

## § 27.1415

to create written procedures for its operations, using the Government Accountability Office's Green Book to serve as a guide in satisfying such requirements.

(4) The search committee must also ensure that the Relocation Payment Clearinghouse adopts robust privacy and data security best practices in its operations, given that it will receive and process information critical to ensuring a successful and expeditious transition.

(i) When the prohibition in § 1.2105(c) of this chapter applies to competitive bidding for licenses in the 3.7 GHz service, the Relocation Payment Clearinghouse must make real time disclosures of the content and timing of and the parties to communications, if any, from or to applicants to participate in the competitive bidding, as defined by § 1.2105(c)(5)(i) of this chapter.

(ii) The Relocation Payment Clearinghouse should also comply with, on an ongoing basis, all applicable laws and Federal Government guidance on privacy and information security requirements such as relevant provisions in the Federal Information Security Management Act, National Institute of Standards and Technology publications, and Office of Management and Budget guidance.

(iii) The Relocation Payment Clearinghouse must hire a third-party firm to independently audit and verify, on an annual basis, the Relocation Payment Clearinghouse's compliance with privacy and information security requirements and to provide recommendations based on any audit findings; to correct any negative audit findings and adopt any additional practices suggested by the auditor; and to report the results to the Bureau.

(c) *Reports and information.* (1) The Relocation Payment Clearinghouse must provide quarterly reports that detail the status of reimbursement funds available for clearing obligations, the relocation and accelerated relocation payments issued, the amounts collected from overlay licensees, and any certifications filed by incumbents. The reports must account for all funds spent to transition the 3.7 GHz Service Band, including the Relocation Payment Clearinghouse's own expenses,

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*e.g.*, salaries and fees paid to law firms, accounting firms, and other consultants. The report shall include descriptions of any disputes and the manner in which they were resolved.

(2) The Relocation Payment Clearinghouse shall provide to the Office of the Managing Director and the Wireless Telecommunications Bureau, by March 1 of each year, an audited statement of funds expended to date, including salaries and expenses of the Clearinghouse.

(3) The Relocation Clearing House shall provide to the Wireless Telecommunications Bureau additional information upon request.

### § 27.1415 Documentation of expenses.

Parties seeking reimbursement of compensable relocation costs must document their actual expenses and the Relocation Payment Clearinghouse, or a third-party on behalf of the Relocation Payment Clearinghouse, may conduct audits of entities that receive reimbursements. Entities receiving reimbursements must make available all relevant documentation upon request from the Relocation Payment Clearinghouse or its contractor.

### § 27.1416 Reimbursable costs.

(a) *Determining reimbursable costs.* The Relocation Payment Clearinghouse shall review reimbursement requests to determine whether they are reasonable and to ensure they comply with the requirements adopted in this sub-part. The Relocation Payment Clearinghouse shall give parties the opportunity to supplement any reimbursement claims that the Relocation Payment Clearinghouse deems deficient. Reimbursement submissions that fall within the estimated range of costs in the cost category schedule issued by the Wireless Telecommunications Bureau shall be presumed reasonable. If the Relocation Payment Clearinghouse determines that the amount sought for reimbursement is unreasonable, it shall notify the party of the amount it deems eligible for reimbursement. The Wireless Telecommunications Bureau shall make further determinations related to reimbursable costs, as necessary, throughout the transition process.

(b) *Payment procedures.* Following a determination of the reimbursable amount, the Relocation Payment Clearinghouse shall incorporate approved claims into invoices, which it shall issue to each licensee indicating the amount to be paid. The Relocation Payment Clearinghouse shall pay approved claims within 30 days of invoice submission. The Relocation Payment Clearinghouse shall also include its own reasonable costs in the invoices.

**§ 27.1417 Reimbursement fund.**

The Relocation Payment Clearinghouse will establish and administer an account that will fund the costs for the transition of this band to the 3.7 GHz Service after an auction for the 3.7 GHz Service concludes. Licensees in the 3.7 GHz Service shall pay their *pro rata* share of six months' worth of estimated transition costs into a reimbursement fund, administered by the Relocation Payment Clearinghouse, shortly after the auction and then every six months until the transition is complete. The Relocation Payment Clearinghouse shall draw from the reimbursement fund to pay approved, invoiced claims, consistent with § 27.1418. If the reimbursement fund does not have sufficient funds to pay approved claims before a six-month replenishment, the Relocation Payment Clearinghouse shall provide 3.7 GHz Service licensees with 30 days' notice of the additional *pro rata* shares they must contribute. At the end of the transition, the Relocation Payment Clearinghouse shall refund any unused amounts to 3.7 GHz Service licensees according to their *pro rata* shares.

**§ 27.1418 Payment obligations.**

(a) Each eligible space station operator is responsible for the payment of its own satellite transition costs until the auction winners have been announced.

(b) Licensees in the 3.7 GHz Service shall pay their *pro rata* share of:

(1) The reasonable costs of the Relocation Payment Clearinghouse and, in the event the Wireless Telecommunications Bureau selects the Relocation Coordinator, the services of the Relocation Coordinator and its staff;

(2) The actual relocation costs, provided that they are not unreasonable, for eligible space station operators and incumbent fixed service licensees; the actual transition costs, provided they are not unreasonable, associated with the necessary migration and filtering of incumbent earth stations;

(3) Any lump sum payments, if elected by incumbent earth station operators in lieu of actual relocation costs; and

(4) Specified accelerated relocation payments for space station operators that clear on an accelerated timeframe. Licensees in the 3.7 GHz Service shall be responsible for the full costs of space station transition, the Relocation Payment Clearinghouse, and, if selected and established by the Wireless Telecommunications Bureau, the Relocation Coordinator, based on their *pro rata* share of the total auction bids of each licensee's gross winning bids in the auction overall; they shall be responsible for incumbent earth station and incumbent fixed service transition costs in a Partial Economic Area based on their *pro rata* share of the total gross bids for that Partial Economic Area.

(c) Following the auction, and every six months until the close of the transition, licensees in the 3.7 GHz Service shall submit their portion of estimated transition costs to a reimbursement fund, and the Relocation Payment Clearinghouse will reimburse parties incurring transition costs. If actual costs exceed estimated costs, the Relocation Payment Clearinghouse shall perform a true-up for additional funds from 3.7 GHz Service licensees.

(d) If 3.7 GHz band license is relinquished to the Commission prior to all relocation cost reimbursements and accelerated relocation payments being paid, the remaining payments will be distributed among other similarly situated 3.7 GHz band licensees. If a new license is issued for the previously relinquished rights prior to final payments becoming due, the new 3.7 GHz band licensee will be responsible for the same *pro rata* share of relocation costs and accelerated relocation payments as the initial 3.7 GHz band license. If a 3.7 GHz band licensee sells its rights on the secondary market, the new 3.7 GHz band