

6. We also seek comment on additional proposals for defining the geographic areas that are near reservations to ensure that enhanced Lifeline and Link Up support is targeted to qualifying low-income consumers living in areas adjacent to, or near, reservations that share many of the same characteristics as the reservations. We request that commenters provide detailed information to assist us in determining how enhanced Lifeline and Link Up support should be targeted. Such information should include the population of the geographical area, the number of income-eligible subscribers, the distance of each area from the nearest reservation, whether there is any legal recognition of that area by the BIA, whether the area includes or is part of a Metropolitan Statistical Area (MSA), and the level of telephone subscribership in the area. Wireline Competition Bureau staff have estimated, through analysis of recent Census data of a sampling of zip codes in near reservation areas, that the level of telephone subscribership in Indian households is lower than the level of telephone subscribership for all households. We ask commenters to provide their own data comparing the level of telephone subscribership in Indian households in near reservation areas with the level of telephone subscribership in all households in near reservation areas, or comment on the Bureau's preliminary estimates. Bureau staff have also estimated that a greater percentage of Indian households in near reservation areas have incomes under \$25,000, compared to all households in near reservation areas. We ask commenters to provide their own data comparing the percentage of low-income Indian households in near reservation areas with the percentage of all low-income households in near reservation areas, or comment on the Bureau's preliminary estimates. We note that the Bureau's most recent penetration report indicates that there is a correlation between low levels of household income and low levels of telephone subscribership.

7. Finally, we seek comment on the effect of any proposed "near reservation" definitions on the ETC designation process. As explained, we conclude that, pending resolution of the "near reservation" definition, petitions for ETC designation relating to near reservation areas will not be considered as petitions relating to tribal lands. Petitioners seeking ETC designation in such areas must follow the procedures outlined in the *Twelfth Report and Order and Further Notice of Proposed*

Rulemaking for non-tribal lands prior to submitting a request for designation to the Commission under section 214(e)(6). The Commission reached this conclusion because it believed that near reservation areas do not invoke the same jurisdictional concerns and principles of tribal sovereignty that are associated with areas within the boundaries of reservations. Accordingly, we request that any proposed definitions of "near reservation" also include a discussion of the impact of such definition on the ETC designation process.

II. Procedural Matters

A. Paperwork Reduction Act

8. This Further Notice of Proposed Rulemaking contains a proposed information collection. As part of a continuing effort to reduce paperwork burdens, we invite the general public and the Office of Management and Budget (OMB) to take this opportunity to comment on the information collections contained in this Further Notice of Proposed Rulemaking, as required by the Paperwork Reduction Act of 1995, Public Law 104-13. Public and agency comments are due on or before September 2, 2003. OMB comments are due on or before September 15, 2003. Comments should address: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

B. Initial Regulatory Flexibility Analysis

9. As required by the Regulatory Flexibility Act of 1980, as amended, (RFA), the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic effect on small entities by the policies and rules proposed in the FNPRM. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadline for comments on the FNPRM provided in the Comment Filing Procedures section. The Commission will send a copy of the FNPRM, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration. In addition, the FNPRM and IRFA (or summaries

thereof) will be published in the **Federal Register**.

1. Need for, and Objectives of, the Proposed Rules

10. This FNPRM is being issued in order to ensure that enhanced Lifeline and Link-Up support is targeted to the most underserved segments of our Nation. The Commission sought comment on the same questions present herein in the *Tribal Stay Order and Further Notice of Proposed Rulemaking*. This FNPRM seeks to bolster the record on how to define the geographic areas that are adjacent to reservations or are otherwise part of the reservation's community of interest, in a manner that is consistent with our goal of targeting enhanced Lifeline and Link-Up support to the most underserved segments of the Nation. This action is taken pursuant to the Act's mandate that "[c]onsumers in all regions of the Nation * * * have access to telecommunications and information services. * * *

2. Legal Basis

11. The legal basis for any action that may be taken pursuant to the FNPRM is contained in sections 1-4, 201-205 and 254 of the Communications Act of 1934, as amended.

3. Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply

12. In the IRFA at paragraphs 11-31 of *Tribal Stay Order and Further Notice of Proposed Rulemaking*, we described and estimated the number of small entities that would be affected by the determination to stay application of the enhanced low-income programs to "near reservation" areas and to consider alternative definitions. The proposals discussed in this FNPRM apply to the same entities. We therefore incorporate by reference paragraphs 11-31 of the *Tribal Stay Order and Further Notice of Proposed Rulemaking*.

4. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

13. The measures under consideration in this FNPRM may, if adopted, result in additional reporting or other compliance requirements. A modified definition of "near reservation" may impact reporting requirements for carriers eligible to receive enhanced Lifeline and Link-Up. For example, such carriers may be required to compile maps or derive other means to determine whether qualifying low-income customers fall within any designated geographic areas. In addition, if the current stay is lifted and