

offering the Lifeline service provides carrier-matching funds. We strongly encourage eligible carriers to ensure that customer service representatives handling inquiries about the universal service low-income programs, especially enhanced Lifeline and Link-Up, are trained with regard to the operative eligibility criteria as clarified in this Order. We also take this opportunity to reiterate that the Commission's rules require eligible carriers to publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for those services.

III. Report and Order Addressing the Further Notice of Proposed Rulemaking in the *Twelfth Report and Order*

A. Discussion

21. We decline to adopt a rule at this time that would require state commissions to resolve the merits of any request for designation under section 214(e) within six months or some shorter period. We conclude that such action is unnecessary at this time. In so doing, we note that a number of ETC designation requests pending at the time of release of the *Twelfth Report and Order and Further Notice of Proposed Rulemaking* have been resolved by state commissions. We commend these state commissions for resolving those designation requests. We continue to encourage state commissions to act with the appropriate analysis yet as expeditiously as possible on all such requests. In addition, we note that a state's action on ETC designation requests may be reviewed under section 253 as a potential barrier to entry. Although we continue to encourage states to address such requests in a timely manner, we find no need for further action at this time.

22. In addition, we disagree with those commenters who suggest that the Commission should adopt a rule requiring resolution within six months of all ETC designations filed with the Commission, including requests for designation on tribal lands. In the *Twelfth Report and Order and Further Notice of Proposed Rulemaking*, the Commission committed to resolve the merits of any request for designation on tribal lands within six months of release of an order resolving the jurisdictional issue. We decline, however, to extend this commitment to resolution of the jurisdictional issues presented in tribal ETC designation proceedings. As the Commission noted in the *Twelfth Report and Order and Further Notice of Proposed Rulemaking*, the determination of whether a state

commission lacks jurisdiction over a carrier providing service on tribal lands is a legally complex inquiry that may require additional time to fully address. The Commission also has specifically committed to resolving, within six months from the date filed, all designation requests for non-tribal lands that are properly before it pursuant to section 214(e)(6). The Commission has acted expeditiously on all ETC requests filed since the release of the *Twelfth Report and Order and Further Notice of Proposed Rulemaking*. We conclude, therefore, that no further measures beyond those adopted in the *Twelfth Report and Order and Further Notice of Proposed Rulemaking* are required at this time to expedite the resolution of ETC designation requests filed before this Commission.

IV. Order Addressing the Request of the Commonwealth of Northern Mariana Islands

A. Discussion

23. We decline, at this time, to extend to the Northern Mariana Islands the same measures that were adopted to promote subscribership on tribal lands. The record is insufficient to establish that the Northern Mariana Islands has the same impediments to subscribership and infrastructure investment as tribal lands.

24. The actions taken by the Commission in the *Twelfth Report and Order and Further Notice of Proposed Rulemaking* were designed to address impediments to subscribership and infrastructure investment on tribal lands, where high cost service and low subscribership are most egregious. The Commission identified a number of factors that are primary impediments to subscribership on tribal lands, including the cost of basic service, the cost of intrastate toll service, inadequate telecommunications infrastructure and the cost of line extensions, and the lack of competitive service providers offering alternative technologies. We find that CNMI has not provided any information that would allow us to identify the main impediments to subscribership on the Northern Mariana Islands (e.g., geographic isolation, limited local calling areas, cost of basic service). CNMI merely asserts that the Northern Mariana Islands has low telephone penetration rates, low income levels, and a trust relationship with the federal government that is similar to that of tribal communities. Given the lack of specific information in the record, we cannot conclude that the enhanced low-income programs established for tribal lands would be effective in addressing

the causes of low subscribership rates on the Northern Mariana Islands.

25. We note that the Commission specifically chose not to apply the actions taken in the *Twelfth Report and Order and Further Notice of Proposed Rulemaking* more generally to all high-cost areas and all insular areas, which would have included the Northern Mariana Islands. The Commission found that, although the record demonstrated that subscribership levels are below the national average in other low-income, rural areas and in certain insular areas, it did not permit a determination that the factors causing low subscribership on tribal lands are the same factors causing low subscribership among other populations. We find that CNMI has not provided any evidence that would lead us to depart from this determination. Specifically, CNMI has not demonstrated that the Northern Mariana Islands has low penetration rates and low per capita incomes that are similar to those on tribal lands. Although CNMI provides 1995 data suggesting that telephone penetration rates and per capita incomes on the Northern Mariana Islands are below the national average, even these statistics exceed those that exist on tribal lands. In the *Twelfth Report and Order and Further Notice of Proposed Rulemaking*, the Commission noted that subscribership on reservations was approximately 47 percent and per capita incomes were only \$4,478. By comparison, CNMI indicates that the subscribership rates in the Northern Mariana Islands is 61 percent and per capita income is \$6,897. We therefore deny CNMI's request to extend to the Northern Mariana Islands the same measures adopted by the Commission to boost subscribership levels on tribal lands. As noted, however, the Commission continues to monitor the causes of low subscribership and develop appropriate measures to address these causes as necessary.

V. Procedural Matters

Supplemental Final Regulatory Flexibility Analysis

26. As required by the Regulatory Flexibility Act (RFA), an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the *Tribal Stay Order and Further Notice of Proposed Rulemaking*. The Commission sought written public comment on the proposals in the Further Notice of Proposed Rulemaking, including comment on the IRFA. In addition, a Final Regulatory Flexibility Analysis (FRFA) and IRFA were included in the *Twelfth Report and Order and Further*