

coordinated use, reserved for central station alarm operations, as under current rules. These channels will be referred to as "Group D."

- Designates fourteen 12.5 kHz channels pairs for low power use in the Public Safety Pool. These channels will be referred to as the "Public Safety Group."

- "Grandfathers" high power operations currently licensed on the low power channels.

2. The FCC believes that the plan it adopts will accommodate a broad range of potential low power users while maximizing efficient and flexible use of the band.

Procedural Matters

A. Regulatory Flexibility Act Analyses

3. As required by Section 604 of the Regulatory Flexibility Act, 5 U.S.C. 604, the FCC has prepared a Final Regulatory Flexibility Analysis (FRFA) of the expected impact on small entities of the rule changes implemented in this document. The FRFA is set forth further.

B. Paperwork Reduction Act of 1995 Analysis

4. The actions taken in the Report and Order have been analyzed with respect to the Paperwork Reduction Act of 1995, Public Law Number 104-13, and found to impose no new or modified recordkeeping requirements or burdens on the public.

Final Regulatory Flexibility Analysis

5. As required by the Regulatory Flexibility Act (RFA) of 1980, as amended, an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the NPRM. The FCC sought written public comment on the proposals in the Notice of Proposed Rule Making (NPRM), including comment on the IRFA. This present Final Regulatory Flexibility Analysis (FRFA) conforms to the RFA.

A. Need for, and Objectives of the Final Rules

6. The rule changes implemented by this decision are needed in order to facilitate the viability of important low power operations in the 450-470 MHz band. Previously, low power operators were licensed on channels that were 12.5 kHz removed from regularly assignable channels in this band ("12.5 kHz offset channels"). These offset channels, however, were reclassified by the FCC for high power operation. Because of the continuing need for low power channels, the FCC believes that the rule changes contained in its decision are in the public interest.

7. The FCC's objective, the implementation of a low power plan that would suit the needs of low power users, was realized in the following manner. The FCC tasked the private land mobile radio (PLMR) frequency coordinators with developing a plan for low power operations, through industry consensus, on what was formerly known as the 450-470 MHz low power offset channels. On June 4, 1997, the Land Mobile Communications Council (LMCC) filed the requested plan (Consensus Plan).

Because the LMCC's Consensus Plan required changes to the FCC's Rules, on September 11, 2000, the LMCC filed with the FCC a Petition for Rule Making seeking the appropriate amendments. On July 24, 2001, the FCC released a Notice of Proposed Rule Making, proposing amendments to Part 90 of its rules in order to effectuate the changes suggested in the Consensus Plan. The resulting Report and Order implements many of the proposed changes. Among the major rules adopted are: designation of forty-nine 12.5 kHz 450-470 MHz Industrial/Business channel pairs and one unpaired frequency for low power coordinated use, of which 39 channel pairs and one unpaired frequency will be available for full power at least 50 miles outside of the top 100 urban areas; raising of power limits for base/fixed operations on the Group A channels to 20 watts effective radiated power; designation of ten 12.5 kHz 450-470 MHz channel pairs for low power non-voice coordinated use nationwide, with voice operations allowed on a secondary basis; designation of twenty-five 12.5 kHz 450-470 MHz channel pairs for low power non-coordinated use nationwide; conversion of power limits for mobile operations on frequencies in the Public Safety Group and Industrial/Business Groups A, B and C, to 6 watts effective radiated power; designation of five 12.5 kHz 450-470 MHz channel pairs for low power, coordinated use (primarily central station alarm); designation of fourteen 12.5 kHz channels pairs for low power use in the Public Safety Pool; and the grandfathering of high power operations currently licensed on the low power channels.

B. Legal Basis

8. Authority for the amendments included in the Report and Order is contained in Sections 4(i), 303(f), 303(r), and 332 of the Communications Act of 1934, as amended, 47 U.S.C. 4(i), 303(f), 303(r), and 332.

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

9. 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 herein. 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 "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 SBA.

10. *Governmental Entities.* "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." As of 1992, there were approximately 85,006 such jurisdictions in the United States. This number includes 38,978 counties, cities, and towns; of these, 37,566, or ninety-six percent, have populations of fewer than 50,000. The Census Bureau estimates that this ratio is approximately accurate for all governmental entities. Thus, of the 85,006 governmental entities, the FCC estimates that 81,600 (ninety-one percent) are small entities. Below, the FCC further describes and estimates the number of small entity licensees and regulatees that may be affected by the rule changes adopted herein.

11. *Public Safety Radio Services.* As a general matter, Public Safety Radio Pool licensees include police, fire, local government, forestry conservation, highway maintenance, and emergency medical services. The SBA rules contain a definition for small radiotelephone (wireless) companies, which encompasses business entities engaged in radiotelephone communications employing no more than 1,500 persons. There are a total of approximately 127,540 licensees within these services. With respect to local governments, in particular, since many governmental entities as well as private businesses comprise the licensees for these services, the FCC includes under public safety services the number of government entities afflicted.

12. *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