

Accordingly, the addition of §§ 62.9635, 62.9636, and 62.9637 is withdrawn as of August 19, 2003.

Dated: August 11, 2003.

Judith Katz,

Acting Regional Administrator, Region III.

[FR Doc. 03-21053 Filed 8-18-03; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[CC Docket No. 96-45, FCC 03-170]

Federal-State Joint Board on Universal Service

AGENCY: Federal Communications Commission.

ACTION: Final rule; petition for reconsideration.

SUMMARY: In this document, the Commission denies the petitions for reconsideration of the Fourth Order on Reconsideration filed by North Dakota Public Service Commission, South Dakota Public Utilities Commission and Washington Utilities and Transportation Commission. Petitioners sought to redefine the definition of voice grade access to the public switched telephone network (PSTN) as 300 to 3,500 Hertz.

FOR FURTHER INFORMATION CONTACT: Elizabeth Yockus, Attorney, Telecommunications Access Policy Division, Wireline Competition Bureau, (202) 418-7400.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Order on Reconsideration, 67 FR 41862 (6/20/02) in CC Docket No. 96-45 released on July 14, 2003. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY-A257, 445 12th Street SW., Washington, DC 20554.

I. Introduction

The Commission found that in the *Universal Service First Report and Order*, 67 FR 41862 (6/20/02), voice grade access to the PSTN should occur within the frequency range of 500 Hertz and 4,000 Hertz. In the *Fourth Order on Reconsideration*, 67 FR 70702 (November 26, 2002), the Commission reconsidered this definition because it found it would require ETCs to comply with a voice grade access standard more exacting than current industry standards. The Commission redefined the minimum bandwidth for voice grade access as 300 to 3,000 Hertz.

II. Discussion

1. The Commission denies the petitions for reconsideration of the *Fourth Order on Reconsideration* filed by North Dakota Public Service Commission, South Dakota Public Utilities Commission and Washington Utilities and Transportation Commission. As noted in the companion order released on July 14, 2003, in this docket, the Federal-State Joint Board on Universal Service expressly sought comment on this issue in this proceeding and recommended that the Commission not modify its standard for voice grade access. Moreover, no commenter in this proceeding submitted arguments in favor of modifying this definition. Accordingly, we retain the existing definition of voice grade access to the PSTN and deny the petitions for reconsideration of the *Fourth Order on Reconsideration*.

III. Ordering Clauses

2. Pursuant to the authority contained in sections 4(i), 4(j), 201-205, 214, 254, and 403 of the Communications Act of 1934, as amended, this order on reconsideration is adopted.

3. Pursuant to the authority contained in section 405 of the Communications Act of 1934, as amended, and § 1.429 of the Commission's rules, the petitions for reconsideration of the *Fourth Order on Reconsideration* filed by the North Dakota Public Service Commission, South Dakota Public Utilities Commission, and the Washington Utilities and Transportation Commission are denied.

List of Subjects in 47 CFR Part 54

Communications common carriers, Reporting and recordkeeping requirements, Telecommunications, Telephone.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. 03-21164 Filed 8-18-03; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[CC Docket No. 96-45, FCC 03-170]

Federal-State Joint Board on Universal Service

AGENCY: Federal Communications Commission

ACTION: Final rule.

SUMMARY: In this document, the Commission adopts the Federal-State Joint Board on Universal Service (Joint Board) recommendation to retain the existing list of services supported by federal universal service. The Commission agrees with the Joint Board that, with the possible exception of equal access, no new service satisfies the statutory criteria contained in section 254(c) of the Communications Act of 1934, as amended ("Act") or should be added to the list of core services.

DATES: Effective September 18, 2003.

FOR FURTHER INFORMATION CONTACT:

Elizabeth Yockus, Attorney, Telecommunications Access Policy Division, Wireline Competition Bureau, (202) 418-7400.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Order and Order on Reconsideration in CC Docket No. 96-45 released on July 14, 2003. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY-A257, 445 12th Street, SW., Washington, DC 20554.

I. Introduction

1. The Commission adopts the Federal-State Joint Board on Universal Service (Joint Board) recommendation to retain the existing list of services supported by federal universal service. The Commission agrees with the Joint Board that, with the possible exception of equal access, no new service satisfies the statutory criteria contained in section 254(c) of the Communications Act of 1934, as amended ("Act") or should be added to the list of core services. The Joint Board was unable to reach agreement on whether equal access should be added to the list of supported services and made no recommendation regarding this service. Because critical arguments in favor of adding equal access are related to the eligible telecommunications carrier (ETC) process and calculation of support for competitive ETCs, both of which are within the scope of the *Portability Proceeding*, 68 FR 10429 (March 5, 2003), the Commission makes no decision regarding equal access at this time.

II. Discussion

2. The Commission adopts the Joint Board's recommendation to retain the existing list of services supported by universal service. The Commission also agrees with the Joint Board's general conclusion that no new service satisfies the statutory criteria contained in

section 254(c) and that the public interest would not be served by expanding the list of supported services at this time. The Commission agrees with the Joint Board that the current list of supported services strikes the right balance between ensuring the availability of fundamental telecommunications services to all Americans and maintaining a sustainable universal service fund. In its *Recommended Decision*, the Joint Board discussed several specific services and proposals—advanced or high-speed services, unlimited local usage, soft dial tone or warm line services, prepaid calling plans, payphone lines, Braille TTY and two line voice carry over, N11 codes, toll or expanded area service, modifying voice grade access bandwidth, transport costs, rural wireless ETC category, and technical and service quality. The Joint Board was unable to reach agreement, however, on whether to recommend including equal access in the list of core services. The Commission makes no decision regarding equal access at this time and will address it in the context of the *Portability Proceeding*, 68 FR 10429 (March 5, 2003).

A. Advanced or High-Speed Services

3. Consistent with the Joint Board's *Recommended Decision*, the Commission declines to expand the definition of supported services to include advanced or high-speed services at this time. Although the Commission agrees with commenters, such as the National Telecommunications Cooperative (NTCA) and Valor Communications, that broadband services are becoming increasingly important for consumers in all regions of the nation, we also agree with the Joint Board and the vast majority of commenters that high-speed and advanced services currently do not meet the Act's criteria for inclusion on the list of supported services.

4. Like the Joint Board, the Commission recognizes that high-speed and advanced services may enable subscribers to access Internet resources used for educational, public health, or public safety purposes. At this time, however, the Commission does not find that advanced or high-speed services are essential to reaching these resources. The Commission agrees with the Joint Board and most commenters that although advanced and high speed services are useful for educational, public health and public safety purposes, they are not essential for these purposes as set out by section 254(c).

5. Although telecommunications carriers increasingly are deploying

infrastructure capable of providing advanced and high-speed services, the Commission agrees with the Joint Board and commenters that advanced services are not subscribed to by a substantial majority of residential consumers. In fact, the Commission's own data shows that as of December 31, 2002, there were approximately 17.4 million high-speed lines serving residential and small business subscribers, which represents 16 percent of all U.S. households. Additionally, according to another study, only 56.5 percent of all households as of September 2001 had computers and could even benefit from advanced service offerings. Furthermore, the Florida Public Service Commission (PSC) states that there were 18.6 million broadband subscribers at the end of 2002 and, assuming all of these subscribers are residential, this would represent only 17 percent of American households.

6. In addition, comments in response to the *Notice of Proposed Rulemaking*, 68 FR 12020 (March 13, 2003), like those in response to the Joint Board's *Public Notice*, 66 FR 46461 (September 5, 2001), suggest that adding advanced or high-speed services to the definition of supported services would be contrary to the public interest due to the high cost of requiring the deployment of such services. If advanced or high-speed services were added to the list of supported services, it could drastically increase the financial burden placed on carriers and, ultimately, consumers because all eligible telecommunications carriers would be required to offer such services in order to receive support. The Commission agrees with the Joint Board that the public interest would not be served by substantially increasing the support burden by expanding the definition of universal service to include these services.

7. Moreover, the Commission agrees with the Joint Board that adding advanced or high-speed services to the list could jeopardize support currently provided to some carriers. While many small rural carriers have made significant progress in deploying broadband infrastructure, they do not yet offer advanced or high speed services ubiquitously throughout their service area. This would reduce the number of providers eligible for universal service support and might reduce consumer choice in rural and high-cost areas.

8. Although the Commission concludes that advanced or high-speed services do not satisfy the statutory criteria necessary for inclusion in the definition of supported services at this time, the Commission maintains its

commitment to ensuring that appropriate policies are in place to encourage the successful deployment of infrastructure capable of delivering advanced and high-speed services. Indeed, section 254(b) of the Act provides that the Joint Board and the Commission shall base policies for the preservation and advancement of universal service on several principles, including the ability to access advanced telecommunications and information services in all regions of the nation. Accordingly, the Commission continues to support the Commission's prior conclusion that "our universal service policies should not inadvertently create barriers to the provision or access to advanced services, and * * * that our current universal service system does not create such barriers." Thus, even though advanced services are not directly supported by federal universal service, "[Commission] policies do not impede the deployment of modern plant capable of providing access to advanced services." The Commission recognizes that the network is an integrated facility that may be used to provide both supported and non-supported services. The Commission believe that the our policy of not impeding the deployment of plant capable of providing access to advanced or high-speed services is fully consistent with the Congressional goal of ensuring access to advanced telecommunications and information services throughout the nation.

B. Unlimited Local Usage

9. The Commission adopts the Joint Board recommendation that unlimited local usage should not be added to the list of supported services. The Commission agrees with the Joint Board and the vast majority of the commenters that unlimited local usage is not essential to education, public health or public safety. The Commission also agrees with the Joint Board that adding it to the list would not serve the public interest because it could hinder states' ability to require local metered pricing for local service. As the Joint Board noted, states may require or encourage local metered service because it may, for example, encourage subscribership among low-income or low-volume users. Adding a national local usage requirement, however, would preclude this type of experimentation by the states. The Commission agrees with AT&T that states are in a better position to determine whether unlimited local usage offerings are beneficial in particular circumstances. Finally, the Commission note that the Joint Board found the record to be inadequate to determine whether adoption of such a

requirement would provide a competitive advantage to wireline carriers, due to the different cost structures of wireless and wireline technologies. No party provided additional information to address this issue in response to the *Notice of Proposed Rulemaking*. Accordingly, the Commission concurs with the Joint Board's recommendation regarding unlimited local usage.

10. The Commission is not persuaded by comments filed by the National Association of State Utility Consumer Advocates (NASUCA) and the Montana Universal Service Task Force (MUST) that unlimited local usage should be added to the list. NASUCA and MUST assert unlimited local usage should be included in the definition of supported services simply because it is widely available and subscribed to by a majority of residential consumers when offered. They believe that concerns regarding the competitive neutrality of such a requirement should not outweigh the fact that it is provided to many, if not most, residential consumers. Both parties, however, fail to consider all of the statutory criteria. MUST does not consider, much less rebut, the Joint Board's finding that unlimited local usage is not essential to education, public health and public safety. Moreover, both NASUCA and MUST fail to consider that the Joint Board concluded it would preclude state experimentation with calling plans and, therefore, not serve the public interest. Based on our consideration of all of the factors, specifically that it is not essential, that it would not serve the public interest, and that the Commission have no basis to determine whether it is competitively neutral, we find that unlimited local usage should not be added to the list of core services at this time.

C. Soft Dial Tone/Warm Line Service

11. The Commission agrees with the Joint Board that the definition of the services supported by universal service should not be expanded to include soft dial tone/warm line service. Soft dial tone/warm line service enables a consumer without local service to utilize an otherwise disconnected line to contact emergency services and the local exchange carrier's central business office. Such services, however, are not subscribed to by any residential consumers. Additionally, the Commission finds the record does not contain sufficient information to indicate that adding soft dial tone/warm line service to the list of supported services would serve the public interest. In response to the *Notice of Proposed*

Rulemaking, no commenter provided estimates of the cost of adding soft dial tone or warm line service to the list of supported services or addressed in detail the implementation and administration of such a requirement.

12. Although the Commission agrees with USCCB *et al.* that soft dial tone/warm line service can improve the ability of certain low-income consumers to reach emergency services, we also agree with the Joint Board that states are in a better position to establish these programs because states maintain closer ties to local public safety organizations. The vast majority of commenters support the Joint Board's recommendation and believe the establishment of soft dial tone or warm line programs would be better left to the individual states. In fact, the New York Department of Public Service stated that a national solution, and the commitment costs that would be incurred, would conflict with its state program and eliminate the flexibility required to meet local needs. Accordingly, we adopt the Joint Board's recommendation that these services not be added to the list of supported services at this time. However, given the importance of such services, we do agree with NASUCA that we should continue to monitor the development of state soft dial tone and warm line programs.

D. Prepaid Calling

13. The Commission agrees with the Joint Board that the services supported by universal service should not be expanded to include prepaid services. In response to the *Notice of Proposed Rulemaking*, USCCB *et al.* proposes to add prepaid services generally to the list of supported services. It argued its proposal—which encompasses wireline and wireless technologies—meets the section 254(c) criteria and is competitively neutral.

14. Based on the record before us, USCCB *et al.*'s proposal does not appear to meet three of the statutory criteria. First, the record does not indicate that a substantial majority of residential consumers subscribe to prepaid services. Although the Commission agree with USCCB *et al.* that consumers receive the same telecommunications functionalities, *i.e.* voice grade access to the public switched network, regardless of when they pay for services, pre- and postpaid services utilize different billing practices. USCCB *et al.* has failed to provide any information regarding the number of consumers who select the prepaid billing option. Second, no party has submitted information in the record regarding the extent to which wireline

and wireless carriers have billing systems capable of providing prepaid services, so the record is insufficient to determine whether carriers have deployed prepaid service billing equipment in their networks.

15. Third, the Commission question whether adding prepaid services to the list of supported services would be in the public interest. The record does not contain information about how much it would cost for carriers that do not already have prepaid functionalities to acquire such capabilities. Therefore, it is difficult to balance implementation costs with the potential benefits of increased subscribership. In addition, NASUCA asserts that because the requirement would apply to all ETCs, it would require some carriers that serve areas with high penetration rates to implement billing changes without any significant benefit. Because the record does not indicate whether wireline carriers have systems equipped for prepaid plans, the Commission also are concerned that USCCB *et al.*'s proposal may place wireline carriers at a competitive disadvantage vis-à-vis wireless carriers that may already offer prepaid plans. NASUCA also points out that prepaid pricing plans today are often significantly higher than those for post-paid services, and, therefore, may not be within the financial reach of some consumers. For these reasons, the Commission conclude that prepaid services should not be added to the list of supported services.

E. Payphone Lines

16. The Commission agrees with the Joint Board that payphone lines should not be included in the definition of supported services at this time. Although payphones play an important role in the public communications network, the Commission are persuaded by the Joint Board's finding that payphone lines are not subscribed to by a substantial majority of residential consumers. In addition, the Commission agrees with the Joint Board that the record is insufficient to determine whether adding payphone lines to the list of supported services would serve the public interest. There is no evidence in the record that additional federal support for payphone lines in high cost areas is needed for all payphone lines or would be necessary to ensure the continued availability of particular payphones. Moreover, including payphones in the list of core services could reduce the number of potential competitive providers of the core services because many competitive LECs and CMRS carriers do not offer payphone service throughout their

service areas and would be ineligible for ETC designations. No party filed comments in response to the *Notice of Proposed Rulemaking* in favor of adding payphone lines to the definition of supported services or supplemented the record analyzed by the Joint Board. Therefore, the Commission finds the record is insufficient to support the addition of payphone lines to the list of core services.

F. Braille TTY and Two Line Voice Carry Over

17. The Commission agrees with the Joint Board that the list of core services should not be expanded to include Braille TTYs and two line voice carry over (2LVCO). Braille TTYs are equipment used to print text messages in Braille for people who are deaf-blind, and 2LVCO allows hearing impaired consumers to read text messages and respond verbally to a relay operator. 2LVCO is a service that hearing-impaired consumers provide for themselves by purchasing a special TTY and combining it with a second line and conference calling. No commenter in response to the Commission's *Notice of Proposed Rulemaking* argued in favor of adding either to the list of supported services.

18. Like the Joint Board, the Commission finds that Braille TTYs, which are customer premises equipment, are ineligible for universal service support because section 254(c) expressly limits the definition of universal service to "telecommunications services." Moreover, given the lack of information on the costs of implementing the proposal to make 2LVCO a supported service, the Commission agree with the Joint Board and finds the record insufficient to add this service to the list of supported services at this time. The Commission remains committed to exploring alternative mechanisms to ensure the accessibility of telecommunications services for persons with disabilities.

G. N11 Codes

19. The Commission adopts the Joint Board's recommendation that N11 codes, with the exception of 911 services, do not meet the statutory criteria and, therefore, should not be added to the definition of supported services. N11 codes are abbreviated dialing arrangements of which the first digit may be any digit other than 0 or 1, and the last two digits are both 1. These codes are used to enable callers to complete telephone calls to various services that require the dialing of a seven or ten digit telephone number. In

order for consumers to access these services using the N11 code, the telephone network must be pre-programmed to translate the three-digit code into the appropriate seven or ten-digit telephone number to route the call. The Joint Board found that N11 codes are not subscribed to by a substantial majority of residential consumers and are not essential for education, public health, or public safety because consumers may reach the services by dialing the seven or ten digit number. In response to the Commission's *Notice of Proposed Rulemaking*, no commenter argued in favor of adding N11 services to the list of supported services. Therefore, the Commission agree with the Joint Board's recommendation and finds that N11 services should not be added to the list of supported services.

H. Toll or Expanded Area Service

20. The Commission agrees with the Joint Board that the definition of supported services should not be expanded to include toll or expanded area services. The Joint Board found the record insufficient to warrant addition of toll or expanded area services. Specifically, the record failed to identify the extent to which limited local calling areas pose a barrier for certain consumers to reach essential services, the cost of the remedy and what critical services if any should be supported. No commenter argued that these services should be added to the list in response to the Commission's *Notice of Proposed Rulemaking* or supplemented the record analyzed by the Joint Board. Therefore, like the Joint Board, we find the record insufficient to add these services to the list of supported services at this time.

I. Modifying Voice Grade Access Bandwidth

21. The Commission agrees with the Joint Board that the existing definition of voice grade access to the Public Switched Telephone Network (PSTN), which provides for a minimum bandwidth of 300 to 3,000 Hertz, should be retained. Several commenters representing small and rural LECs, in response to the Joint Board *Public Notice*, proposed to modify the definition to 300 to 3,500 Hertz, with the goal of improving dial-up modem speeds in rural areas. However, the record before the Joint Board was insufficient to demonstrate that the proposed modification would actually increase dial-up modem speeds in any areas. No commenter in response to the *Notice of Proposed Rulemaking* argued in favor of this modification or augmented the record on this issue. The Commission are persuaded by the Joint

Board's conclusion that carriers should not be required to invest additional funds in mature narrowband technologies, particularly when such access would not be necessarily result in improved dial-up connection speeds. Moreover, because it is unclear, based on the record before us, whether carriers have deployed loops that meet the proposed voice grade bandwidth, the Commission, like the Joint Board, are concerned that redefining the definition of voice grade access in this manner could render existing wireline ETCs ineligible for support and preclude wireless carriers from being designated ETCs. The Commission agrees with the Joint Board that redefining voice grade access in this manner would not serve the public interest.

J. Transport Costs

22. The Commission agrees with the Joint Board that the list of supported services should not be expanded to include transport costs at this time. "Transport costs" refer to two proposals raised in response to the Joint Board's *Public Notice*: first, to modify the definition of "access to interexchange service" to include the use of transport facilities in insular areas and second, to provide universal service funding to IXC's in Alaska for transport costs needed to support 56kbps data transmissions. No commenter in response to the *Notice of Proposed Rulemaking* argued for the addition of transport costs to the list of supported services or supplemented the record analyzed by the Joint Board. Accordingly, the Commission agrees with the Joint Board and finds that the record is inadequate to determine whether there is need for such support and what the cost of providing such support would be. The Commission also agrees with the Joint Board that allowing funding for transport to enable 56 kbps transmissions would be inappropriate given the decision not to expand or modify the definition of voice grade access as described above.

K. Rural Wireless ETC Category

23. The Commission agrees with the Joint Board recommendation that a new rural wireless ETC category should not be created to enable wireless carriers to receive support for the implementation of CALEA and E911 solutions. The Joint Board found that creating different criteria for a subset of ETCs would be contrary to the intent of section 214 and may not be competitively neutral. No commenters in response to the *Notice of Proposed Rulemaking* disagreed with the Joint Board's conclusion. Accordingly, the Commission agrees

with the Joint Board that we should not create a subcategory of ETC for rural wireless carriers.

L. Technical and Service Quality Standards

24. The Commission agrees with the Joint Board and the vast majority of commenters that we should not impose technical or service quality standards as a condition to receive universal service support. The Commission is not persuaded that there is a need to adopt federal technical and service quality standards at this time. In response to the *Notice of Proposed Rulemaking*, no commenter provided specific examples of states that lack jurisdiction over certain carriers or service quality problems that would necessitate a federal standard. Based on the record before us in this proceeding, the Commission finds no reason to supplant the states' role of implementing and enforcing technical and service quality standards.

M. Equal Access

25. The Joint Board was unable to reach agreement on whether equal access should be added to the list of supported services. Consequently, the *Recommended Decision* presented the arguments of the Joint Board members in favor of and opposed to adding equal access to the definition of supported services. Comments received in response to the *Notice of Proposed Rulemaking* were similarly split.

26. Parties in favor of adding equal access argue all ETCs that receive high cost support in a particular area should be required to provide comparable services. Specifically, they argue regulatory parity requires wireless ETCs to provide equal access, because the majority of incumbent LEC/ETCs offer it. Additionally, these parties assert that the current definition of supported services, when combined with the Commission's policies for calculating competitive ETC high-cost support, provides advantages to wireless ETCs. Specifically, they allege wireless ETCs receive a windfall when they receive support based on the incumbent ETC's costs, as these costs include the cost of providing equal access, a service not provided by wireless ETCs. The parties also argue that competition in high-cost areas will be enhanced with equal access requirements for universal service support, and that consumers will benefit. Furthermore, they assert that when considering the totality of the circumstances and the four section 254 criteria for determining what services should be supported, equal access should be added to the list of supported

services. Finally, they argue that section 332(c)(8) of the Act does not prevent the Commission from requiring CMRS carriers to provide equal access in order to receive universal service funds. They contend this provision only prevents the Commission from requiring CMRS carriers to provide equal access as a general condition of mobile service.

27. Parties in opposition to adding equal access to the list of supported services assert that the costs of adding equal access to the list of supported services would hinder competitive ETCs from entering or continuing to serve some geographic areas. These parties also claim that the addition to the list of supported services would be inconsistent with the congressional intent of section 332(c)(8) of the Act, and would not further the competitive goals of the Act. Finally, they argue that equal access fails to meet the section 254(c) statutory criteria.

28. Because critical arguments in favor of adding equal access are related to the ETC designation process and the calculation of support for competitive ETCs, both of which are within the scope of the *Portability Proceeding*, the Commission makes no decision regarding equal access at this time. The Commission agrees with commenters like Verizon Wireless and T-Mobile that some of the arguments raised in favor of adding equal access are directly related to the methodology for calculating universal service support provided to competitive ETCs.

Given the scope of the *Portability Proceeding*, the Commission believes that a determination regarding equal access would be premature at this time. For example, if the Commission were to determine that competitive ETCs' support should be based on their own costs, as opposed to incumbents', many of the arguments for adding equal access could be moot. Accordingly, the Commission defers consideration of this issue pending resolution of the *Portability Proceeding*.

29. We note that the outcome of the Commission's pending proceeding examining the rules relating to high-cost universal service support in competitive areas could potentially impact, among other things, the support that competitive ETCs may receive in the future. As such, the Commission recognizes that any grant of competitive ETC status pending completion of that proceeding will be subject to whatever rules are established in the future. The Commission intends to proceed as expeditiously as possible to address the important and comprehensive issues that are being raised.

III. Procedural Issues

A. Final Regulatory Flexibility Act Analysis

1. Need for, and Objectives of, the Report and Order

30. As required by the Regulatory Flexibility Act (RFA), an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the *Notice of Proposed Rulemaking*. The Commission sought written public comment on the proposals in the *Notice of Proposed Rulemaking*, including comment on the IRFA. This present Final Regulatory Flexibility Analysis (FRFA) conforms to the RFA.

31. In this Order, the Commission adopts the Joint Board's recommendations to retain the existing list of services supported by universal service. Accordingly, the Commission do not adopt any changes to our universal service rules or reporting burdens.

2. Summary of Significant Issues Raised by the Public Comments in Response to the IRFA

32. The Commission did not receive any comments in response to the IRFA.

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

33. The Commission did not adopt or modify any rules in this Order.

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

34. There are no new or changed reporting requirements adopted in this Order.

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

35. Because no rules are adopted or modified in this Order, there are no economic impacts created by this Order.

6. Report to Congress

36. The Commission will send a copy of this Order, including the FRFA analysis, in a report to be sent to Congress pursuant to the Congressional Review Act. In addition, the Commission will send a copy of this Order, including this FRFA analysis, to the Chief Counsel for Advocacy of the Small Business Administration. A copy of this Order and FRFA analysis (or summaries thereof) also will be published in the **Federal Register**.

B. Paperwork Reduction Act Analysis

37. The action contained herein has been analyzed with respect to the

Paperwork Reduction Act of 1995 and found to impose no new or modified reporting and recordkeeping requirements or burdens on the public.

IV. Ordering Clauses

38. Pursuant to the authority contained in sections 4(i), 4(j), 201–205, 214, 254, and 403 of the Communications Act of 1934, as amended, this order is adopted.

List of Subjects in 47 CFR Part 54

Communications common carriers, Reporting and recordkeeping requirements, Telecommunications, Telephone.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. 03–21163 Filed 8–18–03; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

49 CFR Part 71

[Docket No. OST–2003–15945]

RIN 2105–AD32

Establishment of the Chamorro Standard Time Zone

AGENCY: Office of the Secretary (OST), (DOT).

ACTION: Final rule.

SUMMARY: By statute, Congress established the Chamorro standard time zone. Geographically this time zone includes Guam and the Commonwealth of the Northern Mariana Islands. This final rule revises the Department of Transportation's regulations to reference the new time zone.

DATES: This rule is effective on August 19, 2003.

FOR FURTHER INFORMATION CONTACT: Joanne Petrie, Office of the Assistant General Counsel for Regulation and Enforcement, U.S. Department of Transportation, Room 10424, 400 Seventh Street, SW., Washington, DC 20590, (202) 366–9315.

SUPPLEMENTARY INFORMATION:

Electronic Access

You can view and download this document by going to the web page of the Department's Docket Management System (<http://dms.dot.gov/>). On that page, click on "search." On the next page, type in the last five digits of the docket number shown on the first page of this document. Then click on

"search." An electronic copy of this document also may be downloaded by using a computer, modem, and suitable communications software from the Government Printing Office's Electronic Bulletin Board Service at (202) 512–1661. Internet users may reach the Office of Federal Register's home page at <http://www.nara.gov/fedreg> and the Government Printing Office's database at <http://www.access.gpo.gov/nara/index.html>.

Background

On January 24, 2000, Congress passed the Guam and the Northern Mariana Islands Standard Time Zone Act [Pub. L. 106–564, 114 Stat. 2811], which amended title 15 of the United States Code. The Act established the Chamorro standard time zone for Guam and the Commonwealth of the Northern Mariana Islands. The term Chamorro refers to the culture and people of that area.

This final rule is ministerial in nature and is meant to incorporate the statutory change into the Department's regulations for reader convenience. As such, notice and comment are unnecessary and contrary to the public interest. Further, because this rule does not impose substantive requirements on the public, the Department finds that there is good cause to make this rule effective on the date of publication in the **Federal Register** because it is merely referencing a statutory change that is already in effect.

Regulatory Analysis and Notices

A. Executive Order 12866 and DOT Regulatory Policies and Procedures

This rule is not a "significant regulatory action" under section 3(f) of Executive Order 12866 and was not reviewed by the Office of Management and Budget. Similarly, the rule is not significant under the criteria of the Regulatory Policies and Procedures of the Department of Transportation (44 FR 11034). There are no costs associated with this rule.

B. Federalism

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 13132, dated August 4, 1999. This final rule does not have a substantial direct effect on States.

C. Indian Tribal Governments

This final rule has been analyzed in accordance with the principles and criteria contained in Executive Order 13084 ("Consultation with Indian Tribal Governments"). Because this final rule does not significantly or uniquely affect the communities of the Indian tribal

governments and does not impose substantial direct compliance costs, the funding and consultation requirements of Executive Order 13084 do not apply.

D. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires an agency to review regulations to assess their impact on small entities unless the agency determines that a rule is not expected to have a significant impact on a substantial number of small entities. The Department of Transportation hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities.

E. Paperwork Reduction Act

This rule contains no information collection requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

F. Unfunded Mandates Reform Act

The Department has determined that the requirements of Title II of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) do not apply to this rulemaking.

G. Environment

We considered the environmental impact of this final rule and have determined that this rule has no environmental implications.

Final Rule

List of Subjects in 49 CFR Part 71

Time zones.

■ For the reasons discussed in the preamble, the Department of Transportation amends 49 CFR part 71 as follows:

PART 71—STANDARD TIME ZONE BOUNDARIES

■ 1. The authority citation for part 71 is revised to read as follows:

Authority: Secs. 1–4, 40 Stat. 450, as amended; sec. 1, 41 Stat. 1446, as amended; secs. 2–7, 80 Stat. 107, as amended; 100 Stat. 764; Act of Mar. 19, 1918, as amended by the Uniform Time Act of 1966 and Pub. L. 97–449, 15 U.S.C. 260–267; Pub. L. 99–359; Pub. L. 106–564, 15 U.S.C. 263, 114 Stat. 2811; 49 CFR 1.59(a), unless otherwise noted.

■ 2. Add § 71.14 to read as follows:

§ 71.14 Chamorro Zone.

The ninth zone, the Chamorro standard time zone, includes the Island of Guam and the Commonwealth of the Northern Mariana Islands.