| State and location                                    | Community<br>No. | Effective date authorization/cancellation of sale of flood insurance in community | Current effective map date | Date certain Federal assist- ance no longer available in spe- cial flood hazard areas |
|-------------------------------------------------------|------------------|-----------------------------------------------------------------------------------|----------------------------|---------------------------------------------------------------------------------------|
| Lemon Grove, City of, San Diego County                | 060723           | November 14, 1997, Reg. July 2, 2002                                              | do                         | Do.                                                                                   |
| San Diego, City of, San Diego County                  | 060284           | January 29, 1971, Emerg.; August 15, 1983, Reg. July 2, 2002.                     | do                         | Do.                                                                                   |
| San Diego County Unincorporated Areas.                | 060284           | March, 5, 1971, Emerg.; June 15, 1984, Reg. July 2, 2002.                         | do                         | Do.                                                                                   |
| Region I                                              |                  |                                                                                   |                            |                                                                                       |
| New Hampshire: Nashua, City of, Hillsborough County.  | 330097           | February 6, 1975, Emerg.; June 15, 1979, Reg. July 3, 2002.                       | 7/3/02                     | 7/3/02.                                                                               |
| Region IV                                             |                  |                                                                                   |                            |                                                                                       |
| Florida: Mount Dora, City of, Lake County             | 120137           | February 3, 1975, Emerg.; April 5, 1988, Reg. July 3, 2002.                       | do                         | Do.                                                                                   |
| Region I                                              |                  |                                                                                   |                            |                                                                                       |
| Vermont: Hardwick, Town/Village of, Caledonia County. | 500027           | August 9, 1973, Emerg.; June 15, 1984, Reg. July 17, 2002.                        | 7/17/02                    | 7/17/02.                                                                              |
| Region VII                                            |                  |                                                                                   |                            |                                                                                       |
| Kansas: Winfield, City of, Cowley County              | 200071           | May 30, 1974, Emerg.; March 16, 1981, Reg. July 17, 2002.                         | do                         | Do.                                                                                   |
| Missouri:                                             |                  |                                                                                   |                            |                                                                                       |
| El Dorado, City of, Cedar County                      | 290072           | July 3, 1975, Emerg.; April 15, 1986 Reg. July 17, 2002.                          | do                         | Do.                                                                                   |
| Everton, City of, Dade County                         | 290589           | August 13, 1976, Emerg.; August 1, 1986, Reg. July 17, 2002.                      | do                         | Do.                                                                                   |
| Marshfield, City of, Webster County                   | 290685           | June 13, 1975, Emerg.; September 10, 1984, Reg. July 17, 2002.                    | do                         | Do.                                                                                   |
| Rogersville, City of, Webster County                  | 290658           | January 16, 1976, Emerg.; March 30, 1981, Reg. July 17, 2002.                     | do                         | Do.                                                                                   |
| Region VIII                                           |                  |                                                                                   |                            |                                                                                       |
| Utah:                                                 |                  |                                                                                   |                            |                                                                                       |
| Lehi, City of, Utah County                            | 490209           | October 18, 1974, Emerg.; September 14, 1979, Reg. July 17, 2002.                 |                            | Do.                                                                                   |
| Sarasota Springs, City of, Utah County                | 490250           | May 10, 1999, Reg. July 17, 2002                                                  |                            | Do.                                                                                   |
| Utah County, Unincorporated Areas                     | 495517           | November 21, 1971, Emerg.; October 15, 1982, Reg. July 17, 2002.                  | do                         | Do.                                                                                   |

Code for reading third column: Emerg.—Emergency; Reg.—Regular; Susp.—Suspension.

Dated: June 20, 2002.

### Robert F. Shea,

Acting Administrator, Federal Insurance Administration, and Mitigation Administration.

[FR Doc. 02-16424 Filed 6-28-02; 8:45 am]

BILLING CODE 6718-05-P

#### FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 36

[CC Docket No. 96-45; FCC 02-171]

Federal-State Joint Board on Universal Service; Multi-Association Group (MAG) Plan for Regulation of Interstate **Services of Non-Price Cap Incumbent Local Exchange Carriers and** Interexchange Carriers; Petitions for Reconsideration Filed by: Coalition of Rural Telephone Companies, **Competitive Universal Service** Coalition, Illinois Commerce Commission, and National Telephone Cooperative Association

**AGENCY:** Federal Communications

Commission. **ACTION:** Final rule.

**SUMMARY:** In this document, the Commission address the requests to reconsider portions of the Commission's order modifying the Commission's rules for providing high-cost universal service support to rural telephone companies based on the proposals made by the Rural Task Force by amending its rules to provide that the amount of high-cost loop support available to rural carriers in 2002 should be adjusted to account for mid-2001 implementation of the rules adopted in the Rural Task Force Order.

DATES: Effective July 31, 2002.

#### FOR FURTHER INFORMATION CONTACT:

Sharon Webber, Deputy Chief, Telecommunications Access Policy Division, Wireline Competition Bureau, (202) 418 - 7400.

SUPPLEMENTARY INFORMATION: This is a summary of a Commission's Order on Reconsideration in CC Docket No. 96-45 released on June 13, 2002. 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.

#### I. Introduction

1. In this Order on Reconsideration, we address the requests to reconsider portions of the Commission's order modifying the Commission's rules for providing high-cost universal service support to rural telephone companies based on the proposals made by the Rural Task Force. Specifically, we amend our rules to provide that the amount of high-cost loop support available to rural carriers in 2002 should be adjusted to account for mid-2001 implementation of the rules adopted in the RTF Order, 66 FR 30080, June 5, 2001. In addition, we deny requests filed by the Coalition of Rural Telephone Companies, Competitive Universal Service Coalition, and Illinois Commerce Commission to reconsider certain elements of the RTF Order. We conclude that these petitioners have failed to present any new arguments that lead us to reconsider these issues.

#### II. Discussion

- As discussed in greater detail below, we amend our rules to provide that the amount of high-cost loop support available to rural carriers in 2002 should be adjusted to account for mid-2001 implementation of the rules adopted in the RTF Order. In addition, we deny the requests of RTC, CUSC, and Illinois Commission to reconsider other elements of the RTF Order. As part of our continuing assessment of support to rural areas, we intend to initiate a proceeding in the future to examine further issues related to the application of the universal service mechanisms to competitive ETCs.
- 3. NTCA Petition. We agree with NTCA that the Commission's rules for calculating a rural incumbent carrier's loop cost expense adjustment should be amended to take into consideration midyear 2001 implementation of the adopted plan. The Commission based its estimate of the increase in rural carrier universal service funding on data submitted by the Rural Task Force. This data assumed that the adopted plan would be implemented as of January 1, 2001. As NTCA notes, due to July 1, 2001 implementation of the Rural Task Force plan, application of § 36.603(a) would result in 2002 support for rural carriers being calculated by adding the totals for the first half of 2001, during which the plan was not in effect, and the second half of 2001, during which the plan was in effect. We agree with NTCA that mid-year 2001 implementation will result in less support for eligible rural carriers in

- 2002 than intended by the Commission in adopting the Rural Task Force plan. This result would be compounded over five years.
- 4. We therefore amend § 36.603(a) of our rules by taking the uncapped support for 2000 and increasing it for 2001 and 2002 by the rural growth factor. Specifically, for the period of January 1, 2002, to December 31, 2002, the annual amount of the rural incumbent local exchange carrier portion of the nationwide loop cost expense adjustment shall not exceed the non-capped amount of the total rural incumbent local exchange carrier loop cost expense adjustment for calendar year 2000, multiplied times one plus the rural growth factor for 2001, which then shall be multiplied times one plus the rural growth factor for 2002. We believe this result is consistent with the Commission's intent in adopting the recommendations of the Rural Task Force. We direct USAC to take the administrative steps necessary to implement this rule amendment beginning in the third quarter of 2002, including the provision of retroactive support to any carrier that may qualify for such additional support as of January 1, 2002. Specifically, in addition to any other payments for which carriers qualify in the third quarter 2002, we further direct USAC to provide the additional rural high-cost support retroactively in third quarter 2002 to those carriers that qualify for such additional support pursuant to this rule amendment during first quarter 2002. Similarly, in addition to any other payments for which carriers qualify in the fourth quarter 2002, USAC shall provide the additional rural high-cost support retroactively in fourth quarter 2002 for those carriers that qualify for such additional support during second quarter 2002.
- 5. We do not address NTCA's request at this time to amend our rules to provide "safety valve" support for the first year of investment in acquired exchanges. The Commission intends to address this request at a later date.
- 6. RTC Petition. We deny the request of RTC to reconsider the Commission's determination to use a wireless mobile customer's billing address as the basis for determining the customer's location for purposes of delivering high-cost universal service support. Because universal service support is portable, competitive ETCs receive the same perline high-cost support as the incumbent local exchange carrier for the lines that it serves in the high-cost areas of the incumbent local exchange carrier. It is therefore necessary to establish a reasonable means to identify customer

- locations in order to determine the support amounts for the competitive carrier. We find no new arguments in RTC's petition that persuade us to reconsider the Commission's decision on this issue.
- 7. We affirm that the use of the customer's billing address as a surrogate for actual service location is reasonable and the most administratively viable solution to this problem at this time. For example, as the Commission noted in the RTF Order, this approach eliminates the need to require many wireless mobile carriers to create a new database for purposes of universal service funding. The Commission addressed concerns similar to those raised in RTC's petition in the RTF Order, including the potential for arbitrage opportunities of the universal service mechanism. In so doing, the Commission acknowledged that this approach is not a perfect solution. Consistent with the Commission's conclusion in the RTF Order, we believe that sufficient safeguards are in place to alleviate those concerns. The Commission has specifically committed to taking enforcement action as appropriate for any such abuses. Moreover, the Commission has indicated that it will continue to monitor the reasonableness of using a customer's billing address as the surrogate for a wireless mobile customer's location for universal service purposes and may revisit this approach in the future.
- 8. RTC contends that the Commission's universal service rules are generally incompatible for calculating universal service support for wireless carriers. RTC effectively asks the Commission to modify certain of the universal service rules as they apply to wireless carriers and to initiate new proceedings to establish a cost mechanism for wireless carriers. These requests exceed the scope of the RTF Order. Many of the rules for which RTC seeks modification were adopted prior to the RTF Order and this order is limited to those issues raised on reconsideration of the RTF Order. RTC's petition is therefore more appropriately characterized as a request for rulemaking. As part of our continuing assessment of support to rural areas, we intend to initiate a proceeding in the future to examine further issues related to the application of universal service mechanisms to competitive ETCs.
  9. CUSC Petition. We deny the request
- of CUSC Petition. We deny the request of CUSC to reconsider the requirement adopted in the *RTF Order* that state commissions must file annual certifications with the Commission to ensure that carriers use universal

service support "only for the provision, maintenance and upgrading of facilities and services for which the support is intended." We therefore deny CUSC's request to permit all competitive ETCs to self-certify their compliance with section 254(e). Specifically, we disagree with CUSC's contention that selfcertification should be extended from carriers that are not subject to state jurisdiction pursuant to section 214(e)(6) to all competitive ETCs due to the fact that competitive ETCs may not be subject to state rate regulation. The self-certification process established for carriers not subject to the jurisdiction of a state commission recognized that, in limited instances, there is no state regulatory authority to ensure compliance with section 254(e). This is not the case for the majority of competitive ETCs. The Commission has previously concluded that state commissions have the principal responsibility in designating carriers as ETCs, including those carriers not subject to state rate regulation under section 332(c). We believe that state commissions that conduct ETC designations should also certify that such carriers are in compliance with section 254(e). It would be contrary to the principle of competitive neutrality to require certain classes of carriers subject to state ETC jurisdiction to receive state certification while allowing others to self-certify. Nor do we agree with CUSC's alternative suggestion that all ETCs be allowed to self-certify compliance with section 254(e). As the Commission concluded in adopting this requirement, we believe that the state certification process provides the most reliable means of determining whether carriers are using support in a manner consistent with section 254(e).

We also deny the request of CUSC to reconsider the Commission's decisions regarding disaggregation and targeting of universal service support. We disagree with CUSC's suggestion that, whenever a rural incumbent carrier study area is disaggregated for purposes of targeting funding, the study area should automatically be disaggregated for purposes of ETC designation as well. In the case of an area served by a rural telephone company, section 214(e)(5) defines the competitive ETC's designated service area as the rural telephone company's study area unless and until the Commission and states establish a different definition of service area. We believe that granting CUSC's request in this proceeding would be inconsistent with the statute.

11. We also disagree with CUSC's assertion that the disaggregation rules adopted in the *RTF Order* violate the

principle of competitive neutrality because they allow only rural incumbent carriers to select from a range of disaggregation options. Specifically, CUSC contends that competitive ETCs should have the same opportunity to initiate study area disaggregation as the rural carrier. We find that the disaggregation and targeting approach adopted in the RTF Order achieves a reasonable balance between rural carriers' need for flexibility and the goal of encouraging competitive entry. The Commission recognized in the RTF Order that some incumbent carriers may choose a disaggregation path based on anticompetitive reasons. For that reason, the Commission concluded that a state commission may require, on its own motion, upon petition by an interested party, or upon petition by the rural incumbent carrier, modification to the disaggregation and targeting of support under the selected path. We affirm the Commission's conclusion that state commissions have the capability to safeguard against anti-competitive manipulation of the disaggregation and targeting of support that could occur with such requests. Competitive ETCs and other interested parties will have an opportunity to participate in this process. We therefore find no basis to conclude that the disaggregation process is inconsistent with the principle of competitive neutrality.

12. We also decline to adopt CUSC's request that the Commission adopt specific rules governing how the amounts of support in each sub-zone under Path Three (self-certification) are to be calculated in order to ensure support amounts are cost justified. We reaffirm the Commission's prior decision to permit carriers flexibility in how they disaggregate support. We are not persuaded on the record before us that permitting carriers to self-certify to a disaggregation path creates too great an opportunity for the incumbent carrier to manipulate support in an anticompetitive manner. A self-certified disaggregation plan under Path 3 is subject to complaint by interested parties before the appropriate regulatory authority. Moreover, the state or appropriate regulatory authority may require on its own motion at any time the disaggregation of support in a different manner. We believe such regulatory oversight will sufficiently safeguard against the anti-competitive manipulation of the disaggregation and targeting of support.

13. Finally, at this time, we decline to adopt CUSC's request that USAC publish and make available on its website additional information relating

to the geographic boundaries of wire centers and study areas and the amount of support available in each geographic location. In the RTF Order, the Commission required rural incumbent local exchange carriers to submit to USAC maps in which the boundaries of the designated disaggregation zones of support are clearly specified, which USAC will make available for public inspection. In addition, when submitting information in support of self-certification, an incumbent carrier must provide USAC with publicly available information that allows competitors to verify and reproduce the algorithm used to determine zone support levels. We also note that USAC makes publicly available in its quarterly funding report detailed information relating to the high-cost support received by carriers in each study area. We recognize that the availability of such information is important to competitors in assessing potential entry. We believe that sufficient information is available to competitors under our existing rules and policies and will continue to be available following requests for disaggregation of study areas by rural incumbent carriers. The Commission will, however, continue to monitor this situation and take appropriate steps as necessary.

14. Illinois Commission Petition. We deny the request of the Illinois Commission to reconsider the plan adopted in the RTF Order for providing high-cost universal service support to rural carriers for the next five years due to concerns relating to the sufficiency of the evidentiary record. Specifically, we disagree with the Illinois Commission that the funding increases adopted in the RTF Order are excessive and not besed upon an adoquate record.

based upon an adequate record. 15. Based upon the extensive record developed in this proceeding, the Commission used its expertise and informed judgment to formulate an interim plan for providing high-cost universal service support to rural carriers. That plan was based largely on the recommendations of the Rural Task Force. After exhaustive deliberations and considerable effort, including six white papers, the Rural Task Force submitted its Recommendation to the Joint Board on September 29, 2000. After reviewing the Rural Task Force's proposal, the Joint Board submitted its recommendations to the Commission on December 22, 2000. The Commission carefully reviewed these recommendations, including comments filed by the Illinois Commission and others, in adopting the interim plan for rural carriers. In balancing the competing interests presented in this

proceeding, the Commission considered both the adequacy of support to rural carriers and the burden on contributors. In concluding that the modified embedded mechanism for rural carriers strikes an appropriate balance, the Commission rejected the contention that no increase in the current high-cost support levels was warranted.

16. We affirm the Commission's conclusion that it was reasonable to modify the high-cost loop support levels for rural carriers established in 1997 to account for changes in costs and technology, and to ensure that rural carriers can maintain existing facilities until such time as a long-term plan is adopted. For example, the Commission's decision to increase highcost loop support to rural carriers by "rebasing" the indexed fund cap and the corporate operations expense limitation as if the indexed cap had not been in effect for the calendar year 2000 was reasonable because more than seven years had passed since the Commission originally implemented the indexed cap on high-cost loop support. The Commission concluded that the indexed cap on the high-cost loop fund increasingly limited the amount of highcost loop support for rural carriers. In addition, the Commission noted that, even with these changes any increase in the universal service contribution factor as a result of this plan would be modest. In the RTF Order, the Commission concluded that no commenter proffered any specific evidence that the adopted plan would provide support that is excessive. The Illinois Commission petition contains no such empirical evidence to support this contention. We therefore decline to now reconsider the Commission's conclusions.

17. We also decline to reconsider the state certification requirement to ensure that carriers are using support in a manner consistent with section 254(e). As discussed, we do not agree with the Illinois Commission that excessive funding is provided to rural carriers. We therefore are not persuaded by the argument that any such state certification requirement is unworkable due to excessive funding for universal service purposes. Given that states generally have primary authority over carriers' intrastate activities, we reiterate the Commission's determination that the state certification process provides the most reliable means of determining whether carriers are using support for its intended purpose in a manner consistent with section 254(e).

#### III. Procedural Matters

#### A. Paperwork Reduction Act

18. The action contained herein has been analyzed with respect to the Paperwork Reduction Act of 1995 (PRA) and found to impose no new or modified reporting and/or recordkeeping requirements or burdens on the public.

# B. Supplemental Final Regulatory Flexibility Analysis

19. In compliance with the Regulatory Flexibility Act (RFA), this Supplemental Final Regulatory Flexibility Analysis (SFRFA) supplements the Final Regulatory Flexibility Analysis (FRFA) included in the RTF Order, to the extent that changes to that Order adopted here on reconsideration require changes in the conclusions reached in the FRFA. As required by the RFA, the FRFA was preceded by an Initial Regulatory Flexibility Analysis (IRFA) incorporated in the Further Notice of Proposed Rulemaking, which sought public comment on the proposals in the Further Notice.

#### 1. Need for, and Objective of, the Order

20. Section 254 of the Communications Act of 1934, as amended by the 1996 Act, requires the Commission to promulgate rules to preserve and advance universal service support. In the RTF Order, the Commission adopted interim rules for determining high-cost universal service support for rural telephone companies based upon the modified embedded cost mechanism proposed by the Rural Task Force. The Commission based its estimate of the appropriate funding for rural carriers on data submitted by the Rural Task Force. This data assumed that the adopted plan would be implemented as of January 1, 2001. In this Order, we amend § 36.603(a) of our rules to reflect the fact that July 1, 2001 implementation of the rules, as adopted in the RTF Order, would result in less support being provided than intended by the Commission.

- 2. Summary of Significant Issues Raised by Public Comments in Response to the IRFA
- 21. No comments were submitted in response to the IRFA or FRFA. On reconsideration, however, NTCA noted that clarification of the § 36.603(a) of the Commission's rules was required to ensure that mid-year 2001 implementation did not result in less support being provided for rural incumbent carriers in 2002 than intended by the Commission in adopting the Rural Task Force plan.

- 3. Description and Estimate of the Number of Small Entities to Which This Order Will Apply
- 22. In the FRFA at paragraphs 218—229 of the *RTF Order*, we described and estimated the number of small entities that would be affected by the new universal service rules for rural carriers. The rule amendment adopted herein may apply to the same entities affected by the rules adopted in that order. We therefore incorporate by reference paragraphs 218—229 of the *RTF Order*.
- 4. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements
- 23. The rule amendment adopted in this Order contains no new reporting, recordkeeping, or other compliance requirements.
- 5. Steps Taken To Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered
- 24. In the *RTF Order*, we described the steps taken to minimize the significant economic impact on small entities consistent with the stated objectives associated with the adopted plan for providing high-cost support to rural carriers. Because many of the same issues are presented in this Order, we incorporate by reference paragraphs 233-235 of the RTF Order. In this Order. we amend § 36.603(a) of our rules consistent with the intent of the Commission in adopting the Rural Task Force plan for providing high-cost universal service support to rural carriers for an interim period of five years. That plan was predicated on funding estimates for rural incumbent carriers based on January 1, 2001 implementation. The adopted rule, however, established July 1, 2001, as the implementation date. The rule amendment adopted herein rectifies this inconsistency, and thereby ensures that appropriate funding is provided to rural incumbent local exchange carriers and competitive ETCs, many of whom may qualify as small entities, over the next five years. As discussed, the alternative option of denying the request for reconsideration on this issue was considered and deemed to be inconsistent with Commission's intent in adopting the Rural Task Force's plan.

#### 6. Report to Congress

25. The Commission will send a copy of this Order, including this Supplemental FRFA, in a report to be sent to Congress pursuant to the Congressional Review Act, see 5 U.S.C. 801(a)(1)(A). In addition, the Commission will send a copy of this

Order, including the Supplemental FRFA, to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the Order and Supplemental FRFA (or summaries thereof) will also be published in the **Federal Register**. See 5 U.S.C. 604(b).

#### IV. Ordering Clauses

26. It is ordered that, pursuant to the authority contained in sections 1–4, 214, and 254 of the Communications Act of 1934, as amended, 47 U.S.C 151–154, 214, and 254, and § 1.429 of the Commission's rules, the above captioned petitions for reconsideration are denied, to the extent discussed herein.

27. The petition for reconsideration filed by National Telephone Cooperative Association on July 5, 2001 is granted in part, to the extent discussed herein.

28. Part 36 of the Commission's rules, 47 CFR part 36, is amended as set forth, effective July 31, 2002.

29. The Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, shall send a copy of this Order, including the Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

#### List of Subjects in 47 CFR Part 36

Communications common carriers, Reporting and recordkeeping requirements, Telephone.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

#### **Rules Changes**

For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR part 36 as follows:

PART 36—JURISDICTIONAL
SEPARATIONS PROCEDURES;
STANDARD PROCEDURES FOR
SEPARATING
TELECOMMUNICATIONS PROPERTY
COSTS, REVENUES, EXPENSES,
TAXES AND RESERVES FOR
TELECOMMUNICATIONS COMPANIES

1. The authority citation for part 36 continues to read as follows:

**Authority:** 47 U.S.C. 151, 154(i) and (j), 205, 221(c), 254, 403 and 410, unless otherwise noted.

2. Section 36.603 is amended by revising paragraph (a) to read as follows:

# § 36.603 Calculation of rural incumbent local exchange carrier portion of nationwide loop cost expense adjustment.

(a) Effective July 1, 2001, the rural incumbent local exchange carrier

portion of the annual nationwide loop cost expense adjustment will be recomputed by the fund administrator as if the indexed cap calculated pursuant to § 36.601(c) and the corporate operations expense limitation calculated pursuant to § 36.621 had not been in effect for the calendar year 2000. For the period July 1, 2001, to December 31, 2001, the annualized amount of the rural incumbent local exchange carrier portion of the nationwide loop cost expense adjustment calculated pursuant to this subpart F shall not exceed the non-capped amount of the total rural incumbent local exchange carrier loop cost expense adjustment for the calendar year 2000, multiplied times one plus the Rural Growth Factor calculated pursuant to § 36.604. For the period January 1, 2002, to December 31, 2002, the annual amount of the rural incumbent local exchange carrier portion of the nationwide loop cost expense adjustment calculated pursuant to this subpart F shall not exceed the non-capped amount of the total rural incumbent local exchange carrier loop cost expense adjustment for calendar year 2000, multiplied times one plus the Rural Growth Factor for 2001, which then shall be multiplied times one plus the Rural Growth Factor for 2002. Beginning January 1, 2003, the annual amount of the rural incumbent local exchange carrier portion of the nationwide loop cost expense adjustment calculated pursuant to this subpart F shall not exceed the amount of the total rural incumbent local exchange carrier loop cost expense adjustment for the immediately preceding calendar year, multiplied times one plus the Rural Growth Factor calculated pursuant to § 36.604.

[FR Doc. 02–16444 Filed 6–28–02; 8:45 am] BILLING CODE 6712–01–P

#### DEPARTMENT OF TRANSPORTATION

## National Highway Traffic Safety Administration

49 CFR Part 501

[Docket No. NHTSA 02-12526; Notice 1]

# Reorganization and Delegations of Authority

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT). **ACTION:** Final rule.

**SUMMARY:** This document amends NHTSA's organizational structure,

delegations of authority, and succession to Administrator. The amendments effectuate organizational changes that will enable NHTSA to achieve its mission more effectively and efficiently.

**EFFECTIVE DATES:** The amendments are effective July 1, 2002, except for the amendments set forth in amendatory instructions 5, 6, and 7, which are effective October 3, 2002.

**FOR FURTHER INFORMATION CONTACT:** You may contact John Womack at 202–366–9511.

SUPPLEMENTARY INFORMATION: This final rule amends the regulations on the organization, delegation of powers and duties within the National Highway Traffic Safety Administration (NHTSA), and amends the succession to the Administrator to conform to the new organizational structure. This final rule amends NHTSA's organizational structure to enable NHTSA to achieve its mission more effectively and efficiently.

These amendments relate solely to changes in the organizational structure and the placement of the delegations of authority for various functions within the agency. They have no substantive effect. Notice and the opportunity for comment are therefore not required under the Administrative Procedure Act, and the amendments are effective immediately upon publication in the **Federal Register**. In addition, these amendments are not subject to Executive Order 12866, the Department of Transportation's regulatory policies and procedures, or the provisions for Congressional review of final rules in Chapter 8 of Title 5, United States Code.

### List of Subjects in 49 CFR Part 501

Authority delegations (Government agencies), Organization and functions (Government agencies).

In consideration of the foregoing, 49 CFR part 501 is amended as follows:

#### PART 501—[AMENDED]

1. The authority citation for part 501 continues to read as follows:

Authority: 49 U.S.C. 105 and 322; delegation of authority at 49 CFR 1.50.

#### Amendments Effective July 1, 2002

- 2. Section 501.3 is amended as follows:
  - a. Revise paragraph (a)(3);
- b. Remove paragraphs (a)(4) and (a)(6);
- c. Redesignate paragraphs (a)(5) and (a)(7) as new paragraphs (a)(4) and (a)(5), respectively;
  - d. Add new paragraph (a)(6); and
  - e. Revise paragraph (c).