



(Revised) Proposed ARIN Fee Schedule Increase

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- In December, the adopted ARIN 2018 – 2019 Budget included outline of a proposed fee increase
- ARIN's process for proposed fee increase includes both Financial Committee review and recommendation to the Board, followed by Board Recommendation for community consultation, and then Board adoption of the revised fee schedule
- Timing:
 - Finance Committee recommendation: March 2018
 - Board initiation of community consultation: April 2018
 - Board adoption of revised fees: May 2018
- Community feedback from the consultation (including session at ARIN 41 in Miami) was neutral or supportive of the fee change overall, but with significant concerns expressed regarding the overall impact by small legacy resource holders

ARIN's Legacy Resource Holders under LRSA

- There are currently 492 legacy registrants (out of a total of 528) that are subject to LRSA versions 1.1, 2, 2.1, 2.1-L, 2.2, or 2.2-L. LRSA versions 1.1, 2, 2.1, 2.1-L, 2.2, and 2.2-L permit ARIN to increase the legacy maintenance fee subject to the following constraints:
 - The legacy maintenance fee may only increase annually;
 - Any fee increase requires a vote by ARIN's Board;
 - Any fee increase cannot be greater than \$25 per year; and
 - The fee charged cannot exceed the amount charged to non-legacy registrants.
- The remaining legacy registrants (36) are subject to LRSA version 3 or 4. LRSA versions 3 and 4 permit ARIN to increase the legacy maintenance fee, provided that:
 - The legacy maintenance fee does not exceed the maintenance fee charged to non-legacy registrants for maintenance services for comparable number resources, and
 - ARIN set the fees in an open and transparent manner through the ARIN community consultation process.

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The revised Proposed Fee Increase beginning 1 July 2018 consists of the following changes to the ARIN Fee Schedule –

- Facilitator fee increased from \$100 to \$1,000 year
- Maintenance fee increased from \$100 to \$150 per object per year (applies to IPv4 blocks, IPv6 blocks, and ASNs)
- Maintenance fees applies to End-Users and Legacy resource holders under LRSA, but not Registration Services Plan parties (generally ISPs)
- Very early LRSA's will be reset to \$125/year on total cap on maintenance fees per organization and then staff will annually seek Board approval for a \$25 per year cap increase
- Based on the feedback received, the revised ARIN Fee Schedule change will include applying the \$125/year annual legacy maintenance fee cap to all LRSA customers

Net Effect on ARIN Revenue

Net revenue increases –

- Facilitator fee: + \$34,000
annual
- End-user Maintenance fee: + \$1,400,000
annual
- LRSA's fees + \$ 3,000

Total Revenue increase: \$1,437,000

Reserve Impact – Base Outlook and With Fee Increase

Base Outlook	2018	2019	2020	2021	2022
Revenue	\$19,842,375	\$19,954,619	\$20,145,933	\$20,282,659	\$20,411,280
Expenses	\$22,739,008	\$21,399,087	\$21,551,417	\$21,850,238	\$21,722,086
Net to Reserves	(\$2,896,633)	(\$1,444,468)	(\$1,405,484)	(\$1,567,579)	(\$1,310,806)
Reserve Balance	\$27,387,128	\$25,942,660	\$24,537,177	\$22,969,597	\$21,658,792
Fee Increase	2018	2019	2020	2021	2022
Revenue	\$20,687,263	\$21,459,964	\$21,700,545	\$21,915,001	\$22,125,239
Expenses	\$22,739,008	\$21,399,087	\$21,551,417	\$21,850,238	\$21,722,086
Net to Reserves	(\$2,051,745)	\$60,877	\$149,128	\$64,763	\$403,153
Reserve Balance	\$28,232,017	\$28,292,893	\$28,442,020	\$28,506,784	\$28,909,937



American Registry for Internet Numbers

Questions?