

Regulatory Fees for Unlicensed Users and Large Technology Companies?

September 22, 2021 | Blog | By

VIEWPOINT TOPICS

- Technology, Communications & Media

RELATED PRACTICES

- Technology, Communications & Media

RELATED INDUSTRIES

- Technology

The Communications Act requires that the Federal Communications Commission collect regulatory fees to cover the costs of certain employees who directly provide benefits to payees. Should the FCC require that unlicensed users and/or equipment manufacturers pay annual regulatory fees? Or large technology companies? Those queries are teed up for public comment in a subsequent Notice of Proposed Rulemaking that is part of the Commission's annual regulatory fee assessment proceeding.

The questions stem from suggestions made by several broadcast associations. While the Commission expressed some skepticism as to whether the FCC's work related to unlicensed users and equipment authorization – which occurs mainly within its Office of Engineering and Technology – would be appropriate for fee assessment, it nevertheless set the issues for public comment. The two threshold questions to consider are whether the FCC has the legal authority under the Communications Act to impose such fees and whether it should make such a policy change. And then, if the Commission does determine that fees should be imposed, how should it assess those fees, e.g., to what entities and in what amounts. The assessment methodology for these user classes would be more challenging than for other fee categories, as the identity of many unlicensed users is not readily or necessarily available.

One Commissioner, Brendan Carr, stated his approval for the decision to seek comment on the question of fees imposed on large technology companies. This indicates that if a permanent Chair (and fifth Commissioner) is not confirmed before the Acting Chairwoman's term expires, the proposal could be seriously considered by what would be a remaining 2-1 Republican majority.

Comments on the proposal are due by October 21, 2021 and reply comments by November 5, 2021.

Authors

BOSTON LOS ANGELES NEW YORK SAN DIEGO SAN FRANCISCO TORONTO WASHINGTON, DC