

factor be rounded up to the nearest tenth of a percent, and that rounding be accounted for when calculating circularity, accommodates concerns expressed by AT&T and others that billing system limitations, when coupled with the recovery limitations in § 54.712 of our rules, may inhibit some carriers' ability to recover a portion of their contribution costs through their federal universal service line-item charges. This action also will prevent carriers from recovering amounts in excess of contribution obligations. We therefore conclude that each quarter the Bureau shall announce a contribution factor rounded up to the nearest tenth of a percent.

III. Regulatory Flexibility Act Certification

23. The Regulatory Flexibility Act of 1980, as amended (RFA), *see generally* 5 U.S.C. 601–612, requires that a regulatory flexibility analysis be prepared for notice-and-comment rule making proceedings, unless the agency certifies that “the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.” 5 U.S.C. 605(b). The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.” In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act. A “small business concern” is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA). As required by the RFA, an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the *First Further Notice*, 67 FR 11254, March 13, 2002. The Commission sought written public comment on the proposals in the *First Further Notice*, including comment on the IRFA. In the *Interim Contribution Methodology Order*, the Commission included a Final Regulatory Flexibility Analysis (FRFA) that conformed to the RFA.

24. In the *Second Order on Reconsideration*, we eliminate § 54.712(b) of the Commission's rules, in order to permit eligible telecommunications carriers (ETCs) to recover from Lifeline customers contribution costs associated with the provision of interstate telecommunications services, such as occasional interstate charges and interstate long distance charges, that are not supported by the Commission's

universal service mechanisms. By eliminating this restriction on cost recovery, the *Second Order on Reconsideration* will have a beneficial, deregulatory impact on all ETCs with such customers, including small entity ETCs. We also note that this action will have no impact on the universal service contribution obligations of ETCs and should only minimally impact their contribution recovery practices. We therefore conclude that a FRFA is not required here because the *Second Order on Reconsideration* will have no significant economic impact on a substantial number of small entities.

IV. Ordering Clauses

25. Pursuant to sections 1–4, 201–202, 254, and 405 of the Communications Act of 1934, as amended, and § 1.108 of the Commission's rules, this Order and Second Order on Reconsideration is adopted.

26. Pursuant to sections 1, 4(i), 254 and 405 of the Communications Act of 1934, as amended, and §§ 1.3, 1.429 of the Commission's rules, that the Verizon Telephone Companies, SBC Communications Inc., and BellSouth Corporation Joint Petition for Interim Waiver and the National Exchange Carrier Association, Inc., National Telecommunications Cooperative Association, Organization for the Promotion and Advancement of Small Telecommunications Companies Joint Petition for Interim Waiver are granted to the extent indicated herein.

27. Pursuant to section 405 of the Communications Act of 1934, as amended, and § 1.429 of the Commission's rules, the petitions for reconsideration filed by the United States Telecommunications Association and SBC Communications Inc. are granted to the extent indicated herein.

28. Pursuant to section 405 of the Communications Act of 1934, as amended, and § 1.429 of the Commission's rules, the petition for reconsideration filed by the National Exchange Carrier Association, Inc. is denied.

29. Pursuant to section 405 of the Communications Act of 1934, as amended, and § 1.429 of the Commission's rules, the petition for reconsideration filed by WorldCom, Inc. is granted.

30. Pursuant to section 405 of the Communications Act of 1934, as amended, and § 1.429 of the Commission's rules, the petition for reconsideration filed by the Verizon Wireless is granted, in part, and denied, in part, to the extent indicated herein.

31. Pursuant to section 405 of the Communications Act of 1934, as

amended, and § 1.429 of the Commission's rules, the petition for reconsideration filed by AT&T Corp. is granted to the extent indicated herein.

32. Section 54.712 of the Commission's rules, is amended as set forth, effective April 1, 2003.

List of Subjects 47 CFR Part 54

Reporting and recordkeeping requirements, Telecommunications, Telephone.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

Final Rules

■ For the reasons discussed in the preambles, the Federal Communications Commission amends 47 CFR part 54 as follows:

PART 54—UNIVERSAL SERVICE

Subpart H—Administration

■ 1. The authority citation for part 54 continues to read as follows:

Authority: 47 U.S.C. 1, 4(i), 201, 205, 214, and 254 unless otherwise noted.

§ 54.712 [Amended]

■ 2. In § 54.712, remove and reserve paragraph (b).

[FR Doc. 03–7702 Filed 3–31–03; 8:45 am]

BILLING CODE 6712–01–U

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

49 CFR Part 665

[FTA Docket No. 98–B]

RIN 2132–AA30

Bus Testing

AGENCY: Federal Transit Administration, DOT.

ACTION: Final rule.

SUMMARY: The Federal Transit Administration is adopting, as a final rule, without change, the current interim final rule that sets forth regulations governing the testing of vehicles used in mass transportation service.

EFFECTIVE DATE: June 2, 2003.

FOR FURTHER INFORMATION CONTACT: For technical questions, contact Marcel Belanger, Office of Research and Innovation, Federal Transit Administration, (202) 366–0725. For legal issues, contact Richard L. Wong, Office of the Chief Counsel, Federal Transit Administration, (202) 366–4011.