

adopted June 16, 1999, and released June 25, 1999. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 445 12th Street, SW, Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Services, Inc., (202) 857-3800, 1231 20th Street, NW, Washington, DC 20036.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Part 73 of Title 47 of the Code of Federal Regulations is amended as follows:

PART 73—[AMENDED]

1. The authority citation for Part 73 continues to read as follows:

Authority: 47 U.S.C. 154, 303, 334 and 336.

§ 73.202 [Amended]

2. Section 73.202(b), the Table of FM Allotments under North Dakota, is amended by adding New England, Channel 239C.

Federal Communications Commission.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 99-17081 Filed 7-2-99; 8:45 am]

BILLING CODE 6712-01-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[MM Docket No. 99-45; RM-9401]

Television Broadcasting Services; El Dorado and Camden, AR

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This document reallots Channel 49- from El Dorado to Camden, Arkansas, and modifies the authorization of Equity Broadcasting Corporation for Station KKYK-TV, as requested, pursuant to the provisions of Section 1.420(i) of the Commission's Rules. See 64 FR 7848, February 17, 1999. The allotment of Channel 49- to Camden will provide a first local television transmission service to the community without depriving El Dorado of local television service. Coordinates used for Channel 49- at Camden are those of the presently authorized transmitter site for Station KKYK-TV at 33-16-19 NL and 92-42-

11 WL. With this action, the proceeding is terminated.

EFFECTIVE DATE: August 9, 1999.

FOR FURTHER INFORMATION CONTACT:

Nancy Joyner, Mass Media Bureau, (202) 418-2180.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's Report and Order, MM Docket No. 99-45, adopted June 16, 1999, and released June 25, 1999. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC's Reference Information Center (Room CY-A257), 445 Twelfth Street, SW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, NW., Washington, DC 20036, (202) 857-3800.

List of Subjects in 47 CFR Part 73

Television broadcasting.

Part 73 of Title 47 of the Code of Federal Regulations is amended as follows:

PART 73—[AMENDED]

1. The authority citation for part 73 reads as follows:

Authority: 47 U.S.C. 154, 303, 334, 336.

§ 73.606 [Amended]

2. Section 73.606(b), the Table of TV Allotments under Arkansas, is amended by adding Channel 49- at Camden.

3. Section 73.606(b), the Table of TV Allotments under Arkansas, is amended by removing Channel 49- at El Dorado.

Federal Communications Commission.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 99-17064 Filed 7-2-99; 8:45 am]

BILLING CODE 6712-01-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 90

[PR Docket No. 92-235; FCC 99-68]

Private Land Mobile Radio Services

AGENCY: Federal Communications Commission.

ACTION: Final rule; petitions for reconsideration.

SUMMARY: This document in PR Docket No. 92-235, addresses petitions for reconsideration of, and clarifies certain decisions made in, the *Second Report and Order* in PR Docket No. 92-235, 62

FR 18834, and, where necessary, makes appropriate modifications to the rules. Specifically, the Commission affirms the decision to limit the eligibility for the Public Safety Pool to those entities that were eligible under the former Public Safety Radio Services or Special Emergency Radio Service (SERS); and modifies the rules to provide that all frequencies—shared and exclusive—assigned to the former Power Radio Service, Petroleum Radio Service, Railroad Radio Service, and Automobile Emergency Radio Service must either be coordinated by the frequency coordinator responsible for the service in question prior to the adoption of the *Second Report and Order*, or be coordinated with that coordinator's prior written concurrence. The Commission also clarifies several aspects of the rules regarding the low power offset channels in the 450-470 MHz band.

DATES: Effective August 5, 1999.

FOR FURTHER INFORMATION CONTACT: Ira Keltz or Michael Wilhelm of the Wireless Telecommunications Bureau, Public Safety and Private Wireless Division, at (202) 418-0680 or via E-mail to "mayday@fcc.gov".

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's *Second Memorandum Opinion and Order* in PR Docket No. 92-235, FCC 99-68, adopted April 6, 1999, and released April 13, 1999. The complete text may be purchased from the Commission's copy contractor, International Transcription Services, 1231 20th Street, NW., Washington, DC 20036, telephone (202) 857-3800, facsimile (202) 857-3805. Alternative formats (computer diskette, large print, audio cassette, and Braille) are available to persons with disabilities by contacting Martha Contee at (202) 418-0260, TTY (202) 418-2555, or at mcontee@fcc.gov. The full text of the *Second Memorandum Opinion and Order* is available for inspection and copying during normal business hours in the FCC Reference Center, 1919 M St., NW., Room 239, Washington, DC 20554. It is anticipated that the Reference Center will be relocated to the Commission's Portals Building, 445 12th St., SW., Room CY-A257, during the late spring or early summer of 1999. Accordingly, interested parties are advised to contact the FCC Reference Center at (202) 418-0270 to determine its location. The full text of the *Second Memorandum Opinion and Order* can also be downloaded at: <http://www.fcc.gov/Bureaus/Wireless/Orders/1998/fcc9968.txt> or <http://www.fcc.gov/Bureaus/Wireless/Orders/1998/fcc9968.wp>

Summary of the Second Memorandum Opinion and Order

1. The *Second Report and Order* consolidated twenty private land mobile radio (PLMR) services into two pools, a Public Safety Pool consisting of all former Public Safety Radio Services and the Special Emergency Radio Service (SERS), and an Industrial/Business Pool consisting of the former Industrial and Land Transportation Radio Services. It also established provisions designed to facilitate development of centralized trunked systems in the shared PLMR bands below 800 MHz, and adopted an approach for accommodating low power use of the 450–470 MHz band. The Commission received fifteen petitions for reconsideration or clarification of the *Second Report and Order*.

2. The Commission denies a request to expand the categories eligible for the Public Safety Pool to include central station alarm companies, because public safety spectrum is scarce, and the requested expansion would be inconsistent with the definition of public safety in 47 U.S.C. 337(f)(2).

3. The *Second Report and Order* concluded that any frequency in the Industrial/Business Pool could be coordinated by any frequency coordinator designated to coordinate any of the services consolidated into that pool, except that frequencies formerly assigned exclusively to the Power, Petroleum, and Railroad Radio Services could be coordinated only by the coordinators for those services. As requested by those coordinators, the *Second Memorandum Opinion and Order* expands that exception to include frequencies that formerly were shared by any of those services and any other Industrial or Land Transportation Radio Services (except 12.5 kHz and 6.25 kHz channels in the 450–470 MHz band). In the alternative, the power, petroleum, and railroad coordinators may determine that such frequencies may be coordinated by any other Industrial/Business coordinator, provided that written concurrence is first received from the power, petroleum, or railroad coordinator.

4. In addition, the *Second Memorandum Opinion and Order* expands the exception to include frequencies formerly assigned to the Automobile Emergency Radio Service (AERS), but denies requests for similar treatment of other frequencies, because only on the AERS are safety-related communications sufficiently frequent and potentially serious to merit such treatment, which is consistent with the definition of public safety in 47 U.S.C. 309(j)(2).

5. The Commission denies the request of the power and petroleum coordinators to suspend the acceptance of applications for frequencies adjacent to former power and petroleum channels, for there is no evidence of a serious adjacent channel interference problem.

6. After the Commission accepts a proposed channel plan designating specific narrowband (12.5 kHz) offset frequencies in the 450–470 MHz band for low power operations, it will begin accepting full power applications for other than the other narrowband offset frequencies in that band. Existing low power licensees may relocate to the designated frequencies, or may remain on the non-designated frequencies, but only on a secondary, non-interference basis. Wideband (25 kHz) operation will be permitted on the designated frequencies only on a secondary basis (unless a waiver is granted).

7. The *Second Memorandum Opinion and Order* classifies as commercial mobile radio services (CMRS) all Industrial/Business Pool licensees that offer to the public for-profit service interconnected to the public switched telephone network. The eligibility requirements for the Industrial/Business Pool are the same as those for the former Business Radio Service (BRS), and BRS licensees that offered for-profit, interconnected service to the public were classified as CMRS. CMRS licensees are subject to part 20 of the Commission's rules and Title II of the Communications Act of 1934, as amended.

8. The *Second Memorandum Opinion and Order* defers to a later date consideration of a request to suspend acceptance of applications for frequencies that formerly were shared by the Power or Petroleum Radio Services and other Industrial or Land Transportation Radio Services, issues associated with the trunking of frequencies in systems which operate below 800 MHz, and the issue of potential interference to medical telemetry systems from PLMR stations operating in the 450–470 MHz band.

Regulatory Flexibility Act

Final Regulatory Flexibility Analysis

9. As required by the Regulatory Flexibility Act (RFA), see 5 U.S.C. 603, Initial Regulatory Flexibility Analyses (IRFA) were incorporated in the *Notice of Proposed Rule Making* and the *Further Notice of Proposed Rule Making* in PR Docket 92–235. The Commission sought written public comment on the rule making proposals in the *Notice* and *Further Notice*, including on the

respective IRFAs. This present Supplemental Regulatory Flexibility Analysis (Supplemental FRFA) in this *Second Memorandum Opinion and Order* (*Second MO&O*) conforms to the RFA.

10. *Need for, and Objectives of, the Second MO&O.* Our objective is to increase spectrum efficiency and facilitate the introduction of advanced technologies into the 150–174 MHz, 421–430 MHz, 450–470 MHz, and 470–512 MHz private land mobile radio (PLMR) bands. The *Report and Order* in this proceeding modified the Commission's rules to resolve many of the technical issues which inhibited the use of spectrally efficient technologies in these frequency bands. It also stated the Commission's intent to consolidate the twenty existing radio service pools. The *Further Notice* in this proceeding proposed several methods of introducing market based incentives into the PLMR bands, including exclusivity. In the *Second R&O*, the Commission consolidated the radio service frequency pools and addressed related issues such as frequency coordination, trunking, and low power frequencies. This *Second MO&O* address petitions for reconsideration and clarification received in response to the *Second R&O*.

11. The Commission finds that the potential benefits to the PLMR community from the promulgation of rules for this purpose exceed any negative effects that may result. Thus, the Commission concludes that the public interest is served by modifying our rules to consolidate the PLMR services and increase the spectral efficiency of the PLMR bands.

12. *Summary of Significant Issues Raised by Public Comments in Response to the IRFA.* No reconsideration petitions were submitted in direct response to the previous FRFAs. The Commission has, however, reviewed general comments that may impact small businesses. Much of the impact on small businesses arises from the central decision in this proceeding—determining the number of frequency pools and the eligibility criteria for each pool. This affects small businesses in the following way. A smaller number of pools provides a greater number of frequencies available for small businesses that use PLMR systems to meet their coordination needs. Additionally, by creating fewer pools, frequency coordinators will now be subject to competition. Thus, small businesses that use PLMR systems can expect to pay lower prices for frequency coordination while receiving equivalent or better service. Finally, consolidating

the PLMR services provides each frequency coordinator, which currently provides service only for a narrowly defined type of user, with the ability to expand its business base.

13. *Description and Estimate of the Number of Small Entities to Which Rules Will Apply.* The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the rules adopted. The RFA generally defines the term "small entity" as having the same meaning as the terms "small business," "small organization," and "small governmental jurisdiction." See 5 U.S.C. 601(6). In addition, the term "small business" has the same meaning as the term "small business concern" under the Small Business Act. 5 U.S.C. 601(3). A small business concern is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA). 5 U.S.C. 632. A small organization is generally "any not-for-profit enterprise which is independently owned and operated and is not dominant in its field." 5 U.S.C. 601(4). Nationwide, as of 1992, there were approximately 275,801 small organizations. 1992 Economic Census, U.S. Bureau of the Census, Table 6. "Small governmental jurisdiction" generally means "governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than 50,000." 5 U.S.C. 601(5). As of 1992, there were approximately 85,006 such jurisdictions in the United States. U.S. Dept. of Commerce, Bureau of the Census, "1992 Census of Governments." This number includes 38,978 counties, cities and towns; of these, 37,566, or 96 percent, have populations of fewer than 50,000. *Id.* The Census Bureau estimates that this ratio is approximately accurate for all governmental entities. Thus, of the 85,006 governmental entities, the Commission estimates that 81,600 (91 percent) are small entities.

14. *Estimates for PLMR Licensees.* Private land mobile radio systems serve an essential role in a vast 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. Because of the vast array of PLMR users, the Commission has not developed, nor would it be possible to develop, a definition of small entities specifically applicable to PLMR users. For the purpose of determining whether a licensee is a small business as defined by the Small Business Administration

(SBA), each licensee would need to be evaluated within its own business area. The Commission's fiscal year 1994 annual report indicates that, at the end of fiscal year 1994, there were 1,101,711 licensees operating 12,882,623 transmitters in the PLMR bands below 512 MHz. See Federal Communications Commission, 60th Annual Report, Fiscal Year 1994 at 120-121. Further, because any entity engaged in a commercial activity is eligible to hold a PLMR license, these rules could potentially impact every small business in the U.S.

15. *Estimates for Frequency Coordinators.* Neither the Commission nor the SBA have developed a definition of small entities specifically applicable to spectrum frequency coordinators. Therefore, the Commission concluded that the closest applicable definition under SBA rules is Business Associations (SIC 8611). See *Second R&O*, 12 FCC Rcd at 14355. The SBA defines a small business association as an entity with \$5.0 million or less in annual receipts. There are 18 entities certified to perform frequency coordination functions under Part 90 of our Rules. However, the Commission is unable to ascertain how many of these frequency coordinators are classified as small entities under the SBA definition. The Census Bureau indicates that 97% of business associations have annual receipts of \$4.999 million or less and would be classified as small entities. The Census Bureau category is very broad, and does not include specific figures for firms that are engaged in the frequency coordination. Therefore, for the purposes of this Supplemental FRFA, the Commission estimates that almost all of the 18 spectrum frequency coordinators are small as defined by the SBA.

16. *Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements.* The rules adopted in this *Second MO&O* do not have any general reporting or recordkeeping requirements for PLMR licensees. There are, however, a few compliance requirements. First, frequency coordinators, when recommending frequencies that were formerly allocated on a shared basis to the Petroleum Radio Service, must obtain the concurrence of the former Petroleum Radio Service frequency coordinator. While the Commission wants to remove as many requirements on the licensing process as possible, the Commission believes that this requirement is necessary in order to protect critical safety-related communications systems. The American Petroleum Institute, supported by

several commenters, petitioned for protection of existing petroleum stations based upon coverage contours. Rather than institute a complex requirement based on the computation of coverage contours, the Commission believes that the goals of protecting these systems can be achieved through a simple concurrence requirement.

17. Second, the Commission is requiring each of the coordinators that have sole management authority over a group of frequencies to supply supporting reasons for denying any request for frequency coordination on those frequencies. The American Automobile Association petitioned for a clarification that would have held these coordinators to the same coordination procedures as previously were applicable under the former interservice sharing rules. The Commission believes that such procedures would be excessive under the new consolidated pool structure. Therefore, to guard against summary denials and to promote sharing to the greatest degree possible, the Commission believes that requiring the coordinators with sole management authority over certain frequencies to justify any denials of coordination on those frequencies will suffice.

18. *Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered.* The Commission, in this *Second MO&O*, has considered petitions for reconsideration and clarification regarding its *Second R&O* in PR Docket No. 92-235, which consolidated the PLMR radio services below 512 MHz. In doing so, the Commission has adopted several proposals which minimize burdens placed on small entities. First, the Commission adopted a concurrence requirement on frequencies that were allocated to the former Petroleum Radio Service on a shared basis. Based on the need to provide additional protection to entities operating on these frequencies, concurrence is the simplest method of providing this protection. The alternative would be to require applicants and frequency coordinators, including those that are small businesses, to conduct complex and costly contour analyses. Second, the Commission did not expand the number of frequencies on which coordinators have sole management authority. This decision will ensure the continued benefits of consolidation. Namely, entities will have more frequency options than if more frequencies were restricted. The increase in frequency choices will provide a greater likelihood that licensees, including small entities, will share frequencies with fewer systems, enabling them to achieve more

efficiency in their radio systems. Third, the Commission clarifies that a coordinator, at an applicant's request, who determines that the most appropriate frequency is one that is managed solely by another frequency coordinator can forward an application directly to that coordinator. The alternative would be to return applications which would foster inefficiency, add delays to the coordination process, and drive up costs. Fourth, the Commission clarifies and modifies the rules regarding designated low power frequencies to (1) allow existing users of low power systems that are not currently operating on designated low power frequencies to modify their operating frequency to one of the designated frequencies and obtain primary status while still using wideband equipment, and (2) allow new licensees on the designated low power frequencies, all of which are restricted to narrowband operations, to obtain authorizations for wideband equipment on a secondary basis. Many users and manufacturers of low power systems are small businesses and these actions allow for such entities to continue to use existing equipment and for manufacturers to deplete, rather than scrap, existing inventory. Fifth, the Commission amends the rules to require entities to operate in the semi-duplex mode when using former Taxicab Radio Service frequencies in metropolitan areas. Such action ensures that future

authorizations on these channels will be compatible with existing taxicab users, many of which are small businesses. Sixth, the Commission amends the rules to extend until 2006, the date by which new licensees operating on the emergency medical (MED) channels must employ equipment capable of operating on all the newly created MED channels. Existing licensees on these channels are grandfathered using their existing radios. This provides relief to licensees, many of which are small businesses, which could not readily comply with the originally proposed rule because of lack of available equipment.

19. The Commission will send a copy of this *Second Memorandum Opinion and Order* including this Supplemental FRFA, in a report to be sent to Congress pursuant to the Small Business Regulatory Enforcement Fairness Act of 1996, see 5 U.S.C. 801(a)(1)(A). In addition, the Commission will send a copy of the *Second Memorandum Opinion and Order*, including Supplemental FRFA, to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the *Second Memorandum Opinion and Order* and Supplemental FRFA (or summaries thereof) will also be published in the **Federal Register**. See 5 U.S.C. 604(b).

List of Subjects in 47 CFR Part 90

Communications equipment, Radio.

Federal Communications Commission.

Magalie Roman Salas,
Secretary.

Rule Changes

Part 90 of Chapter I of Title 47 of the Code of Federal Regulations is amended as follows:

PART 90—PRIVATE LAND MOBILE RADIO SERVICES

The authority citation for Part 90 continues to read as follows:

Authority: 47 U.S.C. 154, 302, 303, and 332, unless otherwise noted.

Section 90.20 is amended by removing the entry for 156.2475 MHz, adding entries for 151.0625 MHz, 151.0775 MHz, 151.1825 MHz, 151.1975 MHz, 151.3025 MHz, and 151.3175 MHz to paragraph (c)(3), revising the entries for 35.02 MHz, 151.070 MHz, 151.190 MHz, 151.310 MHz, 453.025 MHz, 453.03125 MHz, 453.075 MHz, 453.0125 MHz, 453.125 MHz, 453.175 MHz, 458.025 MHz, 458.075 MHz, 458.125 MHz, 458.175 MHz, and 470 to 512 MHz of paragraph (c)(3), paragraphs (d)(66)(ii), (d)(66)(iii), and (d)(66)(iv) and adding new paragraphs (d)(66)(v), (d)(66)(vi) and (d)(77) to read as follows:

§ 90.20 Public Safety Pool.

* * * * *

(c) * * *

(3) * * *

PUBLIC SAFETY POOL FREQUENCY TABLE

Frequency or band	Class of stations(s)	Limitations	Coordinator
Megahertz:			
35.02	Mobile	12, 77	PS
* * *	* * *	* * *	
151.0625	do	27, 28	PH
151.070	do	28	PH
151.0775	do	27, 28	PH
* * *	* * *	* * *	
151.1825	do	27, 28	PO
151.190	do	28	PO
151.1975	do	27, 28	PO
* * *	* * *	* * *	
151.3025	do	27, 28	PO
151.310	do	28	PO
151.3175	do	27, 28	PO
* * *	* * *	* * *	
453.0125	Mobile	57, 77	PX
453.025	Central control, fixed base, or mobile	58, 59, 60, 61, 62	PM
453.03125	Base of mobiles	44,59,60,61,62	PM
* * *	* * *	* * *	
453.075	Central control, fixed base, or mobile	58, 59, 60, 61, 62	PM
* * *	* * *	* * *	
453.125	Central control, fixed base, or mobile	58, 59, 60, 61, 62	PM

PUBLIC SAFETY POOL FREQUENCY TABLE—Continued

Frequency or band	Class of stations(s)	Limitations	Coordinator
453.175	Central control, fixed base, or mobile	58, 59, 60, 61, 62	PM
458.025	Central control, fixed base, or mobile	58, 59, 61, 62, 63	PM
458.075	Central control, fixed base, or mobile	58, 59, 61, 62, 63	PM
458.125	Central control, fixed base, or mobile	58, 59, 61, 62, 63	PM
458.175	Central control, fixed base, or mobile	58, 59, 61, 62, 63	PM
470 to 512	Base or mobile	68.	

* * * * *

(d) * * *

(6) * * *

(ii) Except as provided in paragraphs (d)(66)(iv) and (v) of this section, mobile or portable stations licensed prior to July 6, 2000, must employ equipment that is both wired and equipped to transmit/receive, respectively, on each of the following MED frequency pairs with transmitters operated on the 468 MHz frequencies: MED-1, MED-2, MED-3, MED-4, MED-5, MED-6, MED-7, and MED-8.

(iii) Except as provided in paragraphs (d)(66)(v) and (vi) of this section, mobile or portable stations licensed on or after July 6, 2000, must employ equipment that is both wired and equipped to transmit/receive, respectively, on each of the following MED frequency pairs with transmitters operated on the 468 MHz frequencies: MED-1, MED-12, MED-2, MED-22, MED-3, MED-32, MED-4, MED-42, MED-5, MED-52, MED-6, MED-62, MED-7, MED-72, MED-8, and MED-82.

(iv) Except as provided in paragraphs (d)(66)(v) and (vi) of this section, mobile or portable stations licensed on or after January 1, 2006, must employ equipment that is both wired and equipped to transmit/receive, respectively, on each of these MED frequency pairs with transmitters operated on the 468 MHz frequencies.

(v) Portable (hand-held) units operated with a maximum output power of 2.5 watts are exempted from the multi-channel equipment requirements specified in paragraphs (d)(66)(ii), (d)(66)(iii), and (d)(66)(iv) of this section.

(vi) Stations located in areas above line A, as defined in § 90.7 will be required to meet multi-channel

equipment requirements only for those frequencies up to the number specified in paragraphs (d)(66)(ii), (d)(66)(iii), and (d)(66)(iv) of this section that have been assigned and coordinates with Canada in accordance with the applicable U.S.-Canada agreement.

* * * * *

(77) Paging operations are not permitted on this frequency.

* * * * *

Section 90.22 is amended by revising the introductory text to read as follows:

§ 90.22 Paging operations.

Unless specified elsewhere in this part, paging operations may be authorized in the Public Safety Pool on any frequency except those assigned under the provisions of § 90.20(d)(77). Paging operations on frequencies subject to § 90.20(d)(77) authorized before August 17, 1974, may be continued only if they do not cause harmful interference to regular operations on the same frequencies. Such paging operations may be renewed indefinitely on a secondary basis to regular operations, except within 125 km (75 mi) of the following urbanized areas:

* * * * *

4. Section 90.35 is amended by revising the entries for 2292 kHz, 25.14 MHz, 30.66 MHz, 30.74 MHz, 30.82 MHz, 150.815 MHz through 150.9725 MHz, 151.490 MHz, 152.870 MHz, 153.035 MHz through 153.4025 MHz, 153.425 MHz through 153.4625 MHz, 153.485 MHz through 153.5225 MHz, 153.545 MHz through 153.5825 MHz, 153.605 MHz through 153.6425 MHz, 153.665 MHz through 153.6875 MHz, 157.470 MHz through 157.5225 MHz, 157.725 MHz, 158.145 MHz through 158.1825 MHz, 158.205 MHz through 158.2425 MHz, 158.265 MHz through

158.3325 MHz, 158.355 MHz through 158.3775 MHz, 158.415 MHz through 158.4375 MHz, 173.250 MHz, 173.300 MHz, 173.350 MHz, 173.39625, 451.175 MHz, 451.225 MHz, 451.275 MHz, 451.375 MHz, 451.425 MHz, 451.475 MHz, 451.525 MHz, 451.550 MHz, 451.575 MHz, 451.600 MHz, 451.625 MHz, 451.650 MHz, 451.675 MHz, 451.700 MHz, 451.750 MHz, 452.325 MHz, 452.375 MHz, 452.425 MHz, 452.475 MHz, 452.525 MHz through 452.61875 MHz, 452.775 MHz, 452.825 MHz, 452.875 MHz, 456.175 MHz, 456.225 MHz, 456.275 MHz, 456.375 MHz, 456.425 MHz, 456.475 MHz, 456.525 MHz, 456.550 MHz, 456.575 MHz, 456.600 MHz, 456.625 MHz, 456.650 MHz, 456.675 MHz, 456.700 MHz, 456.750 MHz, 457.325 MHz, 457.375 MHz, 457.425 MHz, 457.475 MHz, 457.775 MHz, 457.825 MHz, 457.875 MHz, 462.475 MHz, 462.525 MHz, 467.475 MHz, 467.525 MHz, 467.8375 MHz, 469.500 MHz, and 469.550 MHz of paragraph (b)(3), revising paragraphs (b)(2), (c)(6), and (c)(52), and adding paragraphs (c)(79), (c)(80) and (c)(81) to read as follows:

§ 90.35 Industrial/Business Pool.

* * * * *

(b) * * *

(2) Unless otherwise specified, coordination of frequencies in the Industrial/Business pool must be done in accordance with the following:

(i) Unless specified elsewhere in this part, frequencies without any coordinator specified in the Coordinator column of paragraph (b)(3) of this section may be coordinated by any frequency coordinator certified in the Industrial/Business Pool.

(ii) A letter symbol in the Coordinator column of the frequency table in

paragraph (b)(3) of this section designates the mandatory certified frequency coordinator for the associated frequency in the table. However, any certified frequency coordinator in the Industrial/Business Pool may coordinate such frequency provided the prior written consent of the designated

coordinator is obtained. Frequencies for which two coordinators are listed may be coordinated by either of the listed coordinators.

(iii) The letter symbols listed in the Coordinator column of the frequency table in paragraph (b)(3) of this section

refer to specific frequency coordinators as follows:

IP—Petroleum Coordinator
IW—Power Coordinator
LR—Railroad Coordinator
LA—Automobile Emergency Coordinator
(3) * * *

INDUSTRIAL/BUSINESS POOL FREQUENCY TABLE

Frequency or band	Class of stations(s)	Limitations	Coordinator
Kilohertz:			
2292	Base or mobile	4, 5, 7.	
*	*	*	*
Megahertz:			
25.14	do	3, 4	IP
*	*	*	*
30.66	do	4, 7.	
*	*	*	*
30.74	do	4, 7.	
*	*	*	*
30.82	do	4, 7	*
*	*	*	*
150.815	do	do	LA
150.830	do	28, 29	LA
150.845	do	do	LA
150.8525	do	30	LA
150.860	do	do	LA
150.8675	do	30	LA
150.875	do	do	LA
150.8825	do	30	LA
150.890	do	do	LA
150.8975	do	30	LA
150.905	do	do	LA
150.920	do	28, 29	LA
150.935	do	do	LA
150.9425	do	30	LA
150.950	do	do	LA
150.9575	do	30	LA
150.965	do	do	LA
150.9725	do	30	LA
*	*	*	*
151.490	do	13, 32.	
*	*	*	*
152.465	do	79.	
*	*	*	*
152.870	do	do	
*	*	*	*
153.035	do	do	IP
153.0425	do	30	IP
153.050	do	4, 7	IP
153.0575	do	4, 7, 30	IP
153.065	do	do	IP
153.0725	do	30	IP
153.080	do	4, 7	IP

INDUSTRIAL/BUSINESS POOL FREQUENCY TABLE—Continued

Frequency or band	Class of stations(s)	Limitations	Coordinator
153.0875	do	4, 7, 30	IP
153.095	do .....	.....	IP
153.1025	do	30, 80	IP
153.110	do	4, 7	IP
153.1175	do	4, 7, 30	IP
153.125	do .....	.....	IP
153.1325	do	30	IP
153.140	do	4, 7	IP
153.1475	do	4, 7, 30	IP
153.155	do .....	.....	IP
153.1625	do	30	IP
153.170	do	4, 7	IP
153.1775	do	4, 7, 30	IP
153.185	do .....	.....	IP
153.1925	do	30	IP
153.200	do	4, 7	IP
153.2075	do	4, 7, 30	IP
153.215	do .....	.....	IP
153.2225	do	30	IP
153.230	do	4, 7	IP
153.2375	do	4, 7, 30	IP
153.245	do .....	.....	IP
153.2525	do	30	IP
153.260	do	4, 7	IP
153.2675	do	4, 7, 30	IP
153.275	do .....	.....	IP
153.2825	do	30	IP
153.290	do	4, 7	IP
153.2975	do	4, 7, 30	IP
153.305	do .....	.....	IP
153.3125	do	30	IP
153.320	do	4, 7	IP
153.3275	do	4, 7, 30	IP
153.335	do .....	.....	IP
153.3425	do	30	IP
153.350	do	4, 7	IP
153.3575	do	4, 7, 30	IP
153.365	do .....	.....	IP
153.3725	do	30	IP
153.380	do .....	.....	IP
153.3875	do	30	IP
153.395	do .....	.....	IP
153.4025	do	30	IP
*	*	*	*
153.425	do	80	IP, IW
153.4325	do	30, 80	IP, IW
153.440	do	80	IP, IW
153.4475	do	30, 80	IP, IW
153.455	do	80	IP, IW
153.4625	do	30, 80	IP, IW
*	*	*	*
153.485	do	80	IP, IW
153.4925	do	30, 80	IP, IW
153.500	do	80	IP, IW
153.5075	do	30, 80	IP, IW
153.515	do	80	IP, IW
153.5225	do	30, 80	IP, IW
*	*	*	*
153.545	do	80	IP, IW
153.5525	do	30, 80	IP, IW
153.560	do	30, 80	IP, IW
153.5675	do	30, 80	IP, IW
153.575	do	80	IP, IW
153.5825	do	30, 80	IP, IW

INDUSTRIAL/BUSINESS POOL FREQUENCY TABLE—Continued

Frequency or band	Class of stations(s)	Limitations	Coordin- ator
* * *	* *	* *	*
153.605	do	80	IP, IW
153.6125	do	30, 80	IP, IW
153.620	do	80	IP, IW
153.6275	do	30, 80	IP, IW
153.635	do	80	IP, IW
153.6425	do	30, 80	IP, IW
* * *	* *	* *	*
153.665	do	80	IP, IW
153.6725	do	30, 80	IP, IW
153.680	do	80	IP, IW
153.6875	do	30, 80	IP, IW
* * *	* *	* *	*
157.470	Base or mobile	12	LA
157.4775	do	12, 30	LA
157.485	do	12	LA
157.4925	do	12, 30	LA
157.500	do	12	LA
157.5075	do	12, 30	LA
157.515	do	12	LA
157.5225	do	12, 30	LA
* * *	* *	* *	*
157.725	Base or mobile	79	
* * *	* *	* *	*
158.145	do .....	.....	IP, IW
158.1525	do	30	IP, IW
158.160	do .....	.....	IP, IW
158.1675	do	30	IP, IW
158.175	do	81	IP, IW
158.1825	do	30, 81	IP, IW
* * *	* *	* *	*
158.205	do	81	IP, IW
158.2125	do	30, 81	IP, IW
158.220	do	81	IP, IW
158.2275	do	30, 81	IP, IW
158.235	do	81	IP, IW
158.2425	do	30, 81	IP, IW
* * *	* *	* *	*
158.265	do	81	IP, IW
158.2725	do	30, 81	IP, IW
158.280	do .....	.....	IP
158.2875	do	30	IP
158.295	do .....	.....	IP
158.3025	do	30	IP
158.310	do	4, 7	IP
158.3175	do	4, 7, 30	IP
158.325	do .....	.....	IP
158.3325	do	30	IP
* * *	* *	* *	*
158.355	Base or mobile .....	.....	IP
158.3625	do	30	IP
158.370	do	4, 7	IP
158.3775	do	4, 7,	IP
* * *	* *	* *	*
158.415	do .....	.....	IP

INDUSTRIAL/BUSINESS POOL FREQUENCY TABLE—Continued

Frequency or band	Class of stations(s)	Limitations	Coordinator
158.4225	do	30	IP
158.430	do	4, 7	IP
158.4375	do	4, 7,	IP
*	*	*	*
173.250	Base or Mobile .....	.....	IP, IW
*	*	*	*
173.300	Base or Mobile .....	.....	IP, IW
*	*	*	*
173.350	Base or Mobile .....	.....	IP, IW
*	*	*	*
173.39625	do	39, 40, 41, 44	
*	*	*	*
451.175	do .....	.....	IP, IW
*	*	*	*
451.225	do .....	.....	IP, IW
*	*	*	*
451.275	do .....	.....	IP, IW
*	*	*	*
451.375	do .....	.....	IP, IW
*	*	*	*
451.425	do .....	.....	IP, IW
*	*	*	*
451.475	do .....	.....	IP, IW
*	*	*	*
451.525	do .....	.....	IP, IW
*	*	*	*
451.550	do	4, 7	IP
*	*	*	*
451.575	do .....	.....	IP, IW
*	*	*	*
451.600	do	4, 7	IP
*	*	*	*
451.625	do .....	.....	IP, IW
*	*	*	*
451.650	do	4, 7	IP
*	*	*	*
451.675	do .....	.....	IP, IW

INDUSTRIAL/BUSINESS POOL FREQUENCY TABLE—Continued

Frequency or band	Class of stations(s)	Limitations	Coordinator
* * *	* * *	* * *	*
451.700	do	4, 7	IP
* * *	* * *	* * *	*
451.750	do	4, 7	IP
* * *	* * *	* * *	*
452.325	do .....	.....	LR
* * *	* * *	* * *	*
452.375	do .....	.....	LR
* * *	* * *	* * *	*
452.425	do .....	.....	LR
* * *	* * *	* * *	*
452.475	do .....	.....	LR
* * *	* * *	* * *	*
452.525	do .....	.....	LA
452.53125	do	33	LA
452.5375	do	30	LA
452.54375	do	33	LA
452.550	do .....	.....	LA
452.55625	do	33	LA
452.5625	do	30	LA
452.56875	do	33	LA
452.575	do .....	.....	LA
452.58125	do	33	LA
452.5875	do	30	LA
452.59375	do	33	LA
452.600	do .....	.....	LA
452.60625	do	33	LA
452.6125	do	30	LA
452.61875	do	33	LA
* * *	* * *	* * *	*
452.775	do .....	.....	LR
* * *	* * *	* * *	*
452.825	do .....	.....	LR
* * *	* * *	* * *	*
452.875	do .....	.....	LR
* * *	* * *	* * *	*
456.175	do .....	.....	IP, IW
* * *	* * *	* * *	*
456.225	do .....	.....	IP, IW
* * *	* * *	* * *	*
456.275	do .....	.....	IP, IW
* * *	* * *	* * *	*
456.375	do .....	.....	IP, IW

INDUSTRIAL/BUSINESS POOL FREQUENCY TABLE—Continued

Frequency or band	Class of stations(s)	Limitations	Coordin- ator
456.425 .....do			IP, IW
* * *	* *	* *	*
456.475 .....do			IP, IW
* * *	* *	* *	*
456.525 .....do			IP, IW
* * *	* *	* *	*
456.550 .....do			IP
* * *	* *	* *	*
456.575 .....do			IP, IW
* * *	* *	* *	*
456.600 .....do			IP
* * *	* *	* *	*
456.625 .....do			IP, IW
* * *	* *	* *	*
456.650 .....do			IP
* * *	* *	* *	*
456.675 .....do			IP, IW
* * *	* *	* *	*
456.700 .....do			IP
* * *	* *	* *	*
456.750 .....do			IP
* * *	* *	* *	*
457.325 .....do			LR
* * *	* *	* *	*
457.375 .....do			LR
* * *	* *	* *	*
457.425 .....do			LR
* * *	* *	* *	*
457.475 .....do			LR
* * *	* *	* *	*
457.775 .....do			LR
* * *	* *	* *	*
457.825 .....do			LR
* * *	* *	* *	*
457.875 .....do			LR

INDUSTRIAL/BUSINESS POOL FREQUENCY TABLE—Continued

Frequency or band	Class of stations(s)	Limitations	Coordinator
* * * * *	* * * * *	* * * * *	*
462.475	do	do	IP, IW
* * * * *	* * * * *	* * * * *	*
462.525	do	do	IP, IW
* * * * *	* * * * *	* * * * *	*
467.475	do	do	IP, IW
* * * * *	* * * * *	* * * * *	*
467.525	do	do	IP, IW
* * * * *	* * * * *	* * * * *	*
467.8375	do	11, 12, 30, 35, 60.	
* * * * *	* * * * *	* * * * *	*
469.500	do	10, 34.	
* * * * *	* * * * *	* * * * *	*
469.550	do	10, 34.	

* * * * *

(c) * * *

(6) Frequencies may be assigned in pairs with the separation between base and mobile transmit frequencies being 5.26 MHz. A mobile station may be assigned the frequency which would normally be assigned to a base station for single frequency operation. However, this single-frequency operation may be subject to interference that would not occur to a two-frequency system. Base or mobile stations operating wholly within Standard Metropolitan Areas having 50,000 or more population (1950 Census) must be operated in the half-duplex mode.

* * * * *

(52) In Puerto Rico and the Virgin Islands only, this frequency is available to all stations operating in the Industrial/Business Pool and may be coordinated by any frequency coordinator certified in the Industrial/Business Pool.

* * * * *

(79) Frequencies may be assigned in pairs with the separation between base and mobile transmit frequencies being 5.26 MHz. A mobile station may be assigned the frequency which would normally be assigned to a base station for single frequency operation. However, this single-frequency operation may be subject to interference that would not occur to a two-frequency system. Base or mobile stations located

80.5 km (50 miles) or less from the center or any urbanized area of 600,000 or more population (U.S. Census of Population, 1970) must be operated in the half-duplex mode.

(80) Concurrence from the Petroleum Coordinator is required only for applications for this frequency that request authorization for transmitters in Arkansas, Louisiana, Oklahoma, or Texas.

(81) Concurrence from the Petroleum Coordinator is required only for applications for this frequency that request authorization for transmitters in Arkansas, Louisiana, Oklahoma, Oregon, Texas, or Washington.

5. Section 90.135 is amended by removing and reserving paragraph (b)(5), and by revising paragraph (a)(2) and by revising the first sentence in paragraph (d) to read as follows:

§ 90.135 Modification of license.

(a) * * *

(2) Change in the type of emission.

* * * * *

(d) In case of a change listed in paragraphs (b)(1) or (b)(2) of this section, the licensee must notify the Commission immediately. * * *

6. Section 90.173 is amended by revising paragraph (a) and by adding paragraph (j) to read as follows:

§ 90.173 Policies governing the assignment of frequencies.

(a) Except as indicated in paragraph (j) of this section, the frequencies which ordinarily may be assigned to stations in the services governed by this part are listed in subparts B, C and F of this part. Except as otherwise specifically provided in this part, frequencies assigned to land mobile stations are available on a shared basis only and will not be assigned for the exclusive use of any licensee.

* * * * *

(j) Frequencies other than those listed in subparts B and C of this part may be assigned in the 150–174 MHz, 421–430 MHz, 450–470 MHz, and 470–512 MHz bands, provided the following conditions are met:

(1) Such applications must be accompanied by a showing of frequency coordination in accordance with the requirements of § 90.175;

(2) The frequencies must not be available in any other rule part of this chapter; and

(3) The authorized bandwidth of any system operating in accordance with this paragraph must not overlap spectrum available in other rule parts of this chapter unless that spectrum is also allocated in part 90.

* * * * *

7. Section 90.175 is amended by revising the first sentence of the

introductory text and by revising paragraph (b) to read as follows:

§ 90.175 Frequency coordination requirements.

Except for applications listed in paragraph (i) of this section, each application for a new frequency assignment, for a change in existing facilities as listed in § 90.135(a), or for operation at temporary locations in accordance with § 90.137 must include a showing of frequency coordination as set forth below. * * *

* * * * *

(b) *For frequencies between 25 and 470 MHz:* (1) A statement is required from the applicable frequency coordinator as specified in §§ 90.20(c)(2) and 90.35(a)(2) recommending the most appropriate frequency. In addition, concurrence from the applicable frequency coordinator must be obtained on frequencies designated for such a requirement. The coordinator's recommendation may include comments on technical factors such as power, antenna height and gain, terrain, and other factors which may serve to minimize potential interference. In addition:

(2) On frequencies designated for coordination or concurrence by a specific frequency coordinator as specified in §§ 90.20(c)(3) and 90.35(b)(3), the applicable frequency coordinator shall provide a written supporting statement in instances in which coordination or concurrence is denied. The supporting statement shall contain sufficient detail to permit discernment of the technical basis for the denial of coordination or concurrence.

(3) In instances where a frequency coordinator determines that an applicant's requested frequency or the most appropriate frequency is one designated for coordination by a specific frequency coordinator as specified in §§ 90.20(c)(3) and 90.35(b)(3), that frequency coordinator may forward the application directly to the appropriate frequency coordinator. A frequency coordinator may only forward an application as specified above if consent is obtained from the applicant.

* * * * *

8. Section 90.187 is amended by revising paragraphs (b)(2)(i) and the second sentence of (b)(2)(ii) to read as follows:

§ 90.187 Trunking in the bands between 150 and 512 MHz.

* * * * *

(b) * * *

(2) * * *

(i) Stations that have assigned frequencies (base and mobile) that are 15 kHz or less removed from proposed stations that will operate with a 25 kHz channel bandwidth; stations that have assigned frequencies (base and mobile) that are 7.5 kHz or less removed from proposed stations that will operate with a 12.5 kHz bandwidth; or stations that have assigned frequencies (base and mobile) 3.75 kHz or less removed from proposed stations that will operate with a 6.25 kHz bandwidth; and

(ii) * * * Alternatively, applicants may submit an engineering analysis based upon generally accepted engineering practices and standards that demonstrates that the service area of the trunked system does not overlap the service area of any existing station.

* * * * *

Section 90.207 is amended by revising the last sentence in paragraph (l) to read as follows:

§ 90.207 Types of emissions.

* * * * *

(l) * * * Authorization to use digital voice emissions is construed to include the use of F1D, F2D, G1D, or G2D emission subject to the provisions of § 90.233.

§ 90.211 [Removed]

10. Section 90.211 is removed.

11. Section 90.267 is amended by revising paragraph (a)(3) and by adding new paragraphs (b), (c), and (d) to read as follows:

§ 90.267 Assignment and use of frequencies in the 450–470 MHz band for low-power use.

(a) * * *

(3) Stations are limited to 2 watts output power.

* * * * *

(b) Unless specified elsewhere in this part, licensees as of August 5, 1999,

licensed for operations with an emission designator wider than 11k25 on frequencies subject to the conditions of paragraph 90.20(d)(20) or paragraph 90.35(c)(30) that have been designated low-power channels pursuant to paragraph (a) of this section may obtain primary status with respect to co-channel licensees, by supplying their coordinates to the Commission. These licensees will continue to operate on a secondary basis with respect to adjacent channel licensees. Additionally, these licensees may continue to operate with an authorized bandwidth wider than 11.25 kHz on frequencies subject to the conditions of paragraph 90.20(d)(20) or paragraph 90.35(c)(30).

(c) Unless specified elsewhere in this part, licensees as of August 5, 1999, licensed for operations with an emission designator wider than 11k25 on frequencies subject to the conditions of paragraph 90.20(d)(20) or paragraph 90.35(c)(30) that have not been designated as low-power channels pursuant to paragraph (a) of this section that otherwise comply with the conditions of paragraph (a) of this section may obtain primary status with respect to co-channel licensees, by modifying their license to a designated low-power channel and supplying their coordinates to the Commission. These licensees will continue to operate on a secondary basis with respect to adjacent channel licensees. Additionally, these licensees may continue to operate with an authorized bandwidth wider than 11.25 kHz on frequencies subject to the conditions of paragraph 90.20(d)(20) or paragraph 90.35(c)(30).

(d) Applicants proposing to operate with an authorized bandwidth wider than 11.25 kHz on designated low-power frequencies that are subject to the conditions of paragraph 90.20(d)(20) or paragraph 90.35(c)(30) that otherwise meet the conditions of paragraph (a) of this section, may be licensed on a secondary, non-interference basis.

Section 90.311 is amended by revising the table in paragraph (a) to read as follows:

§ 90.311 Frequencies.

(a) * * *

Channel Assignment	Urbanized Area	General access pool	
		Base and mobile	Mobile
14	Boston, MA	470.30625 to 472.99375	473.30625 to 475.99375
	Chicago, IL		
	Cleveland, OH		
	Miami, FL		
	New York/N.E. NJ		
	Pittsburgh, PA		

Channel Assignment	Urbanized Area	General access pool	
		Base and mobile	Mobile
15	Los Angeles, CA	470.05625 to 472.99375	473.05625 to 475.99375
	Chicago, IL	476.30625 to 478.99375	479.30625 to 481.99375
	Cleveland, OH		
	Detroit, MI		
16	New York/N.E. NJ		
	Boston, MA	482.30625 to 484.99375	485.30625 to 487.99375
	Dallas/Fort Worth, TX		
	Detroit, MI		
17	San Francisco/Oakland, CA		
	Los Angeles, CA (Use is restricted to Public Safety Pool eligibles)	482.00625 to 484.99375	485.00625 to 487.99375
	Houston, TX	488.30625 to 490.99375	491.30625 to 493.99375
	San Francisco/Oakland, CA		
18	Washington, DC/MD/VA		
	Pittsburgh, PA	494.30625 to 496.99375	497.30625 to 499.99375
19	Washington, DC/MD/VA		
	Philadelphia, PA	500.30625 to 502.99375	503.30625 to 505.99375
20	Los Angeles, CA	506.13125 to 508.99375	509.13125 to 511.99375
	Philadelphia, PA	506.30625 to 508.99375	509.30625 to 511.99375

* * * * *

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BILLING CODE 6712-01-U

**OFFICE OF PERSONNEL
MANAGEMENT****48 CFR Parts 1615, 1632, and 1652**

RIN 3206 AI67

**Federal Employees Health Benefits
(FEHB) Program and Department of
Defense (DoD) Demonstration Project;
and Other Miscellaneous Changes****AGENCY:** Office of Personnel
Management.**ACTION:** Interim regulation.

SUMMARY: OPM is issuing an interim regulation to implement the portion of the Defense Authorization Act for 1999 that establishes authority for a demonstration project under which certain Medicare and other eligible DoD beneficiaries can enroll in health benefit plans in certain geographic areas under the Federal Employees Health Benefits (FEHB) Program. The demonstration project will run for a period of three years from January 1, 2000, through December 31, 2002. This regulation specifies only the requirements that differ from existing FEHB Program regulations because of unique aspects of the demonstration project.

DATES: The effective date of this regulation is July 6, 1999. Comments must be received on or before September 7, 1999.

ADDRESSES: Comments must be sent to Abby L. Block, Chief, Insurance Policy and Information Division, OPM, Room

3425, 1900 E Street, NW., Washington, DC 20415-0001.

FOR FURTHER INFORMATION CONTACT: Michael W. Kaszynski, (202) 606-0004. You may submit comments and data by sending electronic mail (E-mail) to: *mwkaszyn@opm.gov*.

SUPPLEMENTARY INFORMATION: The purpose of this regulation is to implement the portion of the Defense Authorization Act for 1999, Public Law 105-261, that amended chapter 55 of title 10, United States Code, and chapter 89 of title 5, United States Code, to establish a demonstration project under which certain Medicare and other eligible DoD beneficiaries can enroll in health benefit plans under the FEHB Program. The legislation was signed into law on October 17, 1998. The demonstration project will run for a period of three years from January 1, 2000, through December 31, 2002. DoD, with OPM concurrence, has selected eight geographic areas to serve as demonstration project areas. The legislation requires that between 6 and 10 geographic areas be selected. No more than 66,000 individuals can participate in the demonstration project at any one time. Beneficiaries who are provided coverage under the demonstration project will not be eligible to receive care at a military medical treatment facility or to enroll in a health care plan under DoD's TRICARE program. Individuals who disenroll or cancel enrollment from the demonstration project are not eligible to reenroll in the demonstration project. OPM will establish separate risk pools for developing demonstration project enrollee premium rates. The Government contribution for demonstration enrollees will be paid by

DoD and cannot exceed the percentage that the Government would have contributed had the enrollee been enrolled as a regular FEHB enrollee in the same health benefits plan and level of benefits.

The legislation requires OPM and DoD to jointly produce and submit two reports to Congress designed to assess the viability of expanding access to the FEHB Program to certain Medicare and other eligible DoD beneficiaries permanently. The first report is due by April 1, 2001; the second is due by December 31, 2002. The reports will focus on enrollee participation levels, impact on Medicare Part B enrollment, impact on premium rates and costs as compared to regular FEHB enrollees, impact on accessibility of care in military treatment facilities, impact on medical readiness and training in military treatment facilities, impact on the cost, accessibility, and availability of prescription drugs for DoD beneficiaries, and recommendations on eligibility and enrollment.

OPM has determined it necessary to specify certain differences from existing FEHB Program regulations because of the unique features of the demonstration project. This regulation amends chapter 16 of title 48, Code of Federal Regulations (CFR) to enumerate these differences.

When developing premium rates for demonstration project community-rated carriers, OPM will not use similarly sized subscriber group (SSSG) rating methodologies to determine the reasonableness of the carrier's demonstration project premium rates. We are not using SSSG's because we have learned from our consultations with community-rated carriers that