Fred Sistarenik, New York State Department of Public Service, Communications Division, 3 Empire State Plaza, Albany, NY 12223.
Cynthia Van Landuyt, Oregon Public Utility Commission, 550 Capitol Street, N.E., Suite 215, Salem, OR 97310–2551.

Dated: November 2, 2000

Sharon L. Webber,

Deputy Chief, Accounting Policy Division.

[FR Doc. 00–28606 Filed 11–8–00; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[CC Docket No. 96–45; FCC 00–359]

Federal-State Joint Board on Universal Service: Petition for Forbearance by Operator Communications, Inc. d/b/a Oncor Communications, Inc.

AGENCY: Federal Communications Commission.

ACTION: Notice of proposed rules.

SUMMARY: In this document, the Commission seeks comment on proposals to modify the Commission's rules relating to contributions to the federal universal service support mechanisms. In light of significant recent developments in the interstate telecommunications marketplace, such as the entry of Regional Bell Operating Companies into the interexchange services market, we seek comment on whether the existing methodology provides or will provide a competitive advantage to certain carriers in the marketplace. By initiating this rulemaking, we seek to ensure that assessment of contributions to the federal universal service support mechanisms remains competitively neutral, and that the mechanisms continue to meet the statutory requirement to be specific, predictable, and sufficient.

DATES: Comments are due on or before November 30, 2000. Reply comments are due on or before December 14, 2000. Written comments by the public on the proposed and/or modified information collections discussed in this Further Notice of Proposed Rulemaking are due on or before November 30, 2000. Written comments must be submitted by the Office of Management and Budget (OMB) on the proposed and/or modified information collections on or before January 8, 2001.

ADDRESSES: All filings must be sent to the Commission's Secretary, Magalie Roman Salas, Office of the Secretary, Federal Communications Commission, 445 12th Street, SW., Washington, DC 20554. In addition to filing comments with the Secretary, a copy of any comments on the information collection(s) contained herein should be submitted to Judy Boley, Federal Communications Commission, Room 1–C804, 445 12th Street, SW, Washington, DC 20554, or via the Internet to jboley@fcc.gov and to Edward C. Springer, OMB Desk Officer, 10236 NEOB, 725 17th Street, NW., Washington, DC 20503, or via the Internet to vhuth@omb.eop.gov. Parties also should send three paper copies of their filing to Sheryl Todd, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, 445 Twelfth Street, SW., Room 5–B540, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Praveen Goyal, Attorney, Common Carrier Bureau, Accounting Policy Division, (202) 418–7400. For further information concerning the information collection contained in this Further Notice of Proposed Rulemaking contact Judy Boley, Federal Communications Commission, Room 1–C804, 445 12th Street, SW., Washington, DC 20554, or via the Internet to jboley@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Further Notice of Proposed Rulemaking in CC Docket No. 96–45 released on October 12, 2000. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY–A257, 445 Twelfth Street, SW., Washington, DC 20554.

This FNPRM contains proposed information collection(s) subject to the Paperwork Reduction Act of 1995 (PRA). It has been submitted to the Office of Management and Budget (OMB) for review under the PRA. OMB, the general public, and other Federal agencies are invited to comment on the proposed information collections contained in this proceeding.

Paperwork Reduction Act

The FNPRM contains a proposed information collection. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and OMB to comment on the information collection(s) contained in this FNPRM, as required by the PRA, Public Law 104–13. Public and agency comments on the proposed and/or modified information collections discussed in this Further Notice of Proposed Rulemaking are due on or before November 30, 2000. Written comments must be submitted by the Office of Management and Budget (OMB) on the proposed and/or modified information collections on or before January 8, 2001.

Comments should address: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

OMB Control Number: 3060–0855.

Title: Telecommunications Reporting Worksheet and Associated Requirements, CC Docket No. 96–45.

Form No.: FCC Forms 499A and 499S.

Type of Review: Proposed Revision.

Respondents: Businesses or other for-profit.

Proposal 1: Periodic current Revenue Reports of Proposed Changes to the Contribution Assessment Methodology.

Title	Number of respondents	Hrs. per response	Total annual burden
FCC Form 499A	3500	8	28,000
FCC Form 499S	2000	5.5	11,000
Periodic Current Revenue Reporting (Monthly)	2000	5.5	132,000
Total Annual Burden for Proposal 1	.....	.....	171,000

Cost of Respondents: $0.

Needs and Uses: If adopted, this proposal on which the Commission seeks comment in the FNPRM may entail altering the current revenue reporting requirements to which interstate telecommunications carriers are subject under §§ 54.709 and 54.711 of the Commission's rules. Under one proposed contribution assessment methodology, carriers would determine the amount of their contributions to the universal service fund by applying the contribution factor as currently calculated to their *current* end-user revenues, as opposed to their prior-year end-user revenues. As a result, this contribution methodology would require periodic current revenue reports in addition to the two historical revenue reports already required semi-annually, increasing the number of revenue filings carriers must make to USAC.

Proposal 2: Annual and Quarterly Reports of Proposed Changes to the Contribution Assessment Methodology.

Title	Number of respondents	Hrs per response	Total annual burden
FCC Form 499A	3500	8	28,000
Report of Revenues (Quarterly)	2000	5.5	44,000
Total Annual Burden for Proposal 2	.....	.....	72,000

Cost to Respondents: $0.

Needs and Uses: If adopted, this proposal on which the Commission seeks comment in the FNPRM may entail altering the current revenue reporting requirements to which interstate telecommunications carriers are subject under §§ 54.709 and 54.711 of the Commission's rules. This proposed contribution assessment methodology would shorten the interval between the accrual of revenues by carriers and the assessment of universal service contributions based on those revenues from a range of 12 to 18 months to a range of 3 to 6 months. Under this proposal, carriers would continue to file FCC Form 499A annually as they are required to do under the existing methodology. Carriers would, however, begin to report their revenues for each quarter by the beginning of the second month of the first following quarter. By the 20th day of the second month of the first following quarter, USAC would prepare a quarterly contribution base for the second following quarter. Finally, as it does currently, the Commission would release a proposed contribution factor for the second following quarter in the last month of the first following quarter. Under this proposal, carriers' filings increase from the two semi-annual filings currently required to one annual filing and four quarterly filings, for a total of five revenue filings per year.

Synopsis of FNPRM

I. Introduction

1. In this Further Notice of Proposed Rulemaking (FNPRM), we seek comment on proposals to modify the Commission's rules relating to contributions to the federal universal service support mechanisms. Currently, contributions to the universal service support mechanisms are based on carriers' interstate and international end-user telecommunications revenues from the prior year. In light of significant recent developments in the interstate telecommunications marketplace, such as the entry of Regional Bell Operating Companies (RBOCs) into the interexchange services market under section 271 of the Communications Act, we seek comment on whether the existing methodology provides or will provide a competitive advantage to certain carriers in the marketplace.

2. By initiating this rulemaking, we seek to ensure that assessment of contributions to the federal universal service support mechanisms remains competitively neutral, and that the mechanisms continue to meet the statutory requirement to be specific, predictable, and sufficient. Specifically, in this rulemaking, we seek comment on the following: (1) A proposed methodology for the assessment of universal service contributions based on current revenues; (2) a proposed methodology that would reduce the current interval between the accrual of revenues and the collection of universal service contributions based on those revenues; and (3) other proposals for the reporting of carrier revenues and the collection of contributions that maintain the competitive neutrality of contributions to the federal universal service support mechanisms, and that enable the mechanisms to continue to meet the statutory requirement to be specific, predictable, and sufficient.

II. Proposals To Modify the Universal Service Assessment Methodology

A. Contribution Assessment Generally

3. In light of significant recent developments in the interstate telecommunications marketplace, such as the entry of RBOCs into the interexchange services market under section 271 of the Act, we seek comment generally on whether and how to modify the existing contribution assessment methodology. Specifically, we ask parties to comment on whether, as a result of changes in the interstate marketplace, the existing methodology provides or will provide a competitive advantage to certain carriers in the marketplace.

4. Carriers have argued that, as a result of the existing methodology which assesses contributions based on carriers' interstate end-user telecommunications revenues from the prior year, new entrants to the long distance marketplace, particularly RBOCs, may have a competitive advantage as they gain entry into the long distance market. They argue that, during the first year of post in-region interLATA entry, the new entrant is not required to contribute to the universal service fund on its interstate end-user revenues generated from the new in-region interexchange service. If the new entrants do not accrue a portion of their revenues for making universal service contributions during the following year that will be based on those revenues, such new entrants may be able to undercut the prices offered by established providers.

5. In subsequent years, to the extent new entrants increase their long distance market share and recover universal service contributions against current end-user revenues, the revenue base against which they recover their universal service contributions would remain greater than the revenue base against which their contributions are assessed, creating a potential for a continuing competitive advantage. Similarly, carriers have also expressed concern that, under the existing contribution methodology, carriers with decreasing interstate revenues may have a competitive disadvantage as compared to carriers with increasing interstate revenues. As interexchange carriers lose market share, they may have to recover from a declining current revenue base

their universal service contributions assessed against a larger prior-year revenue base.

6. We therefore ask whether and how to modify the existing contribution assessment methodology, in light of the recent developments in the long distance market. We seek comment on whether the current methodology would place interexchange carriers at a competitive disadvantage against RBOCs as they gain entry into the long distance market. We seek comment on whether any such competitive advantage might impede the development of competition in the local exchange marketplace, for example, by giving incumbent local exchange carriers entering the long distance marketplace a competitive advantage in the provision of bundled local and long distance service offerings. We further seek comment on whether the contribution methodology disadvantages carriers with declining shares of interstate revenues as compared to carriers with increasing shares of interstate revenues. Commenters should also address whether any such competitive advantage under the current recovery methodology would render the methodology inconsistent with section 254's requirement that contributions be ''equitable and nondiscriminatory.''

7. The preceding discussion assumes that new entrants into the interstate telecommunications marketplace are likely to pay universal service contributions out of current period revenue. We seek comment on the likelihood that they instead would collect a surcharge in their first periods of operation in order to accrue revenue for the purpose of making universal service contributions in subsequent periods. To the extent new entrants follow such a procedure, we seek comment on whether and how established carriers already contributing to the universal service mechanisms would nonetheless be disadvantaged under the existing contribution assessment methodology.

8. In the discussion, we seek comment on two specific proposals to change the universal service recovery methodology. We also invite commenters to propose any other alternatives for assessment of contributions that are competitively neutral and consistent with the Act. In particular, we request comment from the state members of the Federal-State Joint Board on Universal Service and from USAC on the issues raised in this Further Notice of Proposed Rulemaking.

B. Proposal To Assess Contributions Based on Current Revenues

9. We seek comment on a proposal to adopt an assessment methodology based on current-year revenues, as suggested by one carrier. Under this proposal, the contribution factor would continue to be set quarterly in the same manner as it is currently, based on the ratio of estimated federal support to total end-user telecommunications revenues. The revenue base used in calculating the contribution factor would continue to be determined by USAC as it is currently, based on semi-annual filings of the FCC Form 499 Telecommunications Reporting Worksheet by interstate telecommunications carriers. Carriers, however, would calculate their contributions by applying the factor to their *current* end-user revenues, as opposed to their prior-year end-user revenues. Assuming a level or upward trend in industry revenues, the application of a contribution factor based on prior-year revenues to current revenues should allow USAC to recover sufficient contributions from the industry as a whole in order to fund the universal service support mechanisms. We seek comment on whether this proposal would be competitively neutral and consistent with the requirements of section 254 of the Act, including the requirements that the Commission's universal service support mechanisms be ''equitable and nondiscriminatory'' and ''specific, predictable, and sufficient.''

10. In particular, we seek comment on the potential effects of such a methodology on the integrity of the universal service fund, including whether a potential shortfall in the fund might result. Under the existing contribution assessment methodology, the revenue base used in calculating the contribution factor and the revenue base against which contributions are assessed are the same. Under the proposal on which we seek comment here, which would apply contribution factors as presently calculated to current revenues, the revenue base used in calculating the contribution factor would be one year prior to the revenue base against which contributions would be assessed. We seek comment on whether a decline in industry-wide interstate telecommunications revenues could generate a shortfall in the universal service fund under such a methodology, and whether the possibility of such a shortfall would render this proposal inconsistent with the Act's mandate of a ''sufficient'' fund. We also seek comment on whether certain events or market conditions, such as increased use of Internet Protocol (IP) telephony, changes in international settlement rates, or economic recession, might result in a dramatic or systemic decline in interstate end-user telecommunications revenues, and on the likelihood of such events or conditions and a resultant decline.

11. We also seek comment on whether certain safeguards might be adopted with this proposal to ensure universal service fund integrity. Specifically, we ask commenters to address whether a quarterly ''true-up'' mechanism could be implemented with this proposal to allow USAC to adjust the contribution assessment rate retrospectively, and whether mid-quarter contribution factor adjustments would prevent a shortfall in the fund caused by a systemic or extended decline in revenues. We also seek comment on the effectiveness of the ''true-up'' safeguard in light of the lag that could occur between USAC's detection of an impending shortfall in the fund and the Commission's establishment of an adjusted mid-quarter contribution factor. Commenters should also discuss the method by which USAC could project whether there would be a shortfall in the fund under this proposed recovery methodology, and what methodology should be used to adjust the contribution factor mid-quarter in the event of a projected shortfall. Finally, commenters should discuss any other possible safeguards they believe should be included with such a proposal, and explain why such safeguards should be implemented.

12. Because this contribution methodology would require periodic current revenue reports in addition to the two historical revenue reports already required semi-annually, it would increase the number of revenue filings carriers must make to USAC. Consequently, this contribution recovery methodology may also pose significant administrative burdens for carriers and for USAC, which we ask commenters to address. Specifically, we seek comment on the frequency with which carriers should report revenues to USAC under this proposal, the types of burdens carriers will face in periodically reporting revenues to USAC, and whether the costs of such reporting are outweighed by the potential benefits posed by the proposed methodology. Where possible, commenters, especially small businesses, should quantify the costs and benefits of this proposal. We also seek comment on how USAC's billing and collection procedures would need to be revised to accommodate this

contribution methodology. Currently, USAC calculates individual contributions by multiplying the quarterly contribution factor by the applicable period of historic quarterly revenues. USAC then bills contributors in equal monthly installments at a fixed amount each month. We seek comment on whether and/or how this procedure should be modified under an assessment methodology based on current revenues.

13. We seek comment on the incentives carriers may have under this proposed recovery methodology to report their current revenues in an accurate and timely manner. For example, this proposal may create incentives for carriers to underreport revenues for the early months of a reporting period in an attempt to reduce their current contribution obligations, thereby freeing capital for other uses, such as interest-bearing investments. Such carriers could then overreport revenues in the later months of a reporting period so that their total revenues for the reporting period are accurate. We seek comment on the extent to which this proposal creates such incentives and the likelihood that a shortfall in the fund might result. We also seek comment on whether changes should be made to USAC's auditing abilities to ensure accurate reporting, and on any other administrative mechanisms that might be implemented to ensure accurate reporting of current revenues. Commenters should address measures USAC should take to verify carrier revenue reports, and what burdens or costs USAC would bear in performing such verifications. Parties should explain the procedures that should be followed where a carrier's current revenue reports do not reconcile with its report of annual revenues filed the following April, and whether penalties should be imposed on such a carrier. We also seek comment on whether this proposal would increase the likelihood of delinquent payments by carriers, and thus a shortfall in the fund. We invite comment on possible administrative mechanisms to minimize any such potential for delinquent payments.

14. We seek comment on how to make the transition from the existing contribution assessment methodology to a methodology based on current revenues, if we were to adopt this proposal for assessment of universal service contributions. In particular, we ask commenters to address when assessments based on current revenues should begin under the proposal, and how to ''close out'' the assessment of contributions under the existing methodology. We also seek comment on whether a one-time over-collection of funds might be necessary to make the transition to the proposed methodology, and whether such an over-collection would need to be maintained going forward in order to safeguard fund integrity.

15. Finally, we invite commenters, especially small businesses, to discuss any additional advantages, disadvantages, or other implementation issues presented by this proposed contribution assessment methodology. Commenters should indicate whether the costs of implementing this proposal outweigh the benefits and quantify such claims, where possible. Furthermore, in light of the issues presented by this proposal, commenters should discuss whether it would meet the requirements of section 254 of the Act, including the requirement that the Commission's universal service support mechanisms be ''specific, predictable, and sufficient.''

C. Universal Service Contribution Assessment With a Shorter Interval

16. Under the existing assessment methodology, the interval between the accrual of revenues by carriers and the assessment of universal service contributions based on those revenues ranges from 12 to 18 months. We seek comment on a proposal to revise the existing assessment methodology to reduce this interval to three to six months.

17. Under this proposal, carriers would continue to file FCC Form 499A annually as they are required to do under the existing methodology. Carriers would, however, begin to report their revenues for each quarter by the beginning of the second month of the first following quarter. By the 20th day of the second month of the first following quarter, USAC would prepare a quarterly contribution base for the second following quarter. Finally, as it does currently, the Commission would release a proposed contribution factor for the second following quarter in the last month of the first following quarter. Thus, for example, revenues for January 2001 through March 2001, namely for 1Q 2001, would be reported by May 1, 2001, the beginning of the second month in 2Q 2001. USAC would estimate a quarterly contribution base using these 1Q 2001 revenues by May 20, 2001, the 20th day of the second month in 2Q 2001. Finally, the Commission would release a proposed contribution factor for 3Q 2001, based on 1Q 2001 revenues, at the beginning of June 2001 (the last month of 2Q 2001).

18. Like the existing assessment methodology, and unlike an assessment methodology based on current revenues, this proposal would assess contributions against the same revenue base used to calculate the contribution factor. We seek comment on whether this reduced interval between the accrual of revenues and the assessment of contributions would result in a methodology that is competitively neutral and ''specific, predictable, and sufficient,'' consistent with section 254 of the Act. This methodology would also reduce the interval between revenue accrual and contribution assessment from the current interval of twelve to eighteen months to an interval of three to six months. We seek comment on whether this proposal poses any concerns regarding universal service fund integrity.

19. The shortened schedule under this proposal would give USAC 20 days to compile quarterly filing information and estimate the contribution base. Parties are asked to address whether this schedule allows sufficient time for USAC to perform these functions. In particular, parties should address whether carriers could file reliable revenue information within 30 days of the close of a quarter. USAC is asked to comment on the extent to which this schedule would increase the likelihood of late filings, the extent to which data would have to be estimated for late filings, and the likelihood and size of resulting over-collections or under-collections.

20. Under this proposal, carriers' filings increase from two semi-annual filings to one annual filing and four quarterly filings, for a total of five revenue filings per year. We seek comment, especially from small businesses, on whether the costs associated with the increased reporting requirements under this proposal outweigh the benefits of the reduced interval between revenue accrual and contribution assessment. We also invite commenters to address whether this proposal should be offered as an optional alternative to the current assessment methodology, rather than as a replacement for it. Commenters should explain whether making this proposal optional adequately addresses concerns about the burden it would impose. Commenters should also address whether offering this proposal as an option alongside the current assessment methodology would result in a methodology that is competitively neutral and ''specific, predictable, and sufficient,'' consistent with section 254 of the Act.

21. As with the first proposal discussed, we seek comment on the incentives carriers have under this proposed methodology to report their quarterly revenues in an accurate and timely manner. In particular, commenters should address whether this proposal minimizes carriers' incentives to underreport revenues for the early quarters of a reporting year. We also seek comment on whether changes should be made to USAC's auditing abilities to ensure accurate quarterly reporting. In addition, we invite comment on possible administrative mechanisms that might be implemented to ensure accurate reporting of quarterly revenues, including the use of penalties. We also ask commenters to address whether such a methodology would increase the likelihood of delinquent payments by carriers, and thus a shortfall in the fund. We seek comment on possible administrative mechanisms that might be implemented to minimize any such potential for delinquent payments, including the use of penalties.

22. We also seek comment on how to make the transition from the existing assessment methodology to the proposal discussed here. In particular, we ask commenters to address when assessments based on quarterly revenues should begin under the proposal, and how to ''close out'' the assessment of contributions under the existing methodology. We also seek comment on whether a one-time over-collection of funds might be necessary to make the transition to the proposed methodology. In addition, we ask commenters to address how to make the transition from the existing methodology to the proposal discussed here if that proposal is made optional.

23. Finally, we invite commenters, especially small businesses, to discuss any additional advantages, disadvantages, or other implementation issues presented by this proposed contribution methodology. Commenters should indicate whether the costs of implementing this proposal outweigh the benefits and quantify such claims, where possible. Furthermore, commenters should discuss whether it would meet the requirements of section 254 of the Act, including the requirements that the Commission's universal service support mechanisms be ''equitable and nondiscriminatory'' and ''specific, predictable, and sufficient.''

D. Other Proposed Universal Service Contribution Assessment Methodologies

24. In addition to the two proposals discussed, we invite commenters, especially small businesses, to suggest other alternative assessment methodologies. For example, some parties have suggested the use of a contribution methodology that requires carriers to recover their contributions through a fixed-percentage end-user surcharge. We invite commenters to address the legal and policy issues associated with such an approach. Specifically, we encourage commenters to address the extent to which consumers will benefit from such an approach. Commenters should explain the operation of this alternative, or any other alternative, including a plan for transition from the existing methodology to the proposed alternative.

25. We ask commenters offering alternative proposals to address the following questions in detail. (1) Is the proposed alternative consistent with the requirements of section 254 of the Act, including the requirements that the Commission's universal service support mechanisms be ''equitable and nondiscriminatory'' and ''specific, predictable, and sufficient?'' (2) Does the alternative protect the integrity of the universal service fund, in particular by guarding against a shortfall in the fund? (3) To the extent there are concerns about the competitive neutrality of the universal service assessment methodology, does the alternative address these concerns, and is it more competitively neutral than the current methodology and other proposed methodologies? (4) Does the alternative minimize burdens, including recordkeeping and reporting requirements, on carriers? (5) How should the alternative be implemented, and how should the Commission transition from the existing contribution assessment methodology to the alternative? (6) Finally, what are the advantages and disadvantages of any such alternative (quantifying the associated costs and benefits where appropriate)?

III. Procedural Matters

A. Ex Parte

26. This is a non-restricted notice and comment rulemaking proceeding. *Ex parte* presentations are permitted, except during the Sunshine Agenda period, provided they are disclosed as provided in the Commission's rules.

B. Initial Paperwork Reduction Act of 1995 Analysis

27. This FNPRM contains either a proposed or modified information collection. As part of a continuing effort to reduce paperwork burdens, we invite the general public and the Office of Management and Budget (OMB) to take this opportunity to comment on the information collections contained in this FNPRM, as required by the Paperwork Reduction Act of 1995, Public Law 104–13. Public and agency comments are due at the same time as other comments on this FNPRM; OMB comments are due 60 days from the date of publication of this FNPRM in the **Federal Register**. Comments should address: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

C. Initial Regulatory Flexibility Analysis

28. As required by the Regulatory Flexibility Act (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 Further Notice of Proposed Rulemaking. 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 FNPRM provided below. The Commission will send a copy of the FNPRM, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA). In addition, the FNPRM and IRFA (or summaries thereof) will be published in the **Federal Register**.

1. Need for, and Objectives of, the Proposed Rules

29. The Telecommunications Act of 1996 requires that ''[e]very telecommunications carrier that provides interstate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, to the specific, predictable, and sufficient mechanisms established by the Commission to preserve and advance universal service.'' This FNPRM addresses issues of the methodology that should be used to assess carriers' contributions to the universal service support mechanisms. We desire to adopt rules for an assessment methodology that best meets the statute's requirements that contributions be equitable and

nondiscriminatory and that the universal service support mechanisms be specific, predictable, and sufficient. We also seek, wherever possible, to minimize the regulatory burden on affected parties.

2. Legal Basis

30. The legal basis as proposed for this FNPRM is contained in section 254 of the Communications Act of 1934, as amended by the Telecommunications Act of 1996, 47 U.S.C. 254.

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

31. The Commission's contributor reporting requirements apply to a wide range of entities, including all telecommunications carriers and other providers of interstate telecommunications services that offer telecommunications services for a fee. Thus, we expect that the rules adopted in this proceeding could have a significant economic impact on a substantial number of small entities. Of the estimated 5,000 filers of the Telecommunications Reporting Worksheet, FCC Form 499, we do not know how many are small entities, but we offer below a detailed estimate of the number of small entities within each of several major carrier-type categories.

32. To estimate the number of small entities that would be affected by this economic impact, we first consider the statutory definition of ''small entity'' under the RFA. The RFA generally defines ''small entity'' as having the same meaning as the term ''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, unless the Commission has developed one or more definitions that are appropriate to its activities. Under the Small Business Act, a ''small business concern'' is one that: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) meets any additional criteria established by the SBA. The SBA has defined a small business for Standard Industrial Classification (SIC) categories 4812 (Radiotelephone Communications) and 4813 (Telephone Communications, Except Radiotelephone) to be small entities when they have no more than 1,500 employees. We first discuss the number of small telephone companies falling within these SIC categories, then attempt to refine further those estimates to correspond with the categories of telephone companies that are commonly used under our rules.

33. The most reliable source of information regarding the total numbers of certain common carrier and related providers nationwide, as well as the numbers of commercial wireless entities, appears to be data the Commission publishes annually in its Carrier Locator report, derived from filings made in connection with the Telecommunications Relay Service (TRS). According to data in the most recent report, there are 4,144 interstate carriers. These carriers include, *inter alia,* incumbent local exchange carriers, competitive local exchange carriers, competitive access providers, interexchange carriers, other wireline carriers and service providers (including shared-tenant service providers and private carriers), operator service providers, pay telephone operators, providers of telephone toll service, wireless carriers and services providers, and resellers.

34. We have included small incumbent local exchange carriers (LECs) in this present RFA analysis. As noted, a ''small business'' under the RFA is one that, *inter alia,* meets the pertinent small business size standard (*e.g.,* a telephone communications business having 1,500 or fewer employees), and ''is not dominant in its field of operation.'' The SBA's Office of Advocacy contends that, for RFA purposes, small incumbent LECs are not dominant in their field of operation because any such dominance is not ''national'' in scope. We have therefore included small incumbent LECs in this RFA analysis, although we emphasize that this RFA action has no effect on FCC analyses and determinations in other, non-RFA contexts.

35. *Total Number of Telephone Companies Affected.* The United States Bureau of the Census (the Census Bureau) reports that, at the end of 1992, there were 3,497 firms engaged in providing telephone services, as defined therein, for at least one year. This number contains a variety of different categories of carriers, including local exchange carriers, interexchange carriers, competitive access providers, cellular carriers, mobile service carriers, operator service providers, pay telephone operators, PCS providers, covered SMR providers, and resellers. It seems certain that some of those 3,497 telephone service firms may not qualify as small entities or small incumbent LECs because they are not ''independently owned and operated.'' For example, a PCS provider that is affiliated with an interexchange carrier having more than 1,500 employees would not meet the definition of a small business. It seems reasonable to conclude, therefore, that fewer than 3,497 telephone service firms are small entity telephone service firms or small incumbent LECs that may be affected by the decisions and rule changes adopted in this proceeding.

36. *Wireline Carriers and Service Providers.* The SBA has developed a definition of small entities for telephone communications companies other than radiotelephone companies. The Census Bureau reports that, there were 2,321 such telephone companies in operation for at least one year at the end of 1992. According to the SBA's definition, a small business telephone company other than a radiotelephone company is one employing no more than 1,500 persons. All but 26 of the 2,321 non-radiotelephone companies listed by the Census Bureau were reported to have fewer than 1,000 employees. Thus, even if all 26 of those companies had more than 1,500 employees, there would still be 2,295 non-radiotelephone companies that might qualify as small entities or small incumbent LECs. Although it seems certain that some of these carriers are not independently owned and operated, we are unable at this time to estimate with greater precision the number of wireline carriers and service providers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 2,295 small entity telephone communications companies other than radiotelephone companies that may be affected by the decisions and rule changes adopted in this proceeding.

37. *Local Exchange Carriers, Interexchange Carriers, Competitive Access Providers, Operator Service Providers, and Resellers.* Neither the Commission nor the SBA has developed a definition particular to small LECs, interexchange carriers (IXCs), competitive access providers (CAPs), operator service providers (OSPs), or resellers. The closest applicable definition for these carrier-types under the SBA rules is for telephone communications companies other than radiotelephone (wireless) companies. The most reliable source of information regarding the number of these carriers nationwide of which we are aware appears to be the data that we collect annually in connection with the Telecommunications Relay Service. According to our most recent data, there are 1,348 incumbent LECs, 212 CAPs and competitive LECs, 171 IXCs, 24 OSPs, 388 toll resellers, and 54 local resellers. Although it seems certain that some of these carriers are not independently owned and operated, or have more than 1,500 employees, we are

unable at this time to estimate with greater precision the number of these carriers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 1,348 incumbent LECs, 212 CAPs and competitive LECs, 171 IXCs, 24 OSPs, 388 toll resellers, and 54 local resellers that may be affected by the decisions and rule changes adopted in this proceeding.

38. *Wireless (Radiotelephone) Carriers.* The SBA has developed a definition of small entities for radiotelephone (wireless) companies. The Census Bureau reports that there were 1,176 such companies in operation for at least one year at the end of 1992. According to the SBA's definition, a small business radiotelephone company is one employing no more than 1,500 persons. The Census Bureau also reported that 1,164 of those radiotelephone companies had fewer than 1,000 employees. Thus, even if all of the remaining 12 companies had more than 1,500 employees, there would still be 1,164 radiotelephone companies that might qualify as small entities if they are independently owned and operated. Although it seems certain that some of these carriers are not independently owned and operated, we are unable at this time to estimate with greater precision the number of radiotelephone carriers and service providers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 1,164 small entity radiotelephone companies that may be affected by the decisions and rule changes adopted in this proceeding.

39. *Cellular, PCS, SMR, and Other Mobile Service Providers.* In an effort to further refine our calculation of the number of radiotelephone companies that may be affected by the rules adopted herein, we consider the data that we collect annually in connection with the TRS for the subcategories Wireless Telephony (which includes Cellular, PCS, and SMR) and Other Mobile Service Providers. Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to these broad subcategories, so we will utilize the closest applicable definition under the SBA rules—which, for both categories, is for telephone companies other than radiotelephone (wireless) companies. To the extent that the Commission has adopted definitions for small entities providing PCS and SMR services, we discuss those definitions below. According to our most recent TRS data, 808 companies reported that they are engaged in the provision of Wireless Telephony services and 23 companies reported that they are engaged in the provision of Other Mobile Services. Although it seems certain that some of these carriers are not independently owned and operated, or have more than 1,500 employees, we are unable at this time to estimate with greater precision the number of Wireless Telephony Providers and Other Mobile Service Providers, except as described below, that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 808 small entity Wireless Telephony Providers and fewer than 23 small entity Other Mobile Service Providers that might be affected by the decisions and rule changes adopted in this proceeding.

40. *Broadband PCS Licensees.* The broadband PCS spectrum is divided into six frequency blocks designated A through F, and the Commission has held auctions for each block. The Commission defined ''small entity'' for Blocks C and F as an entity that has average gross revenues of less than $40 million in the three previous calendar years. For Block F, an additional classification for ''very small business'' was added, and is defined as an entity that, together with its affiliates, has average gross revenues of not more than $15 million for the preceding three calendar years. These regulations defining ''small entity'' in the context of broadband PCS auctions have been approved by the SBA. No small businesses within the SBA-approved definition bid successfully for licenses in Blocks A and B. There were 90 winning bidders that qualified as small entities in the Block C auctions. A total of 93 small and very small business bidders won approximately 40% of the 1,479 licenses for Blocks D, E, and F. However, licenses for Blocks C through F have not been awarded fully, therefore there are few, if any, small businesses currently providing PCS services. Based on this information, we estimate that the number of small broadband PCS licenses will include the 90 winning C Block bidders and the 93 qualifying bidders in the D, E, and F blocks, for a total of at least 183 small PCS providers as defined by the SBA and the Commissioner's auction rules.

41. *SMR Licensees.* Pursuant to § 90.814(b)(1) of the Commission's rules, the Commission has defined ''small entity'' in auctions for geographic area 800 MHz and 900 MHz SMR licenses as a firm that had average annual gross revenues of less than $15 million in the three previous calendar years. The definition of a ''small entity'' in the context of both 800 MHz and 900 MHz SMR has been approved by the SBA. Any rules proposed in this proceeding may apply to SMR providers in the 800 MHz and 900 MHz bands that either hold geographic area licenses or have obtained extended implementation authorizations. We do not know how many firms provide 800 MHz or 900 MHz geographic area SMR service pursuant to extended implementation authorizations, nor how many of these providers have annual revenues of less than $15 million. We assume, for purposes of this IRFA, that all of the extended implementation authorizations may be held by small entities, that may be affected by the decisions and rule changes adopted in this proceeding.

42. 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 in the 900 MHz auction. Based on this information, we conclude that the number of geographic area SMR licensees that may be affected by the decisions and rule changes adopted in this Order includes these 60 small entities. No auctions have been held for 800 MHz geographic area SMR licenses. Therefore, no small entities currently hold these licenses. A total of 525 licenses will be awarded for the upper 200 channels in the 800 MHz geographic area SMR auction. The Commission, however, 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, moreover, on which to estimate how many small entities will win these licenses. Given that nearly all radiotelephone companies have fewer than 1,000 employees and that no reliable estimate of the number of prospective 800 MHz licensees can be made, we assume, for purposes of this IRFA, that all of the licenses may be awarded to small entities who may be affected by the decisions and rule changes adopted in this proceeding.

43. *220 MHz Radio Service—Phase I Licensees.* The 220 MHz service has both Phase I and Phase II licenses. There are approximately 1,515 such non-nationwide licensees and four nationwide licensees currently authorized to operate in the 220 MHz band. The Commission has not developed a definition of small entities specifically applicable to such incumbent 220 MHz Phase I licensees. To estimate the number of such licensees that are small businesses, we apply the definition under the SBA rules applicable to radiotelephone

communications companies. According to the Census Bureau, only 12 radiotelephone firms out of a total of 1,178 such firms which operated during 1992 had 1,000 or more employees. Therefore, if this general ratio continues to 2000 in the context of Phase I 220 MHz licensees, we estimate that nearly all such licensees are small businesses under the SBA's definition.

44. *220 MHz Radio Service—Phase II Licensees.* The Phase II 220 MHz service is a new service, and is subject to spectrum auctions. In the *220 MHz Third Report and Order,* 62 FR 16004 (April 3, 1997), this Commission adopted criteria for defining small businesses and very small businesses for purposes of determining their eligibility for special provisions such as bidding credits and installment payments. We have defined a small business as an entity that, together with its affiliates and controlling principals, has average gross revenues not exceeding $15 million for the preceding three years. Additionally, a very small business is defined as an entity that, together with its affiliates and controlling principals, has average gross revenues that are not more than $3 million for the preceding three years. An auction of Phase II licenses commenced on September 15, 1998, and closed on October 22, 1998. 908 licenses were auctioned in 3 different-sized geographic areas: three nationwide licenses, 30 Regional Economic Area Group Licenses, and 875 Economic Area (EA) Licenses. Of the 908 licenses auctioned, 693 were sold. Companies claiming small business status won: one of the Nationwide licenses, 67% of the Regional licenses, and 54% of the EA licenses. As of January 22, 1999, the Commission announced that it was prepared to grant 654 of the Phase II licenses won at auction.

45. *Paging.* The Commission has proposed a two-tier definition of small businesses in the context of auctioning licenses in the Common Carrier Paging and exclusive Private Carrier Paging services. Under the proposal, a small business will be defined as either (1) an 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. Because the SBA has not yet approved this definition for paging services, we will utilize the SBA's definition applicable to radiotelephone companies, *i.e.*, an entity employing no more than 1,500 persons. At present, there are approximately 24,000 Private Paging licenses and 74,000 Common Carrier Paging licenses. According to the most recent Carrier Locator data, 303 carriers reported that they were engaged in the provision of either paging or messaging services, which are placed together in the data. We do not have data specifying the number of these carriers that are not independently owned and operated or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of paging carriers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 303 small paging carriers that may be affected by the decisions and rule changes under consideration in this proceeding. We estimate that the majority of private and common carrier paging providers would qualify as small entities under the SBA definition.

46. *Narrowband PCS.* The Commission has auctioned nationwide and regional licenses for narrowband PCS. There are 11 nationwide and 30 regional licensees 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 for radiotelephone companies. At present, there have been no auctions held for the major trading area (MTA) and basic trading area (BTA) narrowband PCS licenses. The Commission anticipates a total of 561 MTA licenses and 2,958 BTA licenses will be awarded by auction. Such auctions have not yet been scheduled, however. Given that nearly all radiotelephone companies have no more than 1,500 employees and that no reliable estimate of the number of prospective MTA and BTA narrowband licensees can be made, we assume, for purposes of this IRFA, that all of the licenses will be awarded to small entities, as that term is defined by the SBA.

47. *Rural Radiotelephone Service.* The Commission has not adopted a definition of small entity specific to the Rural Radiotelephone Service. A significant subset of the Rural Radiotelephone Service is the Basic Exchange Telephone Radio Systems (BETRS). 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 1,000 licensees in the Rural Radiotelephone Service, and we estimate that almost all of them qualify as small entities under the SBA's definition.

48. *Air-Ground Radiotelephone Service.* The Commission has not adopted a definition of small entity specific to the Air-Ground Radiotelephone Service. 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 entities under the SBA definition.

49. *Private Land Mobile Radio (PLMR).* PLMR systems serve an essential role in a range of industrial, business, land transportation, and public safety activities. These radios are used by companies of all sizes operating in all U.S. business categories. The Commission has not developed a definition of small entity specifically applicable to PLMR licensees due to the vast array of PLMR users. For the purpose of determining whether a licensee is a small business as defined by the SBA, each licensee would need to be evaluated within its own business area.

50. The Commission is unable at this time to estimate the number of, if any, small businesses which could be impacted by the rules. However, the Commission's 1994 Annual Report on PLMRs indicates that at the end of fiscal year 1994 there were 1,087,267 licensees operating 12,481,989 transmitters in the PLMR bands below 512 MHz. Because any entity engaged in a commercial activity is eligible to hold a PLMR license, the proposed rules in this context could potentially impact every small business in the United States.

51. *Fixed Microwave Services.* Microwave services include common carrier, private-operational fixed, and broadcast auxiliary radio services. At present, there are approximately 22,015 common carrier fixed licensees in the microwave services. The Commission has not yet defined a small business with respect to microwave services. For purposes of this IRFA, we will utilize the SBA's definition applicable to radiotelephone companies—*i.e.*, an entity with no more than 1,500 persons. We estimate, for this purpose, that all of the Fixed Microwave licensees (excluding broadcast auxiliary licensees) would qualify as small entities under the SBA definition for radiotelephone companies.

52. *Offshore Radiotelephone Service.* This service operates on several UHF TV broadcast channels that are not used for TV broadcasting in the coastal area of the states bordering the Gulf of

Mexico. At present, there are approximately 55 licensees in this service. We are unable at this time to estimate the number of licensees that would qualify as small entities under the SBA's definition for radiotelephone communications.

53. *Wireless Communications Services.* This service can be used for fixed, mobile, radio location and digital audio broadcasting satellite uses. The Commission defined ''small business'' for the wireless communications services (WCS) auction as an entity with average gross revenues of $40 million for each of the three preceding years, and a ''very small business'' as an entity with average gross revenues of $15 million for each of the three preceding years. The Commission auctioned geographic area licenses in the WCS service. In the auction, there were seven winning bidders that qualified as very small business entities, and one that qualified as a small business entity. We conclude that the number of geographic area WCS licensees that may be affected by the decisions and rule changes under consideration in this proceeding includes these eight entities.

4. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

54. As currently structured, telecommunications carriers and other service providers having interstate revenues are required to file semiannually the Telecommunications Reporting Worksheet, which includes their reporting of end-user telecommunications revenues for purposes of the federal universal service support mechanisms. Any decisions or rule changes adopted in this proceeding carry the potential to increase the reporting and recordkeeping requirements on telecommunications service providers regulated under the Communications Act. For example, two of the possible alternatives to the current universal service contribution assessment methodology discussed, (1) basing universal service contributions on current year revenues and (2) reducing the time period between accrual of revenues and the assessment of universal service contributions based on those revenues, would entail additional monthly or quarterly reporting of end-user telecommunications revenues. Any such additional reporting requirements could potentially require the use of professional skills, including legal and accounting expertise. At this point, until we receive more data, we are unable to estimate the costs of compliance with these or other possible universal service assessment methodologies upon small telecommunications service providers that might be affected by any of the proposals discussed in the FNPRM. Entities, especially small businesses, are encouraged to file comments identifying and quantifying the costs of the two contribution assessment methodologies proposed and any other alternative methodologies during this proceeding.

5. Steps Taken To Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

55. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): (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 or reporting requirements under the rule for 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 small entities.

56. To minimize the significant economic impact on carriers, including carriers which are small entities, this FNPRM proposes two alternative contribution assessment methodologies: (1) Basing contributions on current year revenues and (2) reducing the time period between accrual of revenues and the assessment of universal service contributions based on those revenues. These two alternatives impose different revenue reporting requirements. For example, the current year methodology proposed would require carriers to submit reports of their current revenues regularly in addition to the semiannual reports already required of revenues from the prior year in Forms 499A and 499S. The other methodology proposed, however, would increase filing burdens to a lesser degree, requiring quarterly reporting of revenue data and the annual filing of the Form 499A. These alternatives would require the same reporting requirements for both large and small entities. Therefore, this Notice also seeks comment on other alternative contribution assessment methodologies that might minimize recordkeeping and reporting burdens on carriers, including small entities. The final alternative may be to leave the current contribution assessment methodology in place. This alternative will depend on the record developed in this proceeding.

6. Federal Rules that May Duplicate, Overlap, or Conflict With the Proposed Rules

57. None.

D. Comment Dates and Filing Procedures

58. We invite comment on the issues and questions set forth. Pursuant to applicable procedures set forth in §§ 1.415 and 1.419 of the Commission's rules, interested parties may file comments as follows: comments are due November 30, 2000 and reply comments are due December 14, 2000. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See* Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121, May 1, 1998.

59. Comments filed through the ECFS can be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. 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 electronic comments by Internet e-mail. To receive filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, ''get form <your e-mail address>.'' A sample form and directions will be sent in reply.

60. Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. All filings must be sent to the Commission's Secretary, Magalie Roman Salas, Office of the Secretary, Federal Communications Commission, 445 12th Street, SW., Washington, DC 20554. Parties also should send three paper copies of their filing to Sheryl Todd, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, 445 Twelfth Street, SW., Room 5–B540, Washington, DC 20554.

61. Parties who choose to file by paper should also submit their comments on diskette to Sheryl Todd, Accounting Policy Division, Common

Carrier Bureau, Federal Communications Commission, 445 Twelfth Street, SW., Room 5–B540, Washington, DC 20554. Such a submission should be on a 3.5 inch diskette formatted in an IBM-compatible format using Microsoft Word 97 for Windows or a compatible software. The diskette should be accompanied by a cover letter and should be submitted in ''read-only'' mode. The diskette should be clearly labeled with the commenter's name, proceeding, including the lead docket number in the proceeding (CC Docket No. 96–45), 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, NW., Washington, DC 20037.

62. Written comments by the public on the proposed and/or modified information collections discussed in this FNPRM are due November 30, 2000. Written comments must be submitted by the Office of Management and Budget (OMB) on the proposed and/or modified information collections on or before January 8, 2001. In addition to filing comments with the Secretary, a copy of any comments on the information collection(s) contained herein should be submitted to Judy Boley, Federal Communications Commission, Room 1–C804, 445 12th Street, SW., Washington, DC 20554, or via the Internet to jboley@fcc.gov and to Edward C. Springer, OMB Desk Officer, 10236 NEOB, 725 17th Street, NW., Washington, DC 20503, or via the Internet to vhuth@omb.eop.gov.

IV. Ordering Clauses

63. Pursuant to the authority contained in sections 1, 4(i), 4(j), 254, and 403, of the Communications Act of 1934, as amended, that this Further Notice of Proposed Rulemaking is adopted, that Comments are Requested as described, and that Notice is Hereby Given of proposed amendments to parts 54 of the Commission's rules, as described in this Further Notice of Proposed Rulemaking.

64. The Commission's Consumer Information Bureau, Reference Information Center, 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.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 00–28728 Filed 11–8–00; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[MM Docket No. 00–44; FCC 00–343]

Extension of the Filing Requirement for Children's Television Programming Reports (FCC Form 398)

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document seeks comment on the tentative conclusion that broadcasters who maintain internet websites should be required to post their completed quarterly Children's Television Programming Reports (FCC Form 398) on these sites. The FCC 398 is required to be filed by commercial television broadcast stations each quarter. This form is used to provide information on the efforts of commercial television stations to provide children's educational and informational programs aired to meet its obligation under the Children's Television Act of 1990 (CTA). Although the Children's Television Programming Reports are available in a central location on the FCC's website, members of the public may look first to their local broadcast station for information about programming at the station, making station website posting useful.

DATES: Comments must be filed on or before December 18, 2000; reply comments must be filed on or before January 17, 2001. Written comments by the public on the proposed information collections are due on or before December 18, 2000. Written comments must be submitted by the Office of Management and Budget (PMB) on the proposed information collection(s) on or before January 8, 2001.

FOR FURTHER INFORMATION CONTACT: Kim Matthews, Policy and Rules Division, Mass Media Bureau, at (202) 418–2130, TTY (202) 418–2989. For additional information concerning the information collection(s) contained in this document, contact Judy Boley at 202–418–0214, or via the Internet at *jboley@fcc.gov.*

SUPPLEMENTARY INFORMATION: This is a summary of the *Further Notice of Proposed Rule Making* (''*FNPRM*'') in MM Docket No. 00–44, FCC 00–343, adopted on September 14, 2000, and released on October 5, 2000. The full text of this decision is available for inspection and copying during regular business hours in the FCC Reference Center, 445 Twelfth Street, SW, Room CY–A257, Washington DC, and also may be purchased from the Commission's copy contractor, International Transcription Service, (202) 857–3800, 445 Twelfth Street, SW, Room CY–B402, Washington DC. The complete text is also available under the file name fcc00343.pdf on the Commission's Internet site at *www.fcc.gov.*

This document contains proposed information collection(s) subject to the Paperwork Reduction Act of 1995 (PRA). The general public and other Federal agencies are invited to comment on the proposed information collections contained in this proceeding.

Electronic Access and Filing Addresses

Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies via the Internet to *http://www.fcc.gov/e-file/ecfs.html.* 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,*, and should include the following words in the body of the message, ''get form, <your e-mail address>.'' A sample form and directions will be sent in reply.

Paperwork Reduction Act

This document contains a proposed information collection. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collection(s) contained in the *FNPRM,* as required by the Paperwork Reduction Act of 1995, Public Law 104–13. Public and agency comments are due at the same time as other comments on this *FNPRM*; OMB comments are due January 8, 2001. Comments should address (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) ways to enhance the quality, utility, and clarity of the information collected; (c) ways to minimize the burden of the collection of information on the respondents, including the use of automated