

## WHY IS THE FEE TO OBTAIN OR RENEW A GMRS LICENSE SO UNREASONABLY HIGH?

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As you all probably realize, the cost just to file an application with the Federal Communications Commission (FCC) for a GMRS two-way radio license first increased to \$90 on June 6<sup>th</sup>, 2014, then decreased to \$65 on September 3<sup>rd</sup>, 2015. People everywhere still almost universally object to the high cost to apply. Where do these figures come from?

For many, many years the total charge to file was composed of two parts:

- A. The fee to process the application (the “Application Fee”, currently \$65); and
- B. The GMRS “Regulatory Fee”, which supposedly funded FCC Rule-Making, enforcement and other (“international” and “user information services”) activities relating to GMRS (was \$5.00/year, for a total of \$25.00 for a 5-year license).

The Managing Director’s Office of the FCC recognized the arbitrary and unreasonably high cost of filing a GMRS application in 2008, and recommended eliminating the GMRS “Regulatory Fee” portion as a result. For 8 years the FCC took actions on Regulatory Fees each year, but did **nothing** regarding GMRS. In 2014 (in MD Docket 14-92), GMRS users, after years of asking for action on the Commission’s own Managing Director’s Office proposal, officially complained that the \$25 fee was unjustified, citing **no** GMRS rule changes in over 17 years, only 7 enforcement actions in over 13-1/2 years and only 1 enforcement action in the last 2-1/2 years. The FCC ignored these filed comments in MD Docket 14-92. Finally, on May 20, 2015, the FCC admitted that the cost to collect the GMRS Regulatory Fee exceeds the \$25 collected. At last the Commission decided to act on its own MD’s Office proposal to eliminate the GMRS “Regulatory Fee”. As a result, on September 3<sup>rd</sup>, 2015, the total cost to apply for a GMRS license decreased from \$90 to \$65.

The problem is that the \$65 “Application Fee” portion was set by Congress, **not** the FCC. Strange as it may seem, the United States Congress has actually passed a **law** setting the fee to process an application for the General Mobile Radio Service (and also other radio services). Thus **federal law** mandates the \$65.00 amount (in Section 158(g) of the Communications Act of 1934 [Title 47, United States Code]). See 47 USC 158(g) SCHEDULE OF APPLICATION FEES – PRIVATE RADIO SERVICES – 7. General Mobile Radio Service, and see also §158(b), automatic cost of living increases over the years. This cost of living increase is what caused the “Application Fee” portion to **automatically** rise from \$60.00 to \$65.00 on June 6<sup>th</sup>, 2014.

What are good reasons why Congress should correct this?

- A. The Application Fee bears no relation whatsoever to the FCC’s cost of processing GMRS applications. For over 40 years GMRS applications included extensive technical details as to the radio operations to be authorized. Things such as:
  - 1. each transmitting frequency;
  - 2. all emission designators;

3. output power of each station class;
4. effective radiated power (ERP) (Chicago Spectrum Management Center);
5. each station class (mobile, base, mobile relay, fixed, temporary/unspecified, etc.);
6. physical address of each land station;
7. latitude and longitude (to the nearest second) of each antenna;
8. ground height about sea level of each antenna location;
9. height above ground of each antenna;
10. type of supporting structure for each antenna;
11. number of each type of mobile unit;
12. operating area of mobile units;
13. statement of eligibility for license in the Radio Service, etc.

were all required to be detailed in the application. As should be apparent, these parameters all had to be reviewed to assure they were within specifications allowed by the FCC Rules and Regulations.

However, it has now been 17 years since the FCC did away with the requirements to supply any technical parameters for GMRS. None of this information is entered on a GMRS Application, and processing is vastly simplified. Today processing a GMRS Application is merely entering the name and address, reviewing that the required certifications are checked yes, and sending the file to the computer to issue a license. The Personal Radio Steering Group estimates that today's cost to process a GMRS Application is less than \$5.00!

B. The GMRS "Application Fee" is grossly inequitable compared to other radio services. We pay **the same Application fee** as giant corporations like General Motors for Business Band, United and American Airlines for Aircraft Stations, Carnival Cruise Lines for Ship Stations, the City of Chicago for Police Radio, Private Radio Carriers, etc. All of these other activities are supported by business income or public taxes. By contrast GRMS licenses are issued only to individuals for their personal communications needs.

C. 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 issued only to individuals and not to organizations. Thus entities like 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. may **not** obtain an organizational GMRS license for their volunteers.<sup>1</sup> Instead, each volunteer obtains 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. Unlike GMRS, volunteers applying for Ham Radio PAY NO APPLICATION FEE WHATSOEVER FOR THEIR INDIVIDUAL AMATEUR RADIO LICENSES.<sup>2</sup>

D. The cost of a GMRS license often even exceeds the cost of the radio equipment. This is particularly prevalent with "bubble-pack" low cost walkie-talkies. Prices for a **pair** of these radios can be less than the \$65 charge to apply for a license. In fact, in some instances the FCC license cost is almost **double** the cost of the radios! No wonder so many people who purchase these ignore or "forget" to get a license. This is a very bad trend which threatens the future

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<sup>1</sup> This is to protect the service for individuals and families from take-over by business and government usurpation – See FCC Docket WT 87-265.

<sup>2</sup> They do pay a small testing fee which does not go to the government.

integrity of the General Mobile Radio Service. Until the advent of these low cost “bubble-pack” radios, unlicensed operation had been very rare in GMRS.

E. The Federal Communications Commission has repeatedly recognized the inequitable and disparate nature of the cost of a GMRS license. See MD Docket 08-65, WT Docket 10-119, MD Docket 13-140.

F. The GMRS Application Fee has grown automatically ever since April 7, 1986 with no review. The original fee was \$35, but, under the automatic provisions of §158(b), has now nearly doubled. It's time Congress finally reviewed and corrected this situation.

G. While the FCC at one time proposed to de-license GMRS (“license by rule”), users **vehemently** opposed this. Just look at what happened to CB Radio when the FCC washed its hands of that service. Now CB is *ruined* and only chaos reigns. GMRS is an organized, disciplined, highly useful service and users demand licensing continue so that it remains so.<sup>3</sup>

Is your Congressman or Senator a member of the subcommittee in his chamber that covers the FCC and communications issues? I will be assembling information for the new Congress and identify the members of these subcommittees and their districts. Its up to **US** to bring this to the attention of Congress and get action!!

Questions or comments may be submitted to [Randy@NSEA.com](mailto:Randy@NSEA.com)

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<sup>3</sup> See the record of the many filed comments in Docket WT 10-119, where users advanced extensive and numerous reasons why licensing is extremely beneficial and must be retained.