

to the Chief Counsel for the Small Business Administration (SBA) Office of Advocacy.

It is ordered that the Office of the Managing Director, Performance Program Management, *shall send* a copy of the Second Further Notice of Proposed Rulemaking in a report to be sent to Congress and the Government Accountability Office pursuant to the Congressional Review Act, 5 U.S.C. 801(a)(1)(A).

List of Subjects in 47 CFR Parts 1 and 2

Administrative practice and procedures, Communications, Communications equipment, Reporting and recordkeeping requirements, Telecommunications.

Federal Communications Commission.

Aleta Bowers,

Federal Register Liaison Officer, Office of the Secretary.

Proposed Rules

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR parts 1 and 2 as follows:

PART 1—PRACTICE AND PROCEDURE

- 1. The authority citation for part 1 continues to read as follows:

Authority: 47 U.S.C. chs. 2, 5, 9, 13; 28 U.S.C. 2461 note; 47 U.S.C. 1754, unless otherwise noted.

- 2. Revise § 1.103 to read as follows:

§ 1.1103 Schedule of charges for equipment approval, experimental radio services (or service).

TABLE 1 TO § 1.1103

Type of application	PMT type code	Fee amount
Assignment of Grantee Code.	EAG	\$35.00
New Station Authorization.	EAE	140.00
Modification of Authorization.	EAE	140.00
Renewal of Station Authorization.	EAE	140.00
Assignment of License or Transfer of Control.	EAE	140.00
Special Temporary Authority.	EAE	140.00
Confidentiality Request.	EAD	50.00
Device Testing in Non-MRA Country.	[TBD]	20,000.00

PART 2—FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

- 3. The authority citation for part 2 continues to read as follows:

Authority: 47 U.S.C. 154, 302a, 303, and 336, unless otherwise noted.

- 4. Amend § 2.941 by adding paragraph (c) to read as follows:

§ 2.941 Availability of Information relating to grants.

* * * * *

(c) Equipment authorization will be made available and searchable in machine-readable format to the extent possible.

* * * * *

- 5. Amend § 2.949 by adding paragraphs (c)(4) and (e)(4) to read as follows:

§ 2.949 Recognition of laboratory accreditation bodies.

* * * * *

(c) * * *

(4) Is located in or conducts accreditation in countries that lack a relevant Mutual Recognition Agreement or trade agreement that provides for reciprocity with the U.S.

* * * * *

(e) * * *

(4) Is located in or conducts accreditation from within countries that lack a relevant Mutual Recognition Agreement or trade agreement that provides for reciprocity with the U.S.

* * * * *

- 6. Amend § 2.951 by adding paragraphs (b)(4) and (d)(4) to read as follows:

§ 2.951 Recognition of measurement facilities.

* * * * *

(b) * * *

(4) Is located in or that conducts testing from within a country that lacks an MRA or trade agreement that provides for reciprocity with the U.S.

* * * * *

(d) * * *

(4) Is located in or that conducts testing from within a country that lacks an MRA or trade agreement that provides for reciprocity with the U.S.

* * * * *

- 7. Amend § 2.960 by adding paragraphs (b)(4) and (h)(4) to read as follows:

§ 2.960 Recognition of Telecommunications Certification Bodies (TCBs)

* * * * *

(b) * * *

(4) Is located in or that conducts certification from within a country that

lacks an MRA or trade agreement that provides for reciprocity with the U.S.

* * * * *

(h) * * *

(4) Is located in or that conducts certification from within a country that lacks an MRA or trade agreement that provides for reciprocity with the U.S.

* * * * *

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 1 and 73

[AU Docket No. 26-105; DA 26-444; FR ID 346335]

Auction of FM Broadcast Construction Permits Scheduled for February 2, 2027; Comment Sought on Competitive Bidding Procedures for Auction 114

AGENCY: Federal Communications Commission.

ACTION: Proposed rule; proposed auction procedures.

SUMMARY: In this document, the Federal Communications Commission (the Commission or FCC) announces an auction of certain FM broadcast construction permits. The Office of Economics and Analytics (OEA) and the Media Bureau (MB) seek comment on minimum opening bid amounts and the procedures to be used for this auction, which is designated as Auction 114.

DATES: Comments are due on or before June 9, 2026, and reply comments are due on or before June 24, 2026.

ADDRESSES: Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated in the **DATES** section of this document. Commenters are requested to also submit a copy of their comments and reply comments electronically to the following address: auction114@fcc.gov. You may submit comments, identified by, identified by AU Docket No. 26-105, by any of the following methods:

- *Electronic Filers:* Comments may be filed electronically using the internet by accessing the Commission's Electronic Comment Filing System (ECFS) at <https://www.fcc.gov/ecfs/>.

- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.

- Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service mail. *All filings must be addressed to*

the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8 a.m. and 4 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.

- Commercial courier mail (any not sent by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

- Filings sent by U.S. Postal Service First-Class Mail, Express, and Priority mail must be sent to 45 L Street NE, Washington, DC 20554.

- *People With Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

FOR FURTHER INFORMATION CONTACT:

Auction legal questions: Lyndsey Grunewald, (202) 418-0660, Lyndsey.Grunewald@fcc.gov. *General auction questions:* Auctions Hotline at (717) 338-2868 or auction114@fcc.gov. *FM service questions:* James Bradshaw, (202) 418-2700, James.Bradshaw@fcc.gov, Rodolfo Bonacci, (202) 418-2700, Rodolfo.Bonacci@fcc.gov, Lisa Scanlan, (202) 418-2700, Lisa.Scanlan@fcc.gov, or Ariane Rangel, (202) 418-2700, Ariane.Rangel@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's document (*Auction 114 Comment Public Notice*), in AU Docket No. 26-105, DA 26-444, released on May 11, 2026. The *Auction 114 Comment Public Notice* includes the following attachment: Attachment A, Construction Permits in Auction 114. The complete text of this document, including its attachment, is available on the Commission's website at www.fcc.gov/auction/114 or by using the search function for AU Docket No. 26-105 on the Commission's ECFS web page at www.fcc.gov/ecfs.

Paperwork Reduction Act of 1995 Analysis. The *Auction 114 Comment Public Notice* seeks comment on proposed requirements that may result in new or modified information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget to comment on the information collection

requirements contained in this document, as required by the Paperwork Reduction Act of 1995. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, specific comment is sought on how the Commission might further reduce the information collection burden for small business concerns with fewer than 25 employees.

Providing Accountability Through Transparency Act. The Providing Accountability Through Transparency Act, Pub. L. 118-9, requires each agency, in providing notice of a rulemaking, to post online a brief plain-language summary of the proposed rule. The required summary of the *Auction 114 Comment Public Notice* is available at <https://www.fcc.gov/proposed-rulemakings>.

Ex Parte Requirements. This proceeding has been designated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentations must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to the Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with 47 CFR 1.1206(b). In proceedings governed by 47 CFR 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the ECFS available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants

in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

Synopsis

I. Introduction

1. In the *Auction 114 Comment Public Notice*, the Office of Economics and Analytics (OEA) and the Media Bureau (MB) seek comment on the procedures to be used for an auction of construction permits for full power FM broadcast stations, which they designate as Auction 114. The bidding for Auction 114 is tentatively scheduled to commence on February 2, 2027.

II. Construction Permits To Be Offered in Auction 114

2. Auction 114 will offer 132 construction permits in the FM broadcast service, including 33 construction permits that were offered but not sold or were defaulted upon in prior auctions. Attachment A to the *Auction 114 Comment Public Notice* lists the specific vacant FM allotments for which the Commission will offer construction permits in this auction, along with the reference coordinates for each vacant FM allotment. The construction permits to be auctioned are for FM channels added to the Table of FM Allotments, 47 CFR 73.202(b), pursuant to the Commission's established rulemaking procedures, and assigned at the indicated communities.

III. Implementation of Part 1 and Part 73 Competitive Bidding Rules and Requirements

3. Consistent with the provisions of 47 U.S.C. 309(j)(3)(E)(i), OEA and MB seek comment on a variety of auction-specific procedures relating to the conduct of Auction 114.

4. The Commission's part 1 and part 73 competitive bidding rules require each applicant seeking to bid to acquire a construction permit in a broadcast auction to provide certain information in a short-form application (FCC Form 175), including ownership details and numerous certifications. The competitive bidding rules in part 1, subpart Q, and part 73 also contain a framework for the implementation of a competitive bidding design, application and certification procedures, reporting requirements, and the prohibition of certain communications.

A. Certification of Notice of Auction 114 Requirements and Procedures

5. OEA and MB propose to require any party seeking to participate in Auction 114 to certify in its short-form application, under penalty of perjury, that it has read the public notice

adopting procedures for the auction and that it has familiarized itself both with the auction procedures and with the requirements for obtaining a construction permit for an FM station. OEA and MB believe that this requirement, which has been implemented in other recent auctions, would help ensure that the applicant has reviewed the procedures for participation in the auction process and has investigated and evaluated those technical and marketplace factors that may have a bearing on its potential use of any permits won at auction. Consequently, OEA and MB believe this requirement would promote an applicant's successful participation in the auction and minimize its risk of defaulting on its auction obligations. As with other certifications required under 47 CFR 1.2105, an auction applicant's failure to make the required certification in its short-form application by the applicable filing deadline would render its application unacceptable for filing, and its application would be dismissed with prejudice. OEA and MB seek comment on this proposal. OEA and MB also seek comment on whether there are additional steps the Commission should take with respect to the filing of short-form applications to further ensure and promote auction integrity.

B. Information Procedures During the Auction Process

6. OEA and MB propose to limit information available in Auction 114 to discourage unproductive and anti-competitive strategic behavior. With respect to bidding, OEA and MB will not identify bidders placing particular bids until after the bidding has closed, that is, they will implement anonymous bidding. In addition, while OEA and MB generally make available to the public information provided in each applicant's short-form application following an initial review by Commission staff, they propose to not make public until after bidding has closed: (1) the permits that an applicant selects for bidding in its short-form application, (2) the amount of any upfront payment made by or on behalf

of an applicant, (3) an applicant's bidding eligibility, and (4) any other bidding-related information that might reveal the identity of the bidder placing a bid. OEA and MB note that an applicant in a broadcast auction that is seeking a new entrant bidding credit and has an attributable interest in no more than three mass media facilities is required to disclose those facilities in its short-form application and to indicate whether any such facility is in the "same area" as the permit(s) selected in its short-form application. Because this could reveal the permits selected by an applicant, OEA and MB also propose to not make public until after bidding has closed any applicant's response to the question of whether a disclosed existing mass media facility is in the "same area" as a selected permit.

7. Under this proposal, OEA and MB would also not make public any real-time information on bidder-specific activity until after the close of bidding. However, bidders would have access to additional information related to their own bidding and bidding eligibility before and during the bidding via the FCC auction bidding system.

8. Under this proposal, after the close of bidding, bidders' permit selections, upfront payment amounts, bidding eligibility, bids, and other bidding-related information would be made publicly available.

9. OEA and MB seek comment on the above details of their proposal for implementing limited information procedures, or anonymous bidding, in Auction 114. Commenters opposing the use of limited information procedures in Auction 114 should explain their reasoning and propose alternative information rules.

C. Upfront Payments and Bidding Eligibility

10. In keeping with the usual practice in spectrum auctions, OEA and MB propose that applicants be required to submit upfront payments as a prerequisite to becoming qualified to bid. As described below, the upfront payment is a refundable deposit made by an applicant to establish its

eligibility to bid on construction permits. Upfront payments protect against frivolous or insincere bidding and provide the Commission with a source of funds from which to collect payments owed at the close of the bidding.

11. OEA and MB seek comment on an appropriate upfront payment for each construction permit being auctioned, taking into account such factors as the efficiency of the auction process and the potential value of similar construction permits. With these considerations in mind, OEA and MB propose the upfront payments set forth in Attachment A to the *Auction 114 Comment Public Notice* and seek comment on those proposed upfront payment amounts.

12. OEA and MB further propose that the amount of the upfront payment submitted by a bidder will determine its initial bidding eligibility in bidding units, which are a measure of bidder eligibility and bidding activity. OEA and MB propose to assign each construction permit a specific number of bidding units, equal to one bidding unit per dollar of the upfront payment listed in Attachment A on the Auction 114 website at www.fcc.gov/auction/114. The number of bidding units for a given construction permit is fixed and does not change during the auction as prices change. If an applicant is found to be qualified to bid on more than one permit being offered in Auction 114, such bidder may place bids on multiple construction permits, provided that the total number of bidding units associated with those construction permits does not exceed that bidder's current eligibility. A bidder cannot increase its eligibility during the auction; it can only maintain or decrease its eligibility. In calculating its upfront payment amount, and hence its initial bidding eligibility, an applicant must determine the maximum number of bidding units on which it may wish to bid (or hold provisionally winning bids) in any single round and submit an upfront payment amount covering that total number of bidding units. OEA and MB request comment on these proposals.

EXAMPLE—UPFRONT PAYMENTS, BIDDING ELIGIBILITY, AND BIDDING FLEXIBILITY

Construction permit	Market name	Bidding units	Upfront payment
MM-FM1228-A	Keeseville, NY	25,000	\$25,000
MM-FM1232-A	Wayne, OK	10,000	10,000

If a bidder wishes to bid on both construction permits in a round, it must have selected both on its FCC Form 175 and purchased at least 35,000 bidding units (25,000 + 10,000) of bidding eligibility. If it only wishes to bid on one, but not both, purchasing 25,000 bidding units would meet the eligibility requirement for either construction permit, and consequently the bidder would be able to bid on either construction permit, but not both at the same time. If the bidder purchased only 10,000 bidding units, the bidder would have enough eligibility for the Wayne, OK construction permit but not for the Keeseville, NY construction permit.

D. Minimum Opening Bids or Reserve Prices

13. As part of the pre-bidding process for each auction, OEA and MB seek comment on the use of a minimum opening bid amount and/or reserve price, as mandated by the Act. OEA and MB propose to establish minimum opening bid amounts for Auction 114. Based on their experience in past broadcast auctions, OEA and MB have found that setting a minimum opening bid amount judiciously is an effective bidding tool for accelerating the competitive bidding process. In the most recent FM broadcast auction, Auction 109, OEA and MB similarly proposed establishing minimum opening bids but not reserve prices; in that auction, no comments opposed the proposal, and OEA and MB adopted it. Based on these facts, OEA and MB propose establishing minimum opening bids for Auction 114. OEA and MB do not propose to establish separate reserve prices for any of the construction permits to be offered in Auction 114, nor do they see any reason to propose an aggregate reserve price for this auction.

14. For Auction 114, OEA and MB propose minimum opening bid amounts determined by taking into account the type of service and class of facility offered, market size, population covered by the proposed broadcast facility, and recent broadcast transaction data, to the extent such information is available. OEA and MB seek comment on the proposed minimum opening bid amounts for Auction 114, which are specified in Attachment A on the Auction 114 website at www.fcc.gov/auction/114. If commenters believe that these minimum opening bid amounts will result in unsold construction permits, are not reasonable amounts at which to start bidding, or should not preclude lower bids but instead operate as a form of reserve prices, they should explain why this is so and comment on the desirability of an alternative approach. Commenters should support their claims with valuation analyses and provide suggested amounts or formulas in connection with their proposed alternatives. In establishing the minimum opening bid amounts, OEA and MB particularly seek comment on factors that could reasonably have an impact on bidders' valuation of the broadcast spectrum, including the type of service and class of facility offered, market size, population covered by the proposed FM broadcast facility, and any other relevant factors. Commenters also may wish to address the general role of minimum opening bids in managing the

pace of the auction. For example, commenters could compare using minimum opening bids—*e.g.*, by setting higher minimum opening bids to reduce the number of rounds it takes for construction permits to reach their final prices—to other means of controlling auction pace, such as changes to bidding schedules, percentage increments, or activity requirements.

E. Auction Delay, Suspension, or Cancellation

15. For Auction 114, OEA and MB propose that at any time before or during the bidding process, they may delay, suspend, or cancel bidding in the auction in the event of a natural disaster, technical obstacle, network interruption, administrative or weather necessity, evidence of an auction security breach or unlawful bidding activity, or for any other reason that affects the fair and efficient conduct of competitive bidding. OEA and MB will notify participants of any such delay, suspension, or cancellation by public notice and/or through the FCC auction bidding system's messages function. If bidding is delayed or suspended, OEA and MB may, in their sole discretion, elect to resume the auction starting from the beginning of the current round or from some previous round, or cancel the auction in its entirety. OEA and MB emphasize that they will exercise this authority solely at their discretion, and not as a substitute for situations in which bidders may wish to apply activity rule waivers. OEA and MB seek comment on this proposal.

F. Additional Default Payment Percentage

16. Any winning bidder that defaults or is disqualified after the close of an auction (*i.e.*, fails to remit the required down payment by the specified deadline, fails to submit a timely long-form application, fails to make a full and timely final payment, or is otherwise disqualified) is liable for a default payment under 47 CFR 1.2104(g)(2). This payment consists of a deficiency payment, equal to the difference between the amount of the Auction 114 bidder's winning bid and the amount of the winning bid the next time a construction permit covering the same spectrum is won in an auction, plus an additional payment equal to a percentage of the defaulter's bid or of the subsequent winning bid, whichever is less.

17. The Commission's rules provide that, in advance of each auction, it will establish a percentage between 3% and 20% of the applicable winning bid to be assessed as an additional default

payment. As the Commission has indicated, the level of this additional payment in each auction will be based on the nature of the service and the construction permits being offered.

18. For Auction 114, OEA and MB propose to establish an additional default payment of 20%, which is consistent with the percentage in prior auctions of broadcast construction permits. As the Commission has noted, defaults weaken the integrity of the auction process and may impede the deployment of service to the public, and an additional 20% default payment will be more effective in deterring defaults than the 3% used in some earlier auctions. In light of these considerations, OEA and MB propose for Auction 114 an additional default payment of 20% of the relevant bid. OEA and MB seek comment on this proposal.

IV. Proposed Bidding Procedures

A. Simultaneous Multiple-Round Auction Design

19. OEA and MB propose to use the Commission's simultaneous multiple-round auction format for Auction 114. As described further below, this type of auction offers every construction permit for bid at the same time and consists of successive bidding rounds in which qualified bidders may place bids on individual construction permits. In this type of auction, which OEA and MB have used in all recent broadcast auctions, bidding typically remains open on all construction permits until bidding stops on every construction permit. OEA and MB seek comment on this proposal.

B. Bidding Rounds

20. Under OEA's and MB's proposal, Auction 114 will consist of sequential bidding rounds, each of which would be followed by the release of round results. A bidder will be able to place, and remove, a bid during a round, but will not be able to withdraw the bid once the round closes. The initial bidding schedule will be announced in a public notice to be released at least one week before the start of bidding. Details on viewing round results, including the location and format of downloadable round results files for each round, will be included in that same public notice.

21. OEA and MB propose that the initial bidding schedule may be adjusted in order to foster an auction pace that reasonably balances speed with the bidders' need to study round results and adjust their bidding strategies. Under this proposal, such changes may include the amount of time

for the bidding rounds, the amount of time between rounds, or the number of rounds per day, depending upon bidding activity and other factors. OEA and MB seek comment on this proposal. Commenters should address the efficacy of the bidding schedule in managing the pace of the auction. Specifically, commenters should compare and contrast changes to the bidding schedule with changes to other parameters used to manage the auction's pace, such as the activity requirement or bid amount parameters.

22. The Commission will conduct Auction 114 over the internet using the FCC auction bidding system. A bidder will also have the option of placing bids by telephone through a dedicated auction bidder line.

C. Stopping Rule

23. OEA and MB have discretion to establish stopping rules before or during multiple round auctions in order to complete the auction within a reasonable time. For Auction 114, OEA and MB propose to employ a simultaneous stopping rule approach, which means all construction permits remain available for bidding until bidding stops on every construction permit. Specifically, bidding will close on all construction permits after the first round in which no bidder submits any new bid on a construction permit for which the bidder is not the provisionally winning bidder. Consequently, under this approach, it is not possible to determine in advance how long the bidding in this auction will last.

24. In certain circumstances, for example, where the auction is proceeding unusually slowly or quickly, there is minimal overall bidding activity, or it appears likely that the auction will not close within a reasonable period of time or will close prematurely, OEA and MB are likely to attempt to change the pace of the auction. For example, OEA and MB may adjust the pace of bidding by changing the number of bidding rounds per day or the minimum acceptable bids. OEA and MB propose to retain the discretion to exercise any of these options with or without prior announcement during the auction. OEA and MB seek comment on these proposals. Commenters should provide specific reasons for supporting or objecting to these proposals.

D. Availability of Bidding Information

25. OEA and MB intend to make available, after each round closes, for each permit its current provisionally winning bid amount, the minimum acceptable bid amount for the following

round, and the number of bids placed on the permit during the round. These reports would be publicly accessible. Moreover, after the auction closes, OEA and MB propose to make available complete reports of all bids placed during each round of the auction, including bidder identities.

26. OEA and MB also will provide bidders with secure access to certain non-public bidding information while bidding is ongoing. Specifically, after each round ends, and before the next round begins, OEA and MB will make the following information available to individual bidders:

- The bidder's activity, based on all bids in the previous round; and
- Summary statistics of the bidder's bidding and other bidding-related actions in each round, including the permits on which it bid and the price it bid for each of those permits, the result of each of its bids, whether it has any provisionally winning bids, and remaining activity rule waivers.

27. OEA and MB believe that limiting the availability of bidding information during the auction balances their interest in providing bidders with sufficient information about the status of their own bids and the general level of bidding on all permits to allow them to bid confidently and effectively, while restricting the availability of information that may facilitate identification of bidders placing particular bids, which could potentially lead to undesirable strategic bidding. OEA and MB seek comment on this view.

E. Activity Rule

28. To ensure that the auction closes within a reasonable period of time, an activity rule requires bidders to bid actively throughout the auction, rather than wait until late in the auction before participating. For purposes of the activity rule, the FCC auction bidding system calculates a bidder's activity in a round as the sum of the bidding units associated with any construction permits upon which the bidder places bids during the current round and the bidding units associated with any construction permits for which the bidder holds provisionally winning bids. Bidders are required to be active on a specific percentage of their current bidding eligibility during each round of the auction. OEA and MB propose that in each bidding round, a bidder desiring to maintain its current bidding eligibility be required to be active on 100% of its bidding eligibility. Thus, the activity requirement would be satisfied when a bidder has bidding activity on construction permits with bidding units

that sum to 100% of the bidder's current eligibility in the round. If the activity rule is met, then the bidder's eligibility does not change in the next round. Failure to maintain the requisite activity level will result in the use of an activity rule waiver, if any remain, or a reduction in the bidder's eligibility for the next round of bidding, possibly curtailing or eliminating the bidder's ability to place additional bids in the auction. OEA and MB seek comment on this proposal. OEA and MB encourage commenters that oppose a 100% activity requirement to explain their reasons with specificity.

F. Activity Rule Waivers and Reducing Eligibility

29. For their proposed simultaneous multiple-round auction format, OEA and MB propose that when a bidder's activity in the current round is below the required minimum level, the bidder may preserve its current level of eligibility through an activity rule waiver, if available. An activity rule waiver applies to an entire round of bidding, not to a particular construction permit. Activity rule waivers are primarily a mechanism for a bidder to avoid the loss of bidding eligibility in the event that exigent circumstances prevent it from bidding in a particular round.

30. The FCC auction bidding system will assume that a bidder that does not meet the activity requirement would prefer to use an activity rule waiver (if available) rather than lose bidding eligibility. Therefore, the system will automatically apply a waiver at the end of any bidding round in which a bidder's activity level is below the minimum required level unless: (1) the bidder has no activity rule waiver remaining; or (2) the bidder overrides the automatic application of a waiver by electing to reduce eligibility, thereby meeting the activity requirement. If a bidder has no waivers remaining and does not satisfy the required activity level, the bidder's current eligibility will be permanently reduced, possibly curtailing or eliminating the ability to place additional bids in the auction.

31. A bidder with insufficient activity may wish to reduce its bidding eligibility rather than use an activity rule waiver. If so, the bidder must affirmatively override the automatic waiver mechanism during the bidding round by using the *reduce eligibility* function in the FCC auction bidding system. In this case, the bidder's eligibility would be permanently reduced to bring it into compliance with the activity rule described above. Reducing eligibility is an irreversible

action; once eligibility has been reduced, a bidder cannot regain its lost bidding eligibility.

32. Consistent with prior Commission auctions of broadcast construction permits, OEA and MB propose that each bidder in Auction 114 be provided with three activity rule waivers that may be used as set forth above at the bidder's discretion during the course of the auction. OEA and MB seek comment on this proposal.

G. Bid Amounts

33. OEA and MB propose that, in each round, a qualified bidder will be able to place a bid on a given construction permit in any of up to nine different amounts: the minimum acceptable bid amount or one of eight additional bid amounts.

34. *Minimum Acceptable Bid Amounts.* The first of the acceptable bid amounts is called the minimum acceptable bid amount. The minimum acceptable bid amount for a construction permit will be equal to its minimum opening bid amount until there is a provisionally winning bid for the construction permit. Once there is a provisionally winning bid for a construction permit, the minimum acceptable bid amount for that construction permit will be equal to the amount of the provisionally winning bid plus a specified percentage of that bid amount. The percentage used for this calculation, the *minimum acceptable bid increment percentage*, is multiplied by the provisionally winning bid amount, and the resulting amount is added to the provisionally winning bid amount. If, for example, the minimum acceptable bid increment percentage is 10%, then the provisionally winning bid amount is multiplied by 10%. The result of that calculation is added to the provisionally winning bid amount, and that sum is rounded using the Commission's standard rounding procedure for auctions.

35. *Additional Bid Amounts.* Under this proposal, the Commission will calculate the eight additional bid amounts using the minimum acceptable bid amount and an additional bid increment percentage. The minimum acceptable bid amount is multiplied by the additional bid increment percentage, and that result (rounded) is the additional increment amount. The first additional acceptable bid amount equals the minimum acceptable bid amount plus the additional increment amount. The second additional acceptable bid amount equals the minimum acceptable bid amount plus two times the additional increment amount; the third additional acceptable bid amount is the

minimum acceptable bid amount plus three times the additional increment amount; etc. If, for example, the additional bid increment percentage is 5%, then the calculation of the additional increment amount would be (minimum acceptable bid amount) * (0.05), rounded. The first additional acceptable bid amount equals (minimum acceptable bid amount) + (additional increment amount); the second additional acceptable bid amount equals (minimum acceptable bid amount) + (2 * (additional increment amount)); the third additional acceptable bid amount equals (minimum acceptable bid amount) + (3 * (additional increment amount)); etc.

36. For Auction 114, OEA and MB propose to use a minimum acceptable bid increment percentage of 10%. This means that the minimum acceptable bid amount for a construction permit will be approximately 10% greater than the provisionally winning bid amount for the construction permit. To calculate the additional acceptable bid amounts, OEA and MB propose to use a bid increment percentage of 5%. OEA and MB have used a minimum acceptable bid increment percentage of 10% coupled with an additional bid increment percentage of 5% in past broadcast auctions and have found that these percentages allow bidders to express their valuations in sufficient granularity while also assuring that the auction moves at a satisfactory pace. OEA and MB seek comment on these proposals.

37. *Bid Amount Changes.* OEA and MB propose to retain the discretion to change the minimum acceptable bid amounts, the minimum acceptable bid increment percentage, the additional bid increment percentage, and the number of acceptable bid amounts if they determine, consistent with past practice, that circumstances so dictate. OEA and MB propose to retain the discretion to do so on a construction permit-by-construction permit basis. OEA and MB also propose to retain the discretion to limit, in dollars, (a) the amount by which a minimum acceptable bid for a construction permit may increase compared with the corresponding provisionally winning bid, and (b) the amount by which an additional bid amount may increase compared with the immediately preceding acceptable or additional bid amount. For example, OEA and MB could set a \$1,000 limit on increases in minimum acceptable bid amounts over provisionally winning bids. In this example, if calculating a minimum acceptable bid using the minimum acceptable bid increment percentage results in a minimum

acceptable bid amount that is \$1,200 higher than the provisionally winning bid on a construction permit, the minimum acceptable bid amount would instead be capped at \$1,000 above the provisionally winning bid. OEA and MB seek comment on the circumstances under which they should employ such a limit, factors OEA and MB should consider when determining the dollar amount of the limit, and the tradeoffs in setting such a limit or changing other parameters, such as changing the minimum acceptable bid increment percentage, the additional bid increment percentage, or the number of acceptable bid amounts. If OEA and MB exercise this discretion, they will alert bidders by announcement in the FCC auction bidding system during the auction.

38. OEA and MB seek comment on these proposals. If commenters disagree with the proposal to begin the auction with nine acceptable bid amounts per construction permit, they should suggest an alternative number of acceptable bid amounts to use. Commenters may wish to address the role of the minimum acceptable bids and the number of acceptable bid amounts in managing the pace of the auction, and compare how these parameters manage the auction's pace relative to decisions regarding the bidding schedule, activity requirement, minimum opening bid amounts, or other parameters.

H. Provisionally Winning Bids

39. The FCC auction bidding system will determine provisionally winning bids consistent with practice in past auctions. Specifically, at the end of a bidding round, the bidding system will determine a provisionally winning bid for each construction permit based on the highest bid amount received for that permit. The FCC auction bidding system will advise bidders of the status of their bids when round results are released. A provisionally winning bid cannot be withdrawn and will remain the provisionally winning bid until there is a higher bid on the same construction permit at the close of a subsequent round. Provisionally winning bids at the end of the auction become the winning bids. As a reminder, provisionally winning bids count toward activity for purposes of the activity rule.

40. The FCC auction bidding system assigns a pseudo-random number generated by an algorithm to each bid when the bid is entered. If identical high bid amounts are submitted on a construction permit in any given round (*i.e.*, tied bids), the FCC auction bidding system will use a pseudo-random number generator to select a single

provisionally winning bid from among the tied bids. The tied bid with the lowest pseudo-random number wins the tiebreaker and becomes the provisionally winning bid. The remaining bidders, as well as the provisionally winning bidder, can submit higher bids in subsequent rounds. However, if the auction were to end with no other bids being placed, the winning bidder would be the one that placed the provisionally winning bid. If the construction permit receives any bids in a subsequent round, the provisionally winning bid again will be determined by the highest bid amount received for the construction permit.

V. Tutorial and Additional Information for Applicants

41. The Commission intends to provide additional information on the bidding system and to offer demonstrations and other educational opportunities for applicants in Auction 114 to familiarize themselves with the FCC auction application system and the auction bidding system. For example, OEA and MB intend to release an online tutorial that will help applicants understand the procedures to be followed in the filing of their short-form applications and on the bidding procedures for Auction 114.

VI. Initial Regulatory Flexibility Analysis

42. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission prepared Initial Regulatory Flexibility Analyses (IRFAs) in connection with the *Broadcast Competitive Bidding Notice of Proposed Rulemaking* (NPRM), 62 FR 65392, December 12, 1997, and other Commission NPRMs (collectively, *Competitive Bidding NPRMs*) pursuant to which Auction 114 will be conducted. Final Regulatory Flexibility Analyses (FRFAs) likewise were prepared in the *Broadcast Competitive Bidding Order*, 63 FR 48615, September 11, 1998, and other Commission rulemaking orders (collectively, *Competitive Bidding Orders*) pursuant to which Auction 114 will be conducted. OEA and MB have prepared this Initial Regulatory Flexibility Analysis (IRFA) of the procedures proposed in the *Auction 114 Comment Public Notice*, assessing the possible significant economic impact on a substantial number of small entities. The Commission requests written public comments on the IRFA. Comments must be identified as responses to the IRFA and must be filed by the same deadlines for comments specified in the **DATES** section of this document. The

Commission will send a copy of the *Auction 114 Comment Public Notice*, including this IRFA, to the Chief Counsel for the Small Business Administration (SBA) Office of Advocacy.

43. *Need for, and Objectives of, the Proposed Procedures.* The proposed procedures for the conduct of Auction 114 as described in the *Auction 114 Comment Public Notice* would constitute the more specific implementation of the competitive bidding rules contemplated by parts 1 and 73 of the Commission's rules, adopted by the Commission in multiple notice-and-comment rulemaking proceedings, including the delegation of authority to establish additional procedures to be adopted prior to a broadcast auction. The *Auction 114 Comment Public Notice* seeks comment on proposed procedures, terms, and conditions governing Auction 114, including the minimum opening bid amounts for the specified construction permits, and is fully consistent with the underlying rulemaking orders, including the *Broadcast Competitive Bidding Order* and other relevant competitive bidding orders.

44. The *Auction 114 Comment Public Notice* provides notice to Auction 114 applicants, some of which are small entities, of proposed auction procedures and provides adequate time for applicants to comment on those proposed procedures. To promote the efficient and fair administration of the competitive bidding process for all Auction 114 participants, the *Auction 114 Comment Public Notice* seeks comment on the following proposed procedures:

- A requirement that any applicant seeking to participate in Auction 114 certify in its short-form application, under penalty of perjury, that it has read the public notice adopting procedures for Auction 114 that will be released in advance of the short-form application deadline, and that it has familiarized itself with those procedures and the requirements for obtaining a construction permit for an FM station;
- Use of anonymous bidding/limited information procedures, which will not make public until after bidding has closed: (1) the permits that an applicant selects for bidding in its short-form application, (2) the amount of any upfront payment made by or on behalf of an applicant, (3) any applicant's bidding eligibility, and (4) any other bidding-related information that might reveal the identity of the bidder placing a bid;
- Establishment of an additional default payment of 20% under 47 CFR

1.2104(g)(2) in the event a winning bidder defaults or is disqualified after the auction closes;

- Use of a simultaneous multiple-round auction format, consisting of sequential bidding rounds with a simultaneous stopping rule;
 - Provision of delegated authority to OEA, in conjunction with MB, to exercise its discretion to delay, suspend, or cancel bidding in Auction 114 for any reason that affects the ability of the competitive bidding process to be conducted fairly and efficiently;
 - Retention by OEA of discretion to adjust the bidding schedule in order to manage the pace of Auction 114;
 - A specific minimum opening bid amount for each construction permit to be offered in this auction;
 - A specific number of bidding units for each construction permit;
 - A specific upfront payment amount for each construction permit;
 - Establishment of a bidder's initial bidding eligibility in bidding units based on that bidder's upfront payment;
 - Establishment of an activity rule requiring the bidder to be active on 100% of its bidding eligibility in each bidding round;
 - Provision of three activity waivers for each bidder to allow it to preserve eligibility during the course of the auction;
 - Use of minimum acceptable bid amounts and additional bid increments, along with a proposed methodology for calculating such amounts, while retaining discretion to change the methodology if circumstances dictate; and
 - A procedure for breaking ties if identical high bid amounts are submitted on a construction permit in a given round.
45. *Legal Basis.* The Commission's statutory obligations to small businesses participating in a spectrum license auction under the Act are found in 47 U.S.C. 309(j)(3)(B) and 309(j)(4)(D). The statutory basis for the Commission's competitive bidding rules is found in various provisions of the Act, including 47 U.S.C. 154(i), 301, 303(e), 303(f), 303(r), 304, 307, and 309(j). The Commission has established a framework of competitive bidding rules pursuant to which it has conducted auctions since the inception of the auction program in 1994 and would conduct Auction 114. The Commission has directed that OEA and MB, under delegated authority, seek comment on a variety of auction-specific procedures prior to the start of bidding in each auction.
46. *Description and Estimate of the Number of Small Entities to Which the*

Proposed Procedures Will Apply. The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the proposed procedures, if adopted. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small government jurisdiction.” In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act. A “small business concern” is one which: (1) is independently owned and operated, (2) is not dominant in its field of operation, and (3) satisfies any additional criteria established by the SBA. The SBA establishes small business size standards that agencies are required to use when promulgating regulations relating to small businesses; agencies may establish alternative size standards for use in such programs, but must consult and obtain approval from SBA before doing so.

47. OEA’s and MB’s actions, over time, may affect small entities that are not easily categorized at present. OEA and MB therefore describe three broad groups of small entities that could be

directly affected by their actions. In general, a small business is an independent business having fewer than 500 employees. These types of small businesses represent 99.9% of all businesses in the United States, which translates to 34.75 million businesses. Next, “small organizations” are not-for-profit enterprises that are independently owned and operated and not dominant in their field. While OEA and MB do not have data regarding the number of non-profits that meet that criteria, over 99 percent of nonprofits have fewer than 500 employees. Finally, “small governmental jurisdictions” are defined as cities, counties, towns, townships, villages, school districts, or special districts with populations of less than fifty thousand. Based on the 2022 U.S. Census of Governments data, OEA and MB estimate that at least 48,724 out of 90,835 local government jurisdictions have a population of less than 50,000.

48. The specific procedures and minimum opening bid amounts on which comment is sought in the *Auction 114 Comment Public Notice* will directly affect all applicants participating in Auction 114. The number of entities that may apply to participate in Auction 114 is unknown.

Based on the number of applicants in prior FM auctions, OEA and MB estimate that the number of applicants for Auction 114 may range from approximately 130 to 260. This estimate is based on the number of applicants who filed short-form applications to participate in previous open auctions of FM construction permits held to date, an average of 1.7 short-form applications were filed per construction permit offered, with a median of 1.2 applications per permit. The actual number of applicants for Auction 114 could vary significantly as any individual’s or entity’s decision to participate may be affected by a number of factors beyond the Commission’s control.

49. The proposed procedures in the *Auction 114 Comment Public Notice* will apply to small entities in the industries identified in the chart below by their six-digit North American Industry Classification System (NAICS) codes and corresponding SBA size standard. Where available, OEA and MB also provide additional information regarding the number of potentially affected entities in the industries identified below.

TABLE 1—2022 U.S. CENSUS BUREAU DATA BY NAICS CODE

Regulated Industry (Footnotes specify potentially affected entities within a regulated industry where applicable)	NAICS code	SBA size standard (millions)	Total firms	Total small firms	% Small firms
Radio Broadcasting Stations	516110	\$47	2,616	2,136	81.65

TABLE 2—BROADCAST ENTITY DATA

Broadcast Station Owners (as of August 8, 2025)	SBA size standard (\$47 Million)		
	Affected entity	Number of commercial licensed	% Small entities
Radio Stations (AM & FM) Groups		2,881	99.38

50. *Description of Economic Impact and Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities.* The RFA directs agencies to describe the economic impact of proposed rules on small entities, as well as projected reporting, recordkeeping and other compliance requirements, including an estimate of the classes of small entities which will be subject to the requirements and the type of professional skills necessary for preparation of the report or record.

51. In the *Auction 114 Comment Public Notice*, OEA and MB do not propose any new reporting,

recordkeeping, or other compliance requirements for small entities or other auction applicants. Moreover, the auction application process is designed to minimize reporting and compliance requirements for applicants, some of which are small entities. To participate in this auction, parties will file streamlined, short-form applications in which they certify their qualifications under penalty of perjury. Eligibility to participate in bidding is based on an applicant’s short-form application and certifications, as well as its upfront payment. In the second phase of the auction process, there are additional compliance requirements for winning

bidders. Thus, a small business that fails to become a winning bidder does not need to file a long-form application and provide the additional showings and more detailed demonstrations required of a winning bidder.

52. OEA and MB do not expect the processes and procedures proposed in the *Auction 114 Comment Public Notice* will require small entities to hire attorneys, engineers, consultants, or other professionals to participate in Auction 114 and comply with the procedures they ultimately adopt because of the information, resources, and guidance OEA and MB make available to potential and actual

participants at no cost. For example, OEA and MB intend to release an online tutorial that will help applicants understand the procedures for filing the short-form application (FCC Form 175). OEA and MB also intend to make information on the bidding system available and to offer demonstrations and other educational opportunities for applicants in Auction 114 to familiarize themselves with the FCC auction application system and the auction bidding system. By providing these resources, as well as the resources discussed below, OEA and MB expect small entities who use the available resources to experience lower participation and compliance costs. Nevertheless, while OEA and MB cannot quantify the cost of compliance with the proposed procedures, they do not believe that the costs of compliance will unduly burden small entities that choose to participate in the auction because the proposals for Auction 114 are similar in many respects to the procedures in recent broadcast auctions conducted by the Commission.

53. *Discussion of Significant Alternatives Considered That Minimize the Significant Economic Impact on Small Entities.* The RFA directs agencies to provide a description of any significant alternatives to the proposed rules that would accomplish the stated objectives of applicable statutes, and minimize any significant economic impact on small entities. The discussion is required to include alternatives such as: “(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance and reporting requirements under the rule for such small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof, for such small entities.”

54. In the *Auction 114 Comment Public Notice*, the Commission sets forth proposals to facilitate participation in Auction 114 and result in both operational and administrative cost savings for small entities and other auction participants. In developing these proposals, OEA and MB also consider alternatives that could minimize significant economic impact on small entities. For example, given the numerous resources that will be made available from the Commission at no cost, the processes and procedures proposed in the *Auction 114 Comment Public Notice* should result in minimal economic impact on small entities. Prior to the start of bidding, the Commission

will hold a mock auction to allow qualified bidders the opportunity to familiarize themselves with both the bidding processes and systems that will be used in Auction 114. During the auction, participants will be able to access and participate in bidding via the internet using a web-based system, or telephonically, providing two cost-effective methods of participation and avoiding the cost of travel for in-person participation. Further, small entities as well as other auction participants will be able to avail themselves of a telephone hotline for assistance with auction processes and procedures as well as a telephone technical support hotline to assist with issues such as access to or navigation within the electronic FCC Form 175 and use of the FCC’s auction system. All auction participants, including small business entities, will also have access to various other sources of information and databases through the Commission that will aid in both their understanding of and participation in the process. These mechanisms are made available to facilitate participation by all qualified bidders and may result in significant cost savings for small business entities that utilize these mechanisms.

Alternatively, OEA and MB consider other ways in which to assist small entities, many of which have limited resources, to more efficiently participate in Auction 114 and seek comment on such proposals. These steps, coupled with the advanced description of the bidding procedures, should ensure that the auction will be administered efficiently and fairly, thus providing certainty for small entities.

55. In addition, consistent with previous Commission auctions of broadcast construction permits, the *Auction 114 Comment Public Notice* proposes that each bidder in Auction 114 be provided with three activity rule waivers, which serve to allow the bidder to avoid the loss of bidding eligibility should exigent circumstances prevent it from bidding in a particular round. These waivers may be used at the bidder’s discretion during the auction. Alternatively, OEA and MB consider whether this proposal of three activity rule waivers is sufficient for small entities or if more are needed and seek comment on this issue.

56. To assist with the Commission’s evaluation of the economic impact on small entities that may result from the actions and alternatives that have been discussed in this proceeding, the *Auction 114 Comment Public Notice* seeks alternative proposals, and requests information on the potential costs of such alternatives to small entities. The

Commission expects to consider more fully the economic impact on small entities following its review of comments filed in response to the *Auction 114 Comment Public Notice*, including costs and benefits information. The Commission’s evaluation of the comments filed in this proceeding will shape the final conclusions it reaches, the final alternatives it considers, and the actions it ultimately takes in this proceeding to minimize any significant economic impact on small entities resulting from the final procedures that are ultimately adopted.

57. *Federal Rules that May Duplicate, Overlap, or Conflict with the Proposed Rules.* None.

Federal Communications Commission.

Gary Michaels,

*Senior Deputy Chief, Auctions Division,
Office of Economics and Analytics.*

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 79

[MB Docket No. 12–107; FCC 26–31; FR ID 345581]

Accessible Emergency Information, and Apparatus Requirements for Emergency Information and Video Description: Implementation of the Twenty-First Century Communications and Video Accessibility Act of 2010

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Commission proposes to revise the Audible Crawl Rule, which requires video programming providers and distributors to make non-textual visual emergency information provided during non-newscast programming accessible via a secondary audio stream. The revised rule would provide that the accessibility requirement is met if a textual crawl provides emergency information duplicative of or equivalent to non-textual visual emergency information, so long as the textual crawl is also conveyed aurally.

DATES: Comments are due on or before June 15, 2026; reply comments are due on or before June 29, 2026.

ADDRESSES: Pursuant to §§ 1.415 and 1.419 of the Commission’s rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first