

that, together with its affiliates, has annual average gross revenues that are not more than \$40 million for the proceeding three calendar years. This definition of a small entity, in the context of the Commission's decision concerning MMDS auctions, has been approved by the SBA.

The Commission completed its MMDS auction in March 1996 for authorization in 493 basic trading areas ("BTAs"). Of the 67 winning bidders, 61 qualified as small entities under the Commission definition. Five winners indicated that they were minority-owned and four winners indicated that they were women-owned businesses. In 1998, the Commission released the *Two-Way Order* permitting MDS/ITFS licensees to construct digital two-way systems that could provide high-speed, high-capacity broadband service, including two-way Internet service via cellularized communication systems. As a result, although over 2,650 MDS and MMDS licenses have been issued in the U.S., four companies—Sprint, WorldCom, Nucentrix and BellSouth—hold more than half of the licenses. Collectively, these four companies can potentially reach 75% of the U.S. population. The number of MMDS subscribers, however, has declined to approximately 490,000 from 700,000 last year. Presumably, the remaining licenses are held by small businesses under the Commission auction standard for small entities.

#### *D. Description of Projected Reporting, Record Keeping and other Compliance Requirements*

This Report and Order creates no additional reporting, record keeping, or other requirements. Rather, makes reporting easier and more efficient by permitting filing by electronic means via the Internet. It also simplifies reporting by standardizing forms and deleting duplicate and unnecessary data collections.

#### *E. Steps Taken To Minimize the Impact on Small Entities, and Significant Alternatives Considered*

The RFA requires an agency to describe any significant alternatives that it has considered in developing its approach, which may include the following four alternatives (among others): "(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance and reporting requirements

under the rule for such small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof, for such small entities."

The impact of this action on small entities will not only be identical to the impact on large entities, it will be entirely beneficial. It gives them the option of eliminating the cost and expense of filing paper copies of required documents. We did not adopt a requirement for mandatory electronic filing specifically because of concerns for the burden that mandatory filing might impose upon small entities.

*Report to Congress.* We will send a copy of this Report and Order, including this FRFA, in a report to Congress pursuant to the Congressional Review Act of 1996. A copy of this report and Order and FRFA (or summary thereof) will also be published in the **Federal Register**, pursuant to 5 U.S.C. 604(b), and will be sent to the Chief Counsel for Advocacy of the Small Business Administration.

#### **Ordering Clauses**

■ Accordingly, pursuant to authority found in sections 4(i)–(j) of the Communications Act of 1934, as amended, 47 U.S.C. 154(i)–(j), 303(c), (f), and (r), and 309(j), the Commission's rules *are amended* as set forth in this Order.

■ The action contained herein has been analyzed with respect to the Paperwork Reduction Act of 1995, Public Law 104–13, and found to impose new or modified information collection requirements on the public. Implementation of these new or modified information collection requirements will be subject to approval by the Office of Management and Budget (OMB) as prescribed by the Paperwork Reduction Act. Consequently, the amendments to the Commission's rules set forth in this Order *will become effective* upon announcement in the **Federal Register** of OMB approval of the new or modified information collecting requirements and the implementation of the electronic filing system specified therein.

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

#### **List of Subjects**

##### *47 CFR Part 0*

Organization and functions (Government agencies), Reporting and recordkeeping requirements.

##### *47 CFR Part 1*

Reporting and recordkeeping requirements.

##### *47 CFR Part 76*

Cable television, Reporting and recordkeeping requirements.

##### *47 CFR Part 78*

Cable television, Communications equipment, Radio, Reporting and recordkeeping requirements.

Federal Communications Commission.

**William F. Caton,**  
*Deputy Secretary.*

#### **Rule Changes**

■ For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR parts 0, 1, 76, and 78 as follows:

#### **PART 0—COMMISSION ORGANIZATION**

■ 1. The authority citation for part 0 continues to read as follows:

**Authority:** Secs. 5, 48 Stat. 1068, as amended; 47 U.S.C. 155, 225, unless otherwise noted.

■ 2. Revise § 0.401(b)(3) to read as follows:

##### **§ 0.401 Location of Commission offices.**

\* \* \* \* \*

(b) \* \* \*

(3) Alternatively, applications and other filings may be sent electronically via the Universal Licensing System (ULS) or the Cable Operations and Licensing System (COALS) as appropriate for use of those systems.

#### **PART 1—PRACTICE AND PROCEDURE**

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

**Authority:** 47 U.S.C. 151, 154(i), 154(j), 155, 225, 303(r), 309 and 325(e).

■ 4. In the table in § 1.1104, entry 8 is amended by revising the introductory text and by revising entries h. and i. to read as follows:

##### **§ 1.1104 Schedule of charges for applications and other filings for media services.**

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