. The notifications also will direct parties to an FCC website, www.fccfees.com, to update or correct fee information, or to certify their fee-exempt status (typically only for governmental entities), as necessary.

The Commission also reminds regulatees of the new lock box bank, U.S. Bank, in St. Louis, Missouri, through which all FY 2008 lock box payments will be processed. In addition, regulatees are advised that the Commission has a new receiving bank for wire payments, the Federal Reserve Bank, New York, New York, and that complete instructions for making wire payments are available on the Commission's website at <http://www.fcc.gov/fees/wiretrans.html>.

As in the past, regulated entities whose total regulatory fee liability amounts to less than \$10 will be exempt from paying such fees. Payment of regulatory fees may be made either via paper or electronically during or before the fee filing window. Late payments are subject to a 25% penalty and administrative processing charges, and failure to pay could result in the Commission's withholding of action on and/or dismissal of applications filed by licensees/regulatees. Nonpayment also could result in initiation of authorization revocation proceedings. Additional details regarding payment procedures and filing window dates should soon be available on the FCC's website.

We would be pleased to respond to any questions regarding these matters, or to provide assistance with preparation of regulatory fee materials for submission to the Commission.

FLEISCHMAN AND HARDING LLP

Attachment
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² Cable operators can base the required subscriber count on a typical day during the last week of December 2007, rather than on December 31, 2007 specifically.

³ Bulk-rate customers are calculated on an equalized basis, where the total annual bulk-rate charge is divided by the basic annual subscription rate for individual households.

Attachment D

Proposed FY 2008 Schedule of Regulatory Fees

Regulatory fees for the categories shaded in gray are collected by the Commission in advance to cover the term of the license and are submitted along with the application at the time the application is filed.

Fee Category	Annual Regulatory Fee (U.S. \$'s)
PLMRS (per license) (Exclusive Use) (47 CFR part 90)	40
Microwave (per license) (47 CFR part 101)	40
218-219 MHz (Formerly Interactive Video Data Service) (per license) (47 CFR part 95)	60
Marine (Ship) (per station) (47 CFR part 80)	10
Marine (Coast) (per license) (47 CFR part 80)	35
General Mobile Radio Service (per license) (47 CFR part 95)	5
Rural Radio (47 CFR part 22) (previously listed under the Land Mobile category)	20
PLMRS (Shared Use) (per license) (47 CFR part 90)	20
Aviation (Aircraft) (per station) (47 CFR part 87)	5
Aviation (Ground) (per license) (47 CFR part 87)	10
Amateur Vanity Call Signs (per call sign) (47 CFR part 97)	1.23
CMRS Mobile/Cellular Services (per unit) (47 CFR parts 20, 22, 24, 27, 80 and 90)	.17
CMRS Messaging Services (per unit) (47 CFR parts 20, 22, 24 and 90)	.08
Broadband Radio Service (formerly MMDS/ MDS) (per license) (47 CFR part 21)	295
Local Multipoint Distribution Service (per call sign) (47 CFR, part 101)	295
AM Radio Construction Permits	450
FM Radio Construction Permits	600
TV (47 CFR part 73) VHF Commercial	
Markets 1-10	69,400
Markets 11-25	50,850
Markets 26-50	34,900
Markets 51-100	21,025
Remaining Markets	5,600
Construction Permits	5,600

Fee Category	Annual Regulatory Fee (U.S. \$'s)
TV (47 CFR part 73) UHF Commercial	
Markets 1-10	21,450
Markets 11-25	20,475
Markets 26-50	11,575
Markets 51-100	6,850
Remaining Markets	1,875
Construction Permits	1,875
Satellite Television Stations (All Markets)	1,175
Construction Permits – Satellite Television Stations	595
Low Power TV, Class A TV, TV/FM Translators & Boosters (47 CFR part 74)	365
Broadcast Auxiliaries (47 CFR part 74)	10
CARS (47 CFR part 78)	205
Cable Television Systems (per subscriber) (47 CFR part 76)	.80
Interstate Telecommunication Service Providers (per revenue dollar)	.00317
Earth Stations (47 CFR part 25)	195
Space Stations (per operational station in geostationary orbit) (47 CFR part 25) also includes DBS Service (per operational station) (47 CFR part 100)	119,300
Space Stations (per operational system in non-geostationary orbit) (47 CFR part 25)	125,750
International Bearer Circuits (per active 64KB circuit)	1.09
International Public Fixed (per call sign) (47 CFR part 23)	2,025
International (HF) Broadcast (47 CFR part 73)	860

FY 2008 SCHEDULE OF REGULATORY FEES (continued)

FY 2008 RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C0, C1 & C2
<=25,000	\$650	\$500	\$450	\$525	\$600	\$775
25,001 – 75,000	\$1,325	\$1,025	\$650	\$775	\$1,225	\$1,375
75,001 – 150,000	\$1,975	\$1,275	\$875	\$1,300	\$1,675	\$2,550
150,001 – 500,000	\$2,975	\$2,175	\$1,325	\$1,550	\$2,600	\$3,325
500,001 – 1,200,000	\$4,300	\$3,325	\$2,200	\$2,575	\$4,125	\$4,900
1,200,001 – 3,000,00	\$6,600	\$5,100	\$3,300	\$4,125	\$6,700	\$7,850
>3,000,000	\$7,925	\$6,125	\$4,175	\$5,150	\$8,550	\$10,200