

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of:)	
)	
Review of the Commission's Assessment and)	MD Docket No. 25-190
Collection of Regulatory Fees for)	
Fiscal Year 2025)	

**COMMENTS OF
THE NATIONAL ASSOCIATION OF BROADCASTERS**

I. INTRODUCTION AND SUMMARY

The National Association of Broadcasters (NAB)¹ hereby submits the following comments in response to the Commission's Notice of Proposed Rulemaking in the above-referenced proceeding setting regulatory fees for FY 2025.²

The Notice proposes to set regulatory fees using the same methodology applied in FY 2023 and FY 2024.³ Under this approach, certain indirect FTEs have been reallocated as direct FTEs to the Commission's core bureaus to more precisely align the costs associated with the work they perform with the entities that benefit from it. In addition to these proposed reallocations, the Notice seeks comment on whether the Commission should

¹ The National Association of Broadcasters (NAB) is the nonprofit trade association that advocates on behalf of free local radio and television stations and broadcast networks before Congress, the Federal Communications Commission and other federal agencies, and the courts.

² *Review of the Commission's Assessment and Collection of Regulatory Fees for Fiscal Year 2025, Assessment and Collection of Space and Earth Station Regulatory Fees for Fiscal Year 2024*, Notice of Proposed Rulemaking, MD Docket Nos. 25-190, 24-85 (rel. June 5, 2025) (Notice).

³ *Id.* at ¶ 2.

adopt new regulatory fee categories and ways to improve the regulatory fee process.⁴ NAB appreciates the Commission's continued efforts to refine the regulatory fee methodology to more accurately account for the work performed by FTEs in the non-core bureaus and offices of the Commission and largely supports the proposed FY 2025 regulatory fee allocations.

The Commission should continue its efforts to modernize and ensure the fairness and sustainability of the regulatory fee system. Specifically, the Commission should expand the base of fee payors to include other beneficiaries of significant amounts of the Commission's work, regardless of where in the Commission the work is performed. To further this process, NAB recommends that the Commission conduct one or more roundtables with relevant stakeholders to discuss how to expand the payor base in a way that is fair, administrable, and sustainable. Having such discussions well in advance of next year's rulemaking will put both the Commission and commenters in a better position to make detailed proposals for additional fee categories in FY 2026.

II. NAB SUPPORTS THE NOTICE'S FY 2025 PROPOSED ALLOCATIONS AND FURTHER EFFORTS TO MODERNIZE THE FEE STRUCTURE

The Commission is required to set fees that "reflect the full-time equivalent number of employees within the bureaus and offices of the Commission, adjusted to take into account factors that are reasonably related to the benefits provided to the payor of the fee by the Commission's activities."⁵ This statutory requirement underscores that regulatory fees should reflect a fair allocation of costs based on the services provided to fee payors throughout all bureaus and offices of the Commission.

⁴ *Id.* at ¶ 41.

⁵ 47 U.S.C. § 159(d).

In keeping with this obligation, the Notice explains that, in addition to determining the number of direct FTEs in the core bureaus and offices, this year Commission staff also undertook a “high-level yet comprehensive analysis” to “determine whether any indirect FTE time in the non-core bureaus and offices should be reallocated to be considered as direct FTE time to a core bureau.”⁶ As a result of this analysis, 61 FTEs previously considered indirect have been reallocated as direct to certain core bureaus.⁷

NAB commends the Commission for undertaking this important analysis and its commitment to looking beyond the four core bureaus and offices when making its regulatory fee allocations. Increasing the percentage of direct FTEs included in the regulatory fee calculation is critical to ensure that regulatory fees reflect the benefits received by fee payors and brings the Commission closer to compliance with its statutory mandate. We support the proposed FTE reallocations and urge the Commission to continue refining its methodology to ensure that all relevant work performed by Commission staff is appropriately reflected in the regulatory fee structure.⁸

⁶ Notice at ¶ 25.

⁷ *Id.* at ¶ 26.

⁸ NAB reiterates its view that the Commission’s analysis of the work performed by FTEs in non-core bureaus should not exclude FTEs in some of the non-core bureaus and offices simply because they may work on matters that also pertain to non-fee payors. See Comments of NAB, MD Docket No. 24-86, at 4-5 (July 15, 2024). Similarly, while we appreciate that broadcasters are exempt from the indirect costs associated with the USF FTEs in the Wireline Competition Bureau, we continue to believe that such FTEs should be reclassified as direct given that they benefit some, but not all, fee payors. *Id.* at 5-6.

III. THE COMMISSION SHOULD TAKE ACTION TO EXPAND THE BASE OF PAYORS TO ENSURE THAT THE REGULATORY FEE SYSTEM REMAINS SUSTAINABLE

The Notice seeks further comment on “whether we should adopt new regulatory fee categories and on ways to improve our regulatory fee methodology.”⁹ The FCC should expand the base of regulatory fee payors to promote fairness, sustainability, and better alignment with today’s communications ecosystem.

The current regulatory fee system places a disproportionate burden on a limited group of legacy industries, while allowing other significant beneficiaries of FCC work to avoid contributing. This is neither equitable nor sustainable. A modern regulatory fee framework must recognize that the FCC’s work benefits a larger array of entities than those currently paying its costs. Without reform, the fee structure will continue to unfairly saddle a small group of payors with the responsibility of funding the Commission’s broad and growing portfolio of activities. The long-term sustainability of the regulatory fee system depends on a broader and more representative payor base.

As NAB and other stakeholders have consistently explained, the Commission possesses both the legal authority and the responsibility to expand the pool of fee payors beyond licensees to other entities that plainly benefit from the Commission’s activities.¹⁰

⁹ Notice at ¶ 41.

¹⁰ See, e.g., Comments of NAB, MD Docket 21-190, at 12-15 (June 3, 2021) (arguing that unlicensed spectrum users should contribute to regulatory fees); Comments of NAB, MD Docket No. 21-190, at 9-14 (Oct. 21, 2021) (urging Commission to add fee category for broadband service providers and Big Tech companies); Comments of NAB, MD Docket Nos. 21-190, 22-223, at 18-26 (July 5, 2022) (explaining in detail the factual, statutory, and precedential bases for adding a fee category for broadband service providers and Big Tech and other unlicensed spectrum users); Joint Reply Comments of the State Broadcasters Associations, MD Docket No. 21-190, at 5-15 (Nov. 5, 2021) (explaining legal basis for adding fee categories and urging Commission to assess fees on equipment authorization holders and broadband service providers); Comments of the Satellite Coalition, MD Docket

NAB and others have made proposals to add several categories of fee payors, including broadband service providers, equipment authorization holders, and major technology companies (“Big Tech”), all of whom benefit significantly from the Commission’s oversight, rulemaking, and spectrum management functions.¹¹ There is no valid legal, policy, or practical justification for exempting them from the cost of supporting these functions, especially when doing so forces other payors to shoulder a disproportionate share of the Commission’s budget.¹²

While some of these entities may pay regulatory fees for certain services, they often escape paying the full amount of fees associated with their operations (e.g., broadband services or equipment authorizations), even when those services benefit directly from FCC activity. The existence of overlapping services is not a reason to exempt these entities from additional fee obligations. In fact, many current fee payors, including broadcasters, pay for multiple categories of regulatory fees to reflect the full scope of Commission activities that support their businesses.¹³

In the past, the Commission has also cited a lack of specificity in commenters’ proposals, administrative challenges involved in identifying specific FTEs responsible for

No. 21-190, at 2-8 (Oct. 21, 2021) (urging the Commission to add fee categories and explaining legal authority for expanding base of payors); Reply Comments of the Satellite Operators, MD Docket Nos. 22-301, 23-159, at 3-9 (June 29, 2023) (explaining Commission’s statutory authority to expand payor base and proposing the Commission add fee categories for experimental licensees, broadband internet access providers, equipment authorizations, database administrators enabling unlicensed operations, and other regulated entities).

¹¹ *Id.*

¹² *Id.*

¹³ For example, many broadcasters also pay earth station fees. In addition, many cable providers pay wireless fees and DBS providers pay both satellite fees and cable/DBS fees.

regulating these entities, or other information gaps as reasons for declining to expand the fee base. However, these challenges are not insurmountable and do not justify maintaining the status quo and forcing some payors to subsidize the Commission's work for others. NAB and others have noted that commenters are constrained by a lack of access to internal FTE data, which limits their ability to offer more detailed proposals. To address this, the Commission should take proactive steps and collaborate with stakeholders to close these information gaps.

We recognize that the compressed timeline of the annual rulemaking process presents challenges for the Commission in adding new fee categories. To the extent the Commission is unable to act on existing proposals, NAB urges the Commission to convene roundtables with FCC staff and regulatory fee stakeholders well in advance of the next annual regulatory fee proceeding. This forum would provide a structured opportunity to explore practical, equitable approaches to adding new fee categories in a manner that is legally sound and administratively feasible. Early and ongoing engagement would give both the Commission and stakeholders the time and insight necessary to develop a path forward for FY 2026 and beyond to ensure that the base of fee payors accurately reflects the full range of entities that benefit from the Commission's work.

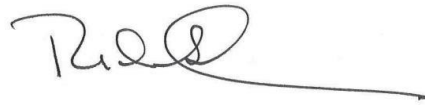
IV. CONCLUSION

NAB appreciates the Commission's efforts to improve its regulatory fee process and supports the FY 2025 proposed allocations. The Commission should continue to modernize its fee structure by taking concrete steps towards broadening the base of payors.

Respectfully submitted,

**NATIONAL ASSOCIATION OF
BROADCASTERS**

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A handwritten signature in dark ink, appearing to read "Rick Kaplan", with a long horizontal flourish extending to the right.

Rick Kaplan
Emily Gomes

July 7, 2025