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

In the Matter of	)	
Assessment and Collection of Regulatory Fees	)	MD Docket No. 14-92
for Fiscal Year 2014	)	
Assessment and Collection of Regulatory Fees for Fiscal Year 2013	) ) )	MD Docket No. 13-140
Procedures for Assessment and Collection of Regulatory Fees	) ) )	MD Docket No. 12-201

# COMMENTS OF P. RANDALL KNOWLES CONCERNING THE GENERAL MOBILE RADIO SERVICE (GMRS)

1. <u>What is GMRS</u>? The General Mobile Radio Service (formerly the Class A Citizens' Radio Service) is available to individuals to coordinate their activities and activities of their families. A license authorizes an individual over the age of 18 and his immediate family members to operate 2-way radios on selected frequencies in the UHF band.<sup>1</sup> Since 1987 (Docket 87-265) licenses are no longer issued to businesses or other entities eligible in other private land mobile 2-way radio services, consistent with the original purpose of the Citizens' Radiocommunication Service.

2. <u>The Commission has Repeatedly Recognized the Problems with GMRS fees</u>. Since at least 2008, in MD Docket No. 08-65 (which proposed reducing fees for GMRS), the Commission has repeatedly recognized that the fee for an individual to apply for a GMRS license is unreasonable and inordinately high and needs to be adjusted. In WT Docket 10-119 the Commission again recognized a serious problem with the fee to acquire a GMRS license. Last year the Commission again recognized this problem in a proceeding regarding MD Dockets 13-140, 12-201 and 08-65.

3. GMRS User Base. Broadly speaking, GMRS operations fall into one of two categories.

(A) Traditional "Land Mobile" systems, with repeaters (mobile relay stations) and small hand held portable/mobile transceivers being the most prevalent configuration; and

(B) FRS (Family Radio Service) users with very cheap, low power, hand-held ("walkie-talkie") only radios, *that also operate* on GMRS frequencies. These were referred to as "bubble-pack" radios in WT Docket 10-119. These "bubble-pack" radios come with both FRS and GMRS channels installed. They require a *license from the FCC* if operated on any of the GMRS frequencies *that come included in every cheap "bubble-*

<sup>&</sup>lt;sup>1</sup> See §§95.1, 95.5(a), 95.29 and 95.179(a) of the FCC Rules and Regulations

*pack" hand-held radio*. (By contrast, **no license** is required to operate on the FRS channels in these radios.) Most often these very cheap radios are sold in pairs, and in consumer stores that do not sell "Land Mobile" or other radio equipment. Typically the cost of an FCC license to operate on the GMRS channels included in "bubble-pack" walkie-talkies *is more than double* the purchase price *for a pair* of such radios. As noted above, the Commission has specifically recognized this inequity.<sup>2</sup>

4. Recent Commission Actions Have Exacerbated the Problem.

A. Not surprisingly, the Commission noted, in WT Docket 10-119, that the number of FCC licenses for GMRS is vastly less than the number of reported "bubble-pack" radio sales. While a variety of causes for such presumed illegal, unlicensed operation by "bubble-pack" radios on GMRS channels may be cited, the most significant cause is the arbitrary and unreasonably high cost of the FCC license in contrast to the vastly lower cost of the equipment. Many of these cheap walkie-talkies are purchased as *toys for very young children*.

B. To date almost 200 comments have been filed in WT Docket 10-119. The record in that Docket overwhelmingly supports the fact that GMRS licensees consider the fee which must be paid when an individual applies for a license to be grossly unreasonable, unfair and exorbitant. Almost all comments which addressed unlicensed operation in the GMRS by users of Family Radio Service (FRS) "bubble-pack" radios supported the position that the same is due in great part, if not nearly wholly, to the arbitrary and unreasonable fee to obtain a GMRS license.

C. By contrast, the older, traditional GMRS "Land Mobile" users of GMRS are generally self-disciplined and properly licensed by the FCC. GMRS remains, as least for now, a largely utilitarian, useful service. The advent of the "bubble-pack" radios is a comparatively recent development, and poses a serious threat to the service. If the Commission is truly concerned by the apparent widespread illegal, unlicensed use of GMRS frequencies by "bubble-pack" radio users, it must find a means to solve the license cost problem.

5. <u>The GMRS License Fee Structure</u>. The cost of a GMRS License is composed of two components: the fee to process the Application (Application Fee); and the Regulatory Fee, which is referenced in this proceeding. The Application Fee was just recently increased from \$60.00 to \$65.00 earlier in June.<sup>3</sup> The Regulatory Fee of \$5.00 per year is paid in advance for the 5-year term of a license (\$25.00). Therefore, the total cost for an individual to apply for a GMRS license has just *increased* from \$85.00 to \$90.00.

<sup>&</sup>lt;sup>2</sup> Report and Order and FNPRM, MD 08-65. August 8, 2008, at p. 57

<sup>&</sup>lt;sup>3</sup> See FCC 14-24, GEN Docket 86-285, Appendix ¶2, §.1102, 8. General Mobile Radio (GMRS), p. 14

6. <u>Recent FCC Actions Regarding GMRS Fees Appear to Users to be a Mere House of</u> <u>Cards</u>.

A. Last year the Commission addressed these same issues in MD Dockets 13-140, 12-201 and 08-65. In that proceeding's Attachment E (the "Initial Regulatory Flexibility Analysis"), the Commission stated (in paragraph 4) "The *FNPRM* seeks comment concerning the adoption and implementation of proposals for FY 2014 and beyond, which include: ... (3) eliminating the regulatory fee component pertaining to General Mobile Radio Service;".... However the Commission *completely failed* to include such a proposal in either its NPRM or FNPRM.

B. I filed Reply Comments in that proceeding calling this fact to the attention of the Commission. To date the FCC has ignored, in fact failed to even mention, my Comments pointing out that material *was completely missing* in last year's proposed rule changes.<sup>4</sup> No explanation has ever been offered for why the GMRS issue was mysteriously missing. And I was not the only person to call this fact to the Commission's attention, either.<sup>5</sup>

7. Now the House of Cards is Continued by the FCC.

A. Here the Commission has, once again, stated, in paragraph 32 of the Second Further Notice of Proposed Rulemaking,

"... Concerning multi-year licenses, we propose excluding two categories whose regulatory fees for the term of the license would be under \$100: vanity call signs (\$21.60 for a 10-year license) and General Mobile Radio Service (GMRS) (\$25 for a five-year license).<sup>58</sup> ....

<sup>58</sup> Our proposal would exclude these two categories from regulatory fees going forward, not just for FY 2014"

And, once again, the Commission has *completely omitted* these proposals from the specification of the actual regulatory fees for FY 2014. See Attachment A, Calculation of FY 2014 Revenue Requirements and Pro-Rata Fees (page 25), where GMRS applicants *continue to be charged* \$25.00, for Expected FY 2014 Revenue of \$222,500.00. See also, Attachment B, FY 2014 Schedule of Regulatory Fees (page 28), where the GMRS Annual Regulatory Fee is, once again, set at \$5.00 per year.

B. The FCC's Managing Director's Office has now raised the GMRS Regulatory Fee issue on three different occasions over a period of six years. Yet, throughout this time, they have *utterly failed to actually implement any change whatsoever*. GMRS Users are aware that the FCC was previously criticized by the

<sup>&</sup>lt;sup>4</sup> See Reply Comments by P. Randall Knowles, filed in Docket 13-140, June 26, 2013, paragraphs 5 and 6

<sup>&</sup>lt;sup>5</sup> See also, Reply Comments Regarding GMRS Regulatory Fee, by Bennett Z. Kobb, filed in Docket 13-140, June 26, 2013

GAO on this issue.<sup>6</sup> We believe that the fact that absolutely no action has been taken in three purported attempts over six years can *not* be mere coincidence. In the interim, the total cost for a GMRS license has now <u>increased</u>, yet again. It is long since time for the MD's Office to actually do something, not just "discuss" this question to death.

C. While reduction of the total cost for individuals to apply to the Commission for a GMRS license by only \$25 is not a satisfactory or permanent solution, it is better than NOTHING, as a start.

D. **GMRS Users call upon the MD's Office to immediately suspend collection of the Regulatory Fee Component of the cost of a license** as a first step to eventual correction of this long-standing inequitable and grossly unfair treatment of the American public.

8. Why the Application Fee Component of the Cost for a GMRS License is Grossly Inequitable.

A. The entire conundrum of the excessive fee for a GMRS license is very confusing to the members of the general public, who have to apply to the FCC for a license. Virtually none of the public understands that the Application Fee component is set by Congress as a matter of law, and not by the Federal Communications Commission. See Section 158(g) of the Communications Act of 1934 [Title 47, United States Code], SCHEDULE OF APPLICATION FEES – PRI-VATE RADIO SERVICES – 7. General Mobile Radio Service. See also §158(b), automatic cost of living increases over the years (which was responsible for the recent increase in early June).

B. GMRS at one time was subject to extensive technical data on stations, similar to other "commercial" private land mobile operations. Such data included, for example, exact frequencies to be authorized, emission modes to be authorized, station classes to be authorized (such as base, mobile relay, control, mobile, etc.), exact address of each land station, exact latitude and longitude (to nearest second) of each antenna, height above sea level of ground at each antenna, height above ground of each antenna tip, power output of each class of station, calculation of effective radiated power at each land station antenna (Form 425), number of each station class (for example mobile units [including portables]), description of area of operation, etc.

C. However, for more than 15 years now, the GMRS application no longer requires *any* technical data. Little more than name and address is now submitted, along with checking a few boxes relating to meeting the minimum age

<sup>&</sup>lt;sup>6</sup> "[A]fter 13 years in a rapidly changing industry, FCC has not validated the extent to which its fees correlate to its workload. ...Moreover, FCC's practice is inconsistent with federal guidance on user fees." See Federal Communications Commission: Regulatory Fee Process Needs to Be Updated, GAO-12-686, August 2012.

requirement of 18 and the general waiving of certain rights required of all Commission licensees.

D. Under this vastly simplified system of license application, a fee of \$65 to process the paperwork makes no sense, and *bears no relation to the actual work of the Commission to process the application whatsoever*. The benefit of technical data formerly available to licensees to cooperate in the selection and use of frequencies<sup>7</sup>, not to mention resolving interference problems<sup>8</sup>, has been removed, but the processing fee has never been adjusted as a result.

E. Moreover, individuals applying for a GMRS license continue to be charged the same Application Fee by Congress as much more technically complex applications by large revenue generating entities, such as General Motors for Business Band Radio, United and American Airlines for Aircraft Radio Stations, Cruise Lines for Ship Stations, the City of Chicago for Police Radio, Private Radio Carriers (CMRS), etc. All of these other activities are supported by business income or public taxes. By contrast GMRS licenses are issued only to individuals for the personal communications needs of their families.

F. The GMRS Application Fee drastically inhibits use of this Radio Service for public service, emergency and disaster communications. GMRS is like Ham (Amateur) Radio in that licenses are **not** issued to organizations such as Emergency Management Agencies (EMA), CERT Teams, Civil Defense, Red Cross Disaster Service, REACT, National Weather Service Skywarn (tornado spotting), Salvation Army Disaster Relief, the Seattle Earthquake Communications Hubs, etc. These entities likewise may **not** obtain an organizational GMRS license for their volunteers.<sup>9</sup> Instead, each volunteer or one family member must obtain his or her own license. Often such organizations can obtain grants or other funding for some of the radio equipment, but almost never for the individual volunteers' license fees. But, unlike GMRS, such volunteers applying for Ham Radio PAY **NO** AP-PLICATION FEE WHATSOEVER FOR THEIR INDIVIDUAL AMATEUR RADIO LICENSES.<sup>10</sup>

9. <u>Users Support the Regulatory Fee Component of a GMRS License to Fund</u> Enforcement.

A. GMRS users almost universally view the entire raison d'etre for the existence of a Federal Communications Commission as **ENFORCEMENT**. While GMRS today remains very largely a self-disciplined and utilitarian radio service, like <u>all</u> radio services, exceptions to the rule require prompt and effective enforcement action by the Commission. Only chaos will result in a complete regulatory

<sup>&</sup>lt;sup>7</sup> Required by FCC Rules and Regulations, §95.3(a)

<sup>&</sup>lt;sup>8</sup> Required by FCC Rules and Regulations, §95.3(b)

<sup>&</sup>lt;sup>9</sup> This is to protect the service for individuals and families from take-over of GMRS by business and government usurpation – See FCC Docket 87-265.

<sup>&</sup>lt;sup>10</sup> They do pay a small testing fee, which does not go to the government.

vacuum. Continuing effective, meaningful enforcement by the Commission is *absolutely indispensable* to the continued existence of the GMRS as a useful, utilitarian radio service.

B. In today's environment GMRS users recognize that government services without funding support are becoming much more the exception, rather than the rule. Our great fear is that, with elimination of the Regulatory Fee, the Commission may, sooner or later, significantly curtail, if not virtually eliminate, GMRS enforcement. Such a result would doom the Service as it has existed for the last five or six decades. GMRS users **vehemently** oppose such a result. Chaos resulting from a regulatory vacuum is indisputably <u>not</u> in the public interest. The previous destruction of the utilitarian nature of CB Radio (27 MHz) is a perfect example of such a cause and effect.

C. The resulting dilemma for the GMRS community is that, while relief from the regulatory fee will reduce the burdensome total for a license, any reduction in the modest enforcement actions by the Commission will be very conducive to increased blatant violation and clearly <u>not</u> in the public interest.

#### 10. GMRS Users Understand What is the Proper Solution.

A. The correct solution is dramatic reduction or elimination of the now \$65 fee to process license applications. GMRS users believe that the true cost to process their applications is minimal (\$5?), in view of the very limited amount of data to record. And, with electronic submission and processing via the Internet, the processing cost can be even further reduced.

B. With Congressional correction this will result in a total cost, with Regulatory Fee included (reinstated?), of, say, \$30 for a 5-year license, which is reasonable. Not only will such a level dramatically reduce the problem of FRS "bubble-pack" radio users failing to apply for a GMRS licenses, but it will also strongly promote utilization of GMRS by EMA, Civil Defense, Red Cross Disaster Service, National Weather Service Operation SkyWarn (tornado spotting), Salvation Army Disaster Relief, REACT, and other significant public service organizations – whose volunteers should <u>not</u> be discouraged in obtaining licenses to employ GMRS 2-way radios, *which is in the public interest*.

C. With complete elimination of the Application Fee, GMRS will be put on a par with Amateur Radio, whose applicants pay no Processing Fee. Total GMRS cost will be further reduced to \$25 for a 5-year license while preserving Regulatory Fee support of vital FCC enforcement activities. As stated above, support of Commission enforcement action in the few exceptional cases of blatant violation is absolutely necessary to preserve the organized, utilitarian General Mobile Radio Service that now exists. D. If the Commission now does finally take action to suspend collection of the GMRS Regulatory Fee, such an action should be temporary, only until Congressional action to correct the true and grossly inequitable source of the problem can be obtained.

## E. GMRS users further call upon the Commission to immediately make such Congressional action to either drastically reduce or completely eliminate the GMRS Application Fee a part of its agenda with the Congress and to strongly recommend and support the same.

### 11. Writer's Background.

A. These comments are submitted by P. Randall Knowles. I hold the oldest active GMRS license issued to an individual in the United States (KAA 8142). My experience in two-way radio dates back to 1960 when I first became involved in Citizens' Band (Class D CB) Radio (KPJ 1093). I have worked as a public safety dispatcher (both police and fire), a mobile telephone operator (Domestic Public Land Mobile Radio Service, predating cellular) and subscriber (KW 9598), and American Red Cross Disaster Representative (Special Emergency Radio at 47.42 MHz). I have held other FCC licenses in the Class B Citizens' Radio Service (KAN 0682), the Class A Citizen's Radio Service (now GMRS) (KAA 8142), the Experimental Radio Service (KK2XHV) and Marine Radio (WAD 7985 and WDB 4290). I have been an active GMRS user since 1970 and a GMRS repeater operator since 1971. I first became a mobile telephone subscriber in 1969 and have utilized cellular since 1986, when transportable equipment first became available in the Chicago area.

B. My background further includes service as a criminal prosecutor with the Lake County (Illinois) State's Attorney's Office and over 25 years experience as a municipal prosecutor in Cook and Lake Counties, Illinois. I have served for many years and am currently a member of the Emergency Telephone System Board (which funds 911) in my community. I am a past Red Cross Disaster Communications Chairman (North Region, Mid-America Chapter) and founding member of North Shore Emergency Association (a public service and emergency personal radio organization) and Steering Committee Communications Lead for the Illinois Chapter, National Multiple Sclerosis Society. I served as Rule Readability Task Area Chairman of the FCC's Personal Use Radio Advisory Committee (PURAC) some 35 years ago.

C. North Shore Emergency Association has been providing volunteer radio communications using personal two-way radio as a public service for almost 50 years. Some examples include providing all radio communications for: doctors, ambulance, and medical emergencies for the Chicago Marathon for a decade and a half; The Evanston, Illinois Fourth of July parade, band concert and fireworks for over 45 years; Fund raising bike-a-thons and walk-a-thons for the Illinois Chapter, National Multiple Sclerosis Society, for over 30 years, including the Tour de Farms 2-day bike-a-thon, covering routes of up to 125 miles in 4 Illinois counties centered around DeKalb, Illinois for 10 years; and Nation-al Weather Service Operation Skywarn participation for over 45 years.

D. My experience in GMRS of almost 45 years includes directly assisting some three to four dozen groups in over 25 states to set up their own repeater systems and obtain proper licensing. I assisted several dozens of personal GMRS users to obtain licenses from the Chicago Regional Spectrum Management Center when that facility was in control of GMRS licensing in this area with its complex application (Form 425) and extensive technical information requirements. My wife and I routinely take GMRS radios with us when traveling, and I have first hand personal GMRS operating experience in 47 states of the Union, including Hawaii, and also in Puerto Rico, the U.S. Virgin Islands, and on board cruise ships.

Respectfully submitted,

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