

dominant in its field of operation.” The SBA’s Office of Advocacy contends that, for RFA purposes, small incumbent LECs are not dominant in their field of operation because any such dominance is not “national” in scope. It has therefore included small incumbent LECs in this RFA analysis, although the Commission emphasizes that this RFA action has no effect on FCC analyses and determinations in other, non-RFA contexts.

13. Incumbent Local Exchange Carriers. Neither the Commission nor the SBA has developed a small business size standard specifically directed toward providers of incumbent local exchange service. The closest applicable size standard under the SBA rules is for Wired Telecommunications Carriers. This provides that such a carrier is small entity if it employs no more than 1,500 employees. Commission data from 2000 indicate that there are 1,329 incumbent local exchange carriers, total, with approximately 1,024 having 1,500 or fewer employees. The small carrier number is an estimate and might include some carriers that are not independently owned and operated; we are therefore unable at this time to estimate with greater precision the number of these carriers that would qualify as small businesses under SBA’s size standard. Consequently, the Commission estimates that there are no more than 1,024 ILECS that are small businesses possibly affected by our action.

Description of Projected Reporting, Recordkeeping and Other Compliance Requirements

14. The Commission expects that any proposal we may adopt pursuant to this Further Notice will decrease existing reporting, recordkeeping or other compliance requirements. As noted previously, dominant carriers are currently subject to a broad range of regulatory requirements that are generally intended to protect consumers from unjust and unreasonable rates, terms, and conditions and unreasonable discrimination in the provision of communications services. The Commission’s dominant carrier

regulation includes rate regulation and tariff filing requirements, and also requires supporting information, which in some cases includes detailed cost data, to be filed by dominant carriers with their tariff filings. Moreover, the Commission has international dominant carrier tariff filing requirements. This FNPRM seeks comment on whether continued dominant carrier regulation is appropriate post sunset of the section 272 separate affiliate requirements on a state-by-state basis, and whether it is necessary to streamline or modify the traditional dominant carrier regulations of BOCs’ provision of in-region, interstate and international interexchange services. This FNPRM also seeks comment on whether dominant carrier regulation of independent LECs is necessary should the Commission eliminate the separation requirements currently imposed on such carriers for their provision of in-region, interstate and international interexchange services.

Steps Taken To Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

15. The RFA requires an agency to describe any significant, specifically small business, alternatives that it has considered in reaching its proposed 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 or reporting requirements under the rule for 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 small entities.

16. The overall objective of this proceeding is to reduce regulatory burdens on BOCs and independent LECs to the extent consistent with the public interest. The Further Notice seeks specific proposals as to which existing regulations might be removed or streamlined in their application to a BOC’s or independent LEC’s provision

of interstate and international interexchange services absent current safeguards, and asks parties to comment on whether BOCs and independent LECs should be classified as non-dominant in the provision of such services post sunset or, in the case of independent LECs, once separation safeguards are removed. The Further Notice also asks parties to discuss whether, and to what extent, dominant carrier regulation is aptly suited to achieving the Commission’s objectives to promote competition and to deter anticompetitive behavior by BOCs and independent LECs. This Further Notice addresses whether there are specific aspects of dominant carrier regulation that continue to be necessary to constrain BOCs and independent LECs from engaging in certain types of anticompetitive behavior, and whether there are specific aspects of the regulations that do not address potential problems that may arise in the interexchange marketplace, absent the separate affiliate requirements. Again, the Commission seeks comment on these matters, especially as they might affect small entities subject to the rules.

Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules

17. None.

Ordering Clauses

18. Pursuant to the authority contained in sections 1, 2, 4(i)–4(j), 201, 202, 272 and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154(i)–4(j), 201, 202, 272 and 303(r), this FNPRM is adopted.

19. The Commission’s Consumer and Governmental Affairs Bureau, Reference Information Center, shall send a copy of this FNPRM, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

Federal Communications Commission.

Marlene H. Dortch,
Secretary.

[FR Doc. 03–13231 Filed 5–28–03; 8:45 am]

BILLING CODE 6712–01–P