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FCC Proposes FY 2023 Regulatory Fees

On May 15, 2023, the FCC released a <u>Report and Order and Notice of Proposed</u> <u>Rulemaking</u> seeking comment on its proposed regulatory fees for fiscal year 2023. Congress requires the FCC to annually collect regulatory fees to cover its operational costs, and the FCC sets the fees by calculating the proportion of the total number of FCC employees needed to regulate a particular service.

Proposed Regulatory Fees. The FCC has proposed the following regulatory fees:

- **2023 Cable/IPTV/DBS regulatory fee:** The FCC has proposed that all MVPDs that had subscribers as of December 31, 2022, pay <u>\$1.24</u> per subscriber, a \$0.09 increase from 2022.
- CARS licenses and permits: The FCC has proposed that CARS facilities operating on October 1, 2022, pay <u>\$1,740.00</u>, even if the facility's license expired after October <u>1, 2022</u>.
- Interconnected VoIP regulatory fee: The FCC proposes an ITSP fee of <u>\$0.00516</u> for each dollar of interstate and international telecommunications revenue that a provider reports on its Form 499-A.

Filing Procedures and Window. Following adoption of its FY 2023 Fee Order (likely in August), the FCC will collect these fees during a subsequent filing window (likely in September). All licensees must use their FCC username and password to access the <u>CORES Registration System</u>, and review, create, update, or change the fees owed. Then, each licensee must make payments electronically – online payment with a credit card, online payment from a bank account, or by sending a wire transfer. CORES will print a Form 159-E for users to transmit for wire transfers.

If you have any questions about regulatory fee payments, please contact Scott Friedman at (314) 462-9000 or <u>sfriedman@cinnamonmueller.com</u>.

FCC Amends CALEA Filing Rules

Requires Electronic Filing of New and Updated SSI Plans

On May 15, 2023, the FCC released an <u>Order</u> amending its rules to require the electronic filing of new and updated System Security and Integrity Policies and Procedures ("SSI Plans") by covered entities under the Communications Assistance for Law Enforcement Act ("CALEA").

Background. CALEA contains provisions limiting law enforcement's interception of communications and access to call-identifying information. CALEA requires telecommunications carriers to ensure that any interception of communications or access to call-identifying

information that takes place on the carrier's premises be activated only in accordance with a court order or other lawful authorization, and that a selected carrier employee authorize the interception or access. CALEA applies to facilities-based broadband Internet access services and interconnected Voice over Internet Protocol services.

The FCC first specified the requirements for SSI Plans in 1999. Under FCC rules, all covered entities must file their SSI Plans prior to commencing service and must re-file a complete updated SSI Plan within 90 days following any changes to information contained in a previously filed SSI Plan.

Order and Electronic Filing Requirement. Last June, the Public Safety and Homeland Security Bureau announced the launch of CEFS. The system allows users to file SSI Plans confidentially and securely and, once they have filed a plan, to log back in and retrieve and view the filing. The Bureau further announced the availability of CEFS for voluntary filing of SSI plans last December. With this Order, the FCC is now amending its rules to now require electronic filing of SSI Plans in CEFS.

Once the Order is published in the Federal Register, the FCC will announce the date that paper filings will no longer be accepted.

If you have questions about CALEA or SSI Plans, please contact Scott Friedman at (314) 462-9000 or <u>sfriedman@cinnamonmueller.com</u> or Bruce Beard at (314) 394-1535 or <u>bbeard@cinnamonmueller.com</u>.

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