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Special Advisory to Broadcasters
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Communications Broadcast Advisory

FCC Adopts Fiscal Year 2006 Regulatory Fees

The Commission has adopted its annual regulatory fees for Fiscal Year 2006. The filing deadline will be announced in a Public Notice that should be released at any time now.

Commercial VHF television stations face the most significant cost increase: in top 10 markets, those stations will see their annual fee rise from \$61,975 to \$64,775, and in markets 11 to 25, the fee climbs from \$44,675 to \$47,775. Both VHF and UHF construction permit fees increase as well for Fiscal Year 2006, from \$3,175 to \$3,400 for VHF and from \$1,725 to \$1,775 for UHF. FM construction permit fees rise slightly in 2006, from \$550 to \$575. Similarly, AM construction permit fees rise from \$310 to \$395.

Radio station fees either increase or stay the same as last year. Where increases occur, they range from a low of \$25 to as much as \$600. The increases are lower in situations where smaller populations are served, and higher in situations with greater population density.

The wireless fees of general interest to broadcasters are left unchanged: annual fees for Part 74 Broadcast Auxiliaries remain at \$10.00 per license. The fees for other wireless licenses will increase; for example, Part 90 Private Land Mobile Wireless Service license fees will now be \$20.00 per license.

Regulatory fees are owed for any authorizations held as of October 1, 2005. Fee payments are sent to the Commission's lockbox at Mellon Bank in Pittsburgh. This year's fees are projected to raise more than \$288 million, which represents an additional \$10 million as required by the Deficit Reduction Act. Last year's regulatory fees raised more than \$280 million.

It is important for licensees and permittees to remember that non-payment of regulatory fees can subject them to a collection action (with a 25% penalty) by the FCC. In addition, the Commission will refuse to process a licensee's/permittee's applications until full payment has been made. The FCC still employs its "Red Light" database to detect those licensees and permittees who have not paid their regulatory fees.

FCC Fiscal Year 2006 Schedule of Regulatory Fees Applicable to Broadcasters

Fee Category	Annual Fee
TV (47 CFR part 73) VHF Commercial Markets 1-10	\$64,775
TV (47 CFR part 73) VHF Commercial Markets 11-25	\$47,775
TV (47 CFR part 73) VHF Commercial Markets 26-50	\$32,875
TV (47 CFR part 73) VHF Commercial Markets 51-100	\$20,450
TV (47 CFR part 73) VHF Remaining Markets	\$5,025
TV (47 CFR part 73) VHF Construction Permits	\$3,400
TV (47 CFR part 73) UHF Commercial Markets 1-10	\$20,750
TV (47 CFR part 73) UHF Commercial Markets 11-25	\$19,100
TV (47 CFR part 73) UHF Commercial Markets 26-50	\$10,975
TV (47 CFR part 73) UHF Commercial Markets 51-100	\$6,500
TV (47 CFR part 73) UHF Remaining Markets	\$1,775
TV (47 CFR part 73) UHF Construction Permits	\$1,775
Satellite Television Stations – All Markets	\$1,150
Satellite Television Stations – Construction Permits	\$570
Low Power Television, Class A Television, TV/FM Translators and Boosters (47 CFR part 74)	\$420
Broadcast Auxiliaries (47 CFR part 74)	\$10
Broadband Radio Service (formerly MMDS/MDS) – per license	\$275
Local Multipoint Distribution Service – per call sign	\$275
Earth Stations (47 CFR part 25)	\$215
International (HF) Broadcast (47 CFR part 73)	\$820
AM Radio Construction Permits	\$395
FM Radio Construction Permits	\$575

Fiscal Year 2006 Private 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	625	500	400	475	575	750
25,001 – 75,000	1,225	950	600	725	1,150	1,325
75,001 – 150,000	1,850	1,200	800	1,200	1,575	2,450
150,001 – 500,000	2,775	2,025	1,200	1,425	2,450	3,200
500,001 – 1,200,000	4,000	3,100	2,000	2,375	3,875	4,700
1,200,001 – 3,000,00	6,150	4,750	3,000	3,800	6,325	7,500
>3,000,000	7,375	5,700	3,800	4,750	8,050	9,750

For more information on the fees, including assistance in preparing and filing them with the Commission, please contact any of the lawyers in the Communications Practice Section or the Editors listed below.

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This publication is issued periodically to keep Pillsbury Winthrop Shaw Pittman LLP clients and other interested parties informed of current legal developments that may affect or otherwise be of interest to them. The comments contained herein do not constitute legal opinion and should not be regarded as a substitute for legal advice.

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