

(Catalog of Federal Domestic Assistance No. 83.100, "Flood Insurance.")

Dated: May 21, 2003.

Anthony S. Lowe,

Mitigation Division Director, Emergency Preparedness and Response Directorate.

[FR Doc. 03-13206 Filed 5-27-03; 8:45 am]

BILLING CODE 6718-04-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[CC Docket Nos. 00-256 and 96-45; FCC 03-106]

Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers; Federal-State Joint Board on Universal Service

AGENCY: Federal Communications Commission.

ACTION: Final rule; petition for reconsideration.

SUMMARY: In this document, the Commission addresses a Petition for Reconsideration of the *MAG Order* filed by the National Exchange Carrier Association (NECA), the National Rural Telecom Association, the Organization for the Promotion and Advancement of Small Telecommunications Companies, and the United States Telecom Association (collectively, the Joint Petitioners). In response to the concerns raised by the Joint Petitioners, the Commission grants their request to amend of our rules to move the deadline for filing actual common line cost and revenue data from July 31st to December 31st of each year. The Commission also amends its rules to permit rate-of-return carriers to file updates of projected common line cost and revenue data on June 30th of each year. Additionally, the Commission adopts several minor amendments to its rules in response to issues raised by the Joint Petitioners and on our own motion.

DATES: Effective June 27, 2003.

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

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Third Order on Reconsideration in CC Docket Nos. 00-256 and 96-45 released on May 8, 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 addresses a Petition for Reconsideration of the *MAG Order*, 66 FR 59719, November 30, 2001, filed by the National Exchange Carrier Association (NECA), the National Rural Telecom Association, the Organization for the Promotion and Advancement of Small Telecommunications Companies, and the United States Telecom Association (collectively, the Joint Petitioners). The Joint Petitioners raise issues concerning the filing requirements for Interstate Common Line Support (ICLS), the new universal service support mechanism established in the *MAG Order*. In response to the concerns raised by the Joint Petitioners, the Commission grants their request to amend § 54.903(a)(4) of our rules to move the deadline for filing actual common line cost and revenue data from July 31st to December 31st of each year. The Commission also amends § 54.903(a)(3) of our rules to permit rate-of-return carriers to file updates of projected common line cost and revenue data on June 30th of each year. As discussed, these changes will promote more accurate and efficient distribution of ICLS while minimizing administrative burdens on rate-of-return carriers. Additionally, the Commission adopts several minor amendments to §§ 54.307, 54.902, and 54.903 of our rules in response to issues raised by the Joint Petitioners and on our own motion.

II. Discussion

2. *Filing of Actual Cost and Revenue Data.* On reconsideration, the Commission grants the Joint Petitioners' request to change the filing date for actual cost and revenue data for the prior calendar year from July 31st to December 31st. The Commission finds that changing the filing date for actual cost and revenue data to December 31st will better serve the Commission's goals of minimizing administrative burdens on carriers and promoting accurate and efficient distribution of ICLS. A December 31st filing date will reduce administrative costs. The Joint Petitioners contend that, based on NECA's experience with the common line pooling process, many small carriers would have difficulty completing accurate cost studies by July 31st, whereas carriers have historically complied with a December 31st deadline. Moving the filing deadline to December 31st will reduce burdens on carriers and minimize the potential need for late filings and corrections. The

resulting delay in the initiation of adjustments to ICLS as part of the ICLS true-up process will be mitigated by the measures the Commission adopts below to improve the accuracy of ICLS payments. In particular, permitting carriers to revise their projected data for the current and upcoming ICLS funding years on June 30th will mitigate the lag between projected and actual data filings and give carriers more meaningful opportunities to revise projections to adjust ICLS where necessary. Moving the deadline for filing actual cost and revenue data to December 31st also will not result in any delay in the completion of the ICLS true-up process. Under the current rules, ICLS true-up payments are spread over the calendar year following the filing of actual data. The Commission concludes that ICLS true-up payments instead can be distributed over the final two quarters of the calendar year without affecting fund stability.

3. *Voluntary Updates of Projected Cost and Revenue Data.* The Commission also concludes that certain modifications to § 54.903(a)(3), governing the filing of projected cost and revenue data, are warranted. Under the rules adopted in the *MAG Order*, carriers that wish to receive ICLS must, on March 31st, file projected data for the upcoming July 1st to June 30th funding year and may correct that data until April 10th. The Commission concludes that permitting carriers at their discretion to correct their projected data for the upcoming funding year until June 30th would better promote the accurate and efficient distribution of ICLS without increasing administrative burdens. Additionally, the Commission provides a voluntary opportunity for rate-of-return carriers to update on June 30th their projected data for the ICLS funding year ending on that date will promote the accurate and efficient distribution of ICLS.

4. The Commission will amend § 54.903(a)(3) of our rules for voluntarily updating the March 31st filing to replace the existing April 10th deadline with a June 30th deadline. The Commission agrees with NECA that this deadline extension will provide a more meaningful opportunity for carriers to revise their projections and, therefore, will increase the accuracy of ICLS for the coming funding year. Two major factors potentially affecting projections will be resolved by the June 30th prior to the start of each funding year. First, the Commission normally approves or modifies the common line average schedule settlements formula proposed by NECA by June 15th of each funding year. Because this formula functions in