

docket will mail copies of materials to you if you are outside of the Washington, DC metropolitan area.

**FOR FURTHER INFORMATION CONTACT:** Barbara Davis, Oil Program Center, U.S. Environmental Protection Agency, at 703-603-8823, concerning the proposed rule; or, Hugo Paul Fleischman, Oil Program Center, U.S. Environmental Protection Agency, at 703-603-8769, concerning the advance notice of proposed rulemaking. Alternatively you may call the RCRA/Superfund Hotline at 800-424-9436 (in the Washington, DC metropolitan area, 703-412-9810). The Telecommunications Device for the Deaf (TDD) Hotline number is 800-553-7672 (in the Washington, DC metropolitan area, 703-412-3323). You may wish to visit the Oil Program's Internet site at [www.epa.gov/oilspill](http://www.epa.gov/oilspill).

Dated: May 10, 1999.

**Stephen D. Luftig,**

Director, Office of Emergency and Remedial Response.

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## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 64

[CC Docket No. 96-61; FCC 99-43]

### Implementation of the Rate Integration Requirement of the Communications Act

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice of proposed rulemaking

**SUMMARY:** By this *Notice of Proposed Rulemaking (Notice)*, the Commission seeks further comment on the application of rate integration to interstate, interexchange services offered by commercial mobile radio service (CMRS) providers. Specifically, the Commission invites interested parties to comment on how rate integration should be applied to wide-area calling plans, services offered by affiliates, plans that assess local airtime or roaming charges in addition to separate long-distance charges for interstate, interexchange services, and whether cellular and PCS service rates should be integrated.

**DATES:** Comments are due on, or before, May 27, 1999. Reply comments are due on, or before, June 28, 1999.

**ADDRESSES:** Federal Communications Commission, Secretary, 445 12th Street S.W., Washington, DC 20554.

**FOR FURTHER INFORMATION CONTACT:** Peter Wolfe, Wireless

Telecommunications Bureau, at (202) 418-2191.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's *Further Notice of Proposed Rulemaking* in the matter of *Implementation of Section 254(g) of the Communications Act of 1934, as Amended*, CC Docket No. 96-61, adopted March 8, 1999, and released April 21, 1999. The complete text of this *Notice* is available for inspection and copying during normal business hours in the Commission's Reference Center, room CY-A257, 445 12th Street S.W., Washington, DC. The *Notice* is available through the Internet at [http://www.fcc.gov/Bureaus/Common\\_Carrier/notices/1999/fcc99043.wp](http://www.fcc.gov/Bureaus/Common_Carrier/notices/1999/fcc99043.wp). The complete text may be purchased from the Commission's duplicating contractor, International Transcription Service, Inc. (ITS, Inc.), at 1231 20th Street N.W., Washington, DC 20036, (202) 857-3800.

Synopsis of Further Notice of Proposed Rulemaking:

#### I. Introduction

1. In this *Notice*, we seek further comment on several issues regarding the application of rate integration under section 254(g) of the Communications Act to the interstate, interexchange services offered by commercial mobile radio service (CMRS) providers.

#### II. Applicability of Rate Integration to CMRS Services

##### A. Wide-Area Calling Plans

2. Many CMRS providers have created calling plans that allow customers to extend the size of the calling area in which they do not incur roaming or separate long-distance charges, generically referred to as wide-area calling plans. Under these types of plans, the customer generally is assessed a monthly fee and obtains a specified number of airtime minutes as part of the monthly charge. In this section, we seek comment on: (1) whether there are wide-area calling plans or other types of plans that should not be subject to rate integration; (2) what limitations would rate integration requirements place on CMRS providers' plans; and, (3) whether we should forbear from rate integration requirements for some, or all, wide-area plans.

3. Wide-area calling plans appear to offer customers significant benefits in the form of a simplified rate structure and additional choice. We believe that the analysis of wide-area calling plans begins with an examination of what constitutes an interexchange service, which is not defined in the Act. Some

parties argue that the meaning of interexchange service should be derived from the definition of "telephone toll service." Telephone toll service is defined as "telephone service between stations in different exchange areas for which a charge is not included in contracts with subscribers for exchange service." 47 U.S.C. 153(48). Some CMRS providers assert that because CMRS providers are not rate regulated, CMRS providers can establish any area they choose as the "exchange" area. Under this approach, an interexchange call exists only if a separate charge is assessed for the interexchange call. The definition of "telephone toll service" depends, in part, on the definition of "exchange services." "Telephone exchange service" is defined as "service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area \* \* \* and which is covered by the exchange service charge, or \* \* \* comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service." 47 U.S.C. 153(47). Cellular, broadband PCS, and covered SMR providers have been found to provide "comparable service" to telephone exchange service because, as a general matter, local, two-way switched voice service is a principal part of the service.

4. We invite parties to comment on how the definitions of "telephone toll service" and "telephone exchange service," should be applied in the CMRS context. We also seek comment on whether a nationwide wide-area calling plan would be a telephone exchange service pursuant to section 3(47) of the Act; whether the Commission should define this term for rate integration purposes; or whether, as alleged by some, the definition should be left to the discretion of CMRS providers. Parties should discuss the competitive implications of the alternative positions.

5. We invite parties to comment on alternative ways of implementing rate integration in the wide-area calling plan context to foster customer choice, pricing flexibility, and competitive development of the industry. Specifically, what must a CMRS provider do in offering wide-area plans to comply with rate integration requirements? To assist us in this effort, we invite parties to document the types of wide-area calling plans that are available, including the range of plans that individual CMRS carriers offer. We are particularly interested in

comparisons between regional and nationwide plans. In addition, parties should indicate whether these wide-area plans encompass Alaska, Hawaii, and the U.S. territories and possessions. Parties are asked to discuss whether the existence of a basic plan with separate interexchange charges at integrated rates, or the availability of dial-around to reach a long-distance carrier with integrated rates, would warrant either minimal regulation of, or forbearance from regulating, wide-area calling plans pursuant to section 254(g).

6. We also seek comment on how to evaluate multiple wide-area calling plans offered by a CMRS provider. Are there criteria that could be applied that would permit a variety of such plans to exist, while still complying with the rate integration requirement? If a CMRS provider offers wide-area calling plans, we invite parties to address whether it should be required to offer at least one such plan that serves all locations. Parties should comment on whether an approach that prohibited special rate categories for calls to non-contiguous insular points on a market-by-market basis, as suggested by PrimeCo, would be sufficient to prevent discrimination. Parties should focus on how any proposed approach to the treatment of wide-area calling plans balances the objective of fostering competitive market conditions with the goals of rate integration. Finally, we ask that parties discuss the implications of each approach for other policies applicable to CMRS providers.

7. Alternatively, we seek comment on whether forbearance from the application of rate integration to wide-area calling plans is appropriate. Parties are invited to comment on whether the conditions in the CMRS market are such that the requirements of section 10 would be satisfied. Finally, we seek comment on the extent to which the continued applicability of sections 201(b) and 202(a) of the Act is sufficient to protect against discriminatory or unreasonable rates; and, on the impact of specific proposals on small business entities, including new entrants.

#### *B. Affiliation Requirements*

8. The Commission's rate integration policy has always required rate integration across affiliates. We tentatively conclude that an interpretation of section 254(g), consistent with this prior policy, that requires rate integration across affiliates is also consistent with the Congressional intent of section 254(g).

9. In the *Rate Integration Reconsideration Order*, we specified that the current definitions of "affiliate"

and "control" in section 32.9000 of the Commission's rules will be used to determine whether companies are sufficiently related to require them to integrate their rates. Thus, we required affiliates under common ownership and control to integrate their rates. We observed that these definitions will permit application of rate integration to closely related affiliates while excluding those not under common control.

10. CMRS providers assert that the affiliation rule is unworkable and could produce anticompetitive results. They state that CMRS ownership arrangements are complicated, typically including partnership arrangements among carriers that are often competitors in other markets. Several CMRS providers assert that the current affiliation requirement would force all related carriers to adopt identical rates and rate structures, thereby preventing CMRS providers from responding to competition and depriving customers of the benefits of pricing flexibility and customer choice associated with the detariffed CMRS environment.

11. A workable affiliation rule is essential to preclude CMRS providers from evading the rate integration requirement of section 254(g) by the simple process of creating separate, affiliated companies to serve different geographic areas. We recognize, however, that too stringent an affiliation rule could be unworkable and adversely effect pricing and customer choice, because of the complex nature of the CMRS market. We invite parties to propose the appropriate affiliation requirement. We request parties to address the following affiliation standards: (1) fifty-one percent or greater ownership control; and (2) eighty percent ownership control resulting in accounting on a consolidated basis. Parties should discuss how positive or negative control should affect the analysis. Parties also are asked to identify CMRS providers serving Alaska, Hawaii, and the U.S. territories and possessions that would be affected by different affiliation standards. We invite parties to suggest other affiliation standards that they believe are more workable. Finally, we seek comment on the nature of the fiduciary duty owed by a controlling partner to its partners, how that duty would be affected by application of the statutory requirements of section 254(g), and how that duty should affect the level of affiliation required to trigger rate integration requirements in the CMRS industry.

12. We also seek comment on whether conditions in the CMRS market warrant forbearance from application of the

affiliation requirement under section 10 of the Act. Parties should address how each element of the forbearance standard is met. Finally, parties should address the extent to which any affiliate standard they propose affects small business entities, including new entrants.

#### *C. Plans That Assess a Local Airtime or Roaming Charge Plus Separate Long-Distance Charges for Interstate, Interexchange Services*

13. In this section, we seek further comment on the effects of the rate integration requirement of section 254(g) on the airtime or roaming charges associated with interstate, interexchange calls for which a separate long-distance charge is assessed. Airtime and roaming charges may be viewed in one or more ways. For example, airtime and roaming charges could be viewed as not interexchange in character and, therefore, not subject to rate integration, if the charges do not vary with the local or toll nature of the call. Alternatively, airtime and roaming charges could be viewed as part of the price for the long-distance call and, therefore, subject to the rate integration requirement. We request comment on the legal and policy implications of the alternatives described above. Parties also should discuss any interrelationships with the definition of "exchange" and "interexchange," discussed above in conjunction with the consideration of wide-area calling plans.

14. The local airtime or roaming charge assessed for a purely local call generally is the same as that assessed in connection with a toll call. That charge may vary from calling area to calling area because of differences in market conditions, just as exchange rates of incumbent LECs may vary among exchanges. Traffic, which involves no interstate, interexchange component, is not subject to rate integration. If airtime and roaming charges are subjected to rate integration, CMRS providers claim that they would be forced to assess the same airtime and roaming charge in all locations. Several parties noted that such a requirement could affect CMRS providers' ability to respond to competition or to offer customers a variety of pricing options. We seek comment on the ability of CMRS providers to impose separate, uniform airtime and roaming charges when a call is an interstate, interexchange call. To assist us in evaluating the implications of the application of rate integration to airtime and roaming charges, parties should provide detailed information on the percentage of calls and minutes that are local in nature as opposed to the

percentage of calls and minutes that are toll.

15. CMRS providers state that airtime and roaming charges primarily reflect local market conditions. They allege that costs do not vary as widely as costs vary for exchange carriers, and that CMRS rates do not include subsidies that support high exchange costs. We ask parties to address the extent of any cost difference between the contiguous states and Hawaii, Alaska, and the covered U.S. territories and possessions, and to submit demonstrative evidence supporting their cost difference data. Parties also should address the extent to which any options they propose would affect small business entities, including new entrants.

16. Finally, we ask parties to comment on whether, if we determine that airtime and roaming charges are properly part of an interstate, interexchange call, we should forbear from applying the rate integration requirement of section 254(g) to those airtime and roaming charges. Parties urging forbearance should discuss the standards of section 10 of the Act and how each element of the forbearance analysis is met. Parties also should discuss the effect of the continued applicability of sections 201, 202, and 208 on the forbearance analysis. In particular, we ask parties to discuss the extent to which those sections will protect consumers in a less than fully competitive market.

#### *D. Integration of Cellular and PCS Services*

17. We invite parties to comment on whether the rates of cellular and broadband PCS services should be integrated. Parties should discuss any similarities or differences in the operation of cellular and PCS networks, as well as customer perceptions of the two types of services. Parties also are asked to suggest other similarities or differences that should affect our decision as to whether cellular and PCS services should be rate integrated. We invite parties to discuss the effect that requiring these services to integrate their rates would have on the intent, in part, that PCS service provide competition to cellular service. In addition, we ask parties to comment on whether their position differs if the CMRS provider uses an integrated cellular and PCS network to provide a single CMRS service or if the CMRS provider offers separate cellular and PCS services using distinct cellular and PCS facilities. Finally, we invite parties to address the extent to which a requirement to integrate the rates of cellular and PCS services would affect

small business entities, including new entrants.

### **III. Procedural Matters**

#### *A. Ex Parte Presentations*

18. The *Notice* is a permit-but-disclose proceeding and is subject to the permit-but-disclose requirements under 47 CFR 1.1206(b), as revised. Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must contain a summary of the substance of the presentation and not merely a listing of the subjects discussed. More than a one or two sentence description of the views and arguments presented is generally required. See also 47 CFR 1.1206(b).

#### *B. Paperwork Reduction Act*

19. The *Notice* has been analyzed with respect to the Paperwork Reduction Act of 1995, Public Law 104-13, and does not contain new or modified information collections subject to Office of Management and Budget review.

#### *C. Initial Regulatory Flexibility Act Analysis*

20. As required by the Regulatory Flexibility Act (RFA), the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities of the proposals suggested in this *Notice*. The analysis is set forth at the end of this summary. Written public comments are requested on the IRFA. Comments and reply comments must be identified by a separate and distinct heading as responses to the IRFA and must be filed on or before May 27, 1999 and June 28, 1999, respectively. Parties should address the extent to which our proposals affect large and small CMRS providers differently and how small business entities, including new entrants, will be affected. The Commission's Office of Public Affairs, Reference Operations Division, will send a copy of this *Notice*, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration, in accordance with the RFA. In addition, the *Notice* and IRFA (or summaries thereof) will be published in the Federal Register.

#### *D. Comment and Reply Comment Filing Dates and Procedures*

21. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments on or before May 27, 1999, and reply comments on or before June 28, 1999. Comments may be filed using the Commission's Electronic Comment

Filing System (ECFS) or by filing paper copies.

22. Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Only one copy of the electronic submission must be filed. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), including "get form <your e-mail address>" in the body of the message. A sample form and directions will be sent in reply.

23. Parties that choose to file by paper must file an original and four copies of each filing. All filings must be sent to the Commission's Secretary, Magalie Roman Salas, Office of the Secretary, Federal Communications Commission, 445 Twelfth St., S.W., Room TW-A325, Washington, DC 20554.

24. Parties that choose to file by paper should also submit their comments on diskette. Such a submission should be on a 3.5 inch diskette formatted in an IBM compatible format using WordPerfect 5.1 for Windows or compatible software. The diskette should be accompanied by a cover letter and should be submitted in "read only" mode. The diskette should be clearly labelled with the commenter's name, proceeding (including the docket number in this case, CC Docket No. 96-61); type of pleading (comment or reply comment); date of submission; and the name of the electronic file on the diskette. The label should also include the following phrase "Disk Copy—Not an Original." Each diskette should contain only one party's pleadings, preferably in a single electronic file. In addition, commenters must send diskette copies to the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, N.W., Washington, DC 20036.

### **IV. Ordering Clauses**

25. Accordingly, *it is ordered*, pursuant to sections 1-4, 201-202, 254, 303(r) and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 151-154, 201-202, 254, 303(r) and 403, that notice is hereby given of the rulemaking described above and that comment is sought on these issues.

26. *It is further ordered* that the Commission's Office of Public Affairs, Reference Operations Division, shall send a copy of this Further Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis,

to the Chief Counsel for Advocacy of the Small Business Administration.

#### V. Initial Regulatory Flexibility Act Analysis

27. As required by the RFA, the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities by the policies and rules proposed in this *Notice*. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the *Notice* provided above. The Commission will send a copy of the *Notice*, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration.

##### A. Need for, and Objectives of, the Proposed Rules

28. In the 1996 Act, Congress directed the Commission to develop rules implementing the provisions of section 254(g) within six months of its enactment. The Commission adopted broad rules implementing the provisions of section 254(g) in the *Rate Integration Order*. In the *Notice*, we seek comment on how the rate integration requirement of section 254(g) should be applied to certain interstate, interexchange offerings of CMRS providers. The objective is to develop rate integration policies for CMRS providers that address the conditions in the CMRS marketplace, while fulfilling the rate integration objective of section 254(g).

##### B. Legal Basis

29. The proposed action is authorized by 47 U.S.C. 151–154, 201–202, 254, 303(r) and 403.

##### C. Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply

30. 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 rules, if adopted. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental 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 Small Business Administration (SBA).

##### (a) Cellular Radio Telephone Service

31. The Commission has not developed a definition of small entities applicable to cellular licensees. Therefore, the applicable definition of small entity is the definition under the SBA rules applicable to radiotelephone companies. This definition provides that a small entity is a radiotelephone company employing no more than 1,500 persons. According to the 1992 Census, which is the most recent information available, only 12 radiotelephone firms out of a total of 1,178 such firms which operated during 1992 had 1,000 or more employees. Therefore, even if all 12 of these large firms were cellular telephone companies, all of the remainder were small businesses under the SBA's definition. Although there are 1,758 cellular licenses, we do not know the number of cellular licensees, since a cellular licensee may own several licenses. We assume that, for purposes of our evaluations in this IRFA, all of the current cellular licensees are small entities, as that term is defined by the SBA.

##### (b) Broadband Personal Communications Service

32. The broadband PCS spectrum is divided into six frequency blocks designated A through F. Pursuant to section 24.720(b) of the Commission's Rules, the Commission has defined “small entity” for Block C and Block F licensees as firms that had average gross revenues of less than \$40 million in the three previous calendar years. This regulation defining “small entity” in the context of broadband PCS auctions has been approved by the SBA.

33. The Commission has auctioned broadband PCS licenses in all of its spectrum blocks A through F. We do not have sufficient data to determine how many small businesses under the Commission's definition bid successfully for licenses in Blocks A and B. As of now, there are 90 non-defaulting winning bidders that qualify as small entities in the Block C auction and 93 non-defaulting winning bidders that qualify as small entities in the D, E, and F Block auctions. Based on this information, we conclude that the number of broadband PCS licensees that would be affected by the proposals in this *Notice* includes the 183 non-defaulting winning bidders that qualify as small entities in the C, D, E, and F Block broadband PCS auctions.

##### (c) Specialized Mobile Radio

34. Pursuant to section 90.814(b)(1) of the Commission's Rules, the Commission has defined “small entity”

for geographic area 800 MHz and 900 MHz SMR licenses as firms that had average gross revenues of no more than \$15 million in the three previous calendar years. This regulation defining “small entity” in the context of 800 MHz and 900 MHz SMR has been approved by the SBA.

35. The proposals set forth in the *Notice* may apply to SMR providers in the 800 MHz and 900 MHz bands. We do not know how many firms provide 800 MHz or 900 MHz geographic area SMR service, nor how many of these providers have annual revenues of no more than \$15 million.

36. The Commission recently held auctions for geographic area licenses in the 900 MHz SMR band. There were 60 winning bidders who qualified as small entities under the Commission's definition in the 900 MHz auction. Based on this information, we conclude that the number of geographic area SMR licensees affected by the proposals set forth in this *Notice* includes these 60 small entities.

37. A total of 525 licenses were auctioned for the upper 200 channels in the 800 MHz geographic area SMR auction. There were 62 qualifying bidders, of which 52 were small businesses. The Commission has not yet determined how many licenses will be awarded for the lower 230 channels in the 800 MHz geographic area SMR auction. There is no basis to estimate, moreover, how many small entities within the SBA's definition will win these lower channel licenses. We assume that, for purposes of our evaluations in this IRFA, all of the current specialized mobile radio licensees are small entities, as that term is defined by the SBA.

##### (d) 220 MHz Service

38. The Commission has classified providers of 220 MHz service into Phase I and Phase II licensees. There are approximately 2,800 non-nationwide Phase I licensees and 4 nationwide licensees currently authorized to operate in the 220 MHz band. The Commission recently conducted the Phase II auction. There were 54 qualified bidders, of which 47 were small businesses.

39. At this time, however, there is no basis upon which to estimate definitively the number of phase I 220 MHz service licensees that are small businesses. To estimate the number of such entities that are small businesses, we apply the definition of a small entity under SBA rules applicable to radiotelephone companies. This definition provides that a small entity is a radiotelephone company employing

no more than 1,500 persons. According to the 1992 Census, which is the most recent information available, only 12 out of a total 1,178 radiotelephone firms which operated during 1992 had 1,000 or more employees—and these may or may not be small entities, depending on whether they employed no more than 1,500 employees. But 1,166 radiotelephone firms had fewer than 1,000 employees and therefore, under the SBA definition, are small entities. However, we do not know how many of these 1,166 firms are likely to be involved in the phase I 220 MHz service.

(e) Mobile Satellite Services (MSS)

40. The Commission has not developed a definition of small entities applicable to licensees in the international services. Therefore, the applicable definition of small entity is the definition under the SBA rules applicable to Communications Services, Not Elsewhere Classified (NEC). This definition provides that a small entity is expressed as one with \$11.0 million or less in annual receipts. According to the Census Bureau, there were a total of 848 communications services, NEC in operation in 1992, and a total of 775 had annual receipts of less than \$9.999 million.

41. Mobile Satellite Services or Mobile Satellite Earth Stations are intended to be used while in motion or during halts at unspecified points. These stations operate as part of a network that includes a fixed hub or stations. The stations that are capable of transmitting while a platform is moving are included under section 20.7(c) of the Commission's Rules as mobile services within the meaning of sections 3(27) and 332 of the Communications Act. Those MSS services are treated as CMRS if they connect to the Public Switched Network (PSN) and also satisfy other criteria of section 332. Facilities provided through a transportable platform that cannot move when the communications service is offered are excluded from section 20.7(c).

42. The MSS networks may provide a variety of land, maritime and aeronautical voice and data services. There are eight mobile satellite licensees. At this time, we are unable to make a precise estimate of the number of small businesses that are mobile satellite earth station licensees.

(f) Paging Services

43. The Commission has adopted a two-tier definition of small businesses in the context of auctioning licenses in the paging service. A small business is defined as either (1) a entity that, together with its affiliates and controlling principals, has average gross revenues for the three preceding years of not more than \$3 million; or (2) an entity that, together with affiliates and controlling principals, has average gross revenues for the three preceding calendar years of not more than \$15 million. The SBA has approved this definition for paging companies.

44. The Commission estimates that the total current number of paging carriers is approximately 600. In addition, the Commission anticipates that a total of 16,630 non-nationwide geographic area licenses will be granted or auctioned. The geographic area licenses will consist of 2,550 Major Trading Area (MTA) licenses and 14,080 Economic Area (EA) licenses. In addition to the 47 Rand McNally MTAs, the Commission is licensing Alaska as a separate MTA and adding three MTAs for the U.S. territories, for a total of 51 MTAs. No auctions of paging licenses have been held yet, and there is no basis to determine the number of licenses that will be awarded to small entities. Given the fact that no reliable estimate of the number of paging licensees can be made, we assume, for purposes of this IRFA, that all of the current licensees and the 16,630 geographic area paging licensees either are or will consist of small entities, as that term is defined by the SBA.

(g) Narrowband PCS

45. The Commission has auctioned nationwide and regional licenses for narrowband PCS. The Commission does not have sufficient information to determine whether any of these licensees are small businesses within the SBA-approved definition. At present, there have been no auctions held for the MTA and Basic Trading Area (BTA) narrowband PCS licenses. The Commission anticipates a total of 561 MTA licensees and 2,958 BTA licensees will be awarded in the auctions. Those auctions, however, have not yet been scheduled. Given that nearly all radiotelephone companies have fewer than 1,500 employees and

that no reliable estimate of the number of prospective MTA and BTA narrowband licensees can be made, we assume, that all of the licensees will be awarded to small entities, as that term is defined by the SBA.

(h) Air-Ground Radiotelephone Service

46. The Commission has not adopted a definition of small business specific to the Air-Ground Radiotelephone Service, which is defined in section 22.99 of the Commission's rules. Accordingly, we will use the SBA's definition applicable to radiotelephone companies, i.e., an entity employing no more than 1,500 persons. There are approximately 100 licensees in the Air-Ground Radiotelephone Service, and we estimate that almost all of them qualify as small under the SBA definition.

*D. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements*

47. We project that any rules adopted in response to the Notice will impose no significant new reporting or recordkeeping requirements on CMRS providers. CMRS providers will, of course, have to comply with any rate integration requirements that may be adopted in a final order. As part of that requirement, they may have to integrate their rates with those of specified affiliates.

*E. Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered*

48. Throughout this Notice, we seek comment on the impact of the proposals in the Notice on small entities. We also seek comment on whether we should forbear from applying any of the rate integration requirements on which comment is sought to CMRS providers.

*F. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules*

49. None.

**List of Subjects in 47 CFR Part 64**

Communications common carriers.  
Federal Communications Commission.  
**Magalie Roman Salas,**  
Secretary.

[FR Doc. 99-12410 Filed 5-17-99; 8:45 am]

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