Authority: This notice is issued under the authority of sections 2002(a), 3006, and 7004(b) of the Solid Waste Disposal Act as amended, 42 U.S.C. 6912(a), 6926, 6974(b).

Dated: June 14, 2000.

Jerry Clifford,

Acting Regional Administrator.

[FR Doc. 00–17488 Filed 7–12–00; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 52

[CC Docket No. 99–200; FCC 00–104]

Numbering Resource Optimization

AGENCY: Federal Communications Commission.

ACTION: Final rule; announcement of effective date.

SUMMARY: The Federal Communications Commission (Commission) implemented numbering resource optimization measures that will minimize the negative impact on consumers of premature area code exhausts; ensure sufficient access to numbering resources for all service providers to enter into or to compete in telecommunications markets; avoid, or at least delay, exhaust of the North American Number Plan (NANP) and the need to expand the NANP; impose the least societal cost possible, and ensure competitive neutrality, while obtaining the highest benefit; ensure that no class of carrier or consumer is unduly favored or disfavored by our optimization efforts; and minimize the incentives for carriers to build and carry excessively large inventories of numbers. Section 52.15(f) of the Commission's rules, which imposes new information collection requirements, becomes effective on July 17, 2000.

EFFECTIVE DATE: The amendment to 47 CFR 52.15(f) published at 65 FR 37703, June 16, 2000, becomes effective on July 17, 2000.

FOR FURTHER INFORMATION CONTACT: Aaron N. Goldberger, Attorney Advisor, Common Carrier Bureau, Network Services Division, (202) 418–2320 or via e-mail at *agoldber@fcc.gov.*

SUPPLEMENTARY INFORMATION: On March 17, 2000, the Commission adopted a Report and Order implementing administrative and technical measures that will allow it to monitor more closely the way numbering resources are used within the NANP. See 65 FR 37703, June 16, 2000. Section 52.15(f) of the Commission's rules imposes new information collection requirements. Section 52.15(f) provides that for purposes of forecast and utilization reports, reporting shall commence August 1, 2000. In the **Federal Register** publication, we stated that ''§ 52.15(f) * * * contains information collection requirements that have not been approved by the Office of Management and Budget (OMB).'' See 65 FR 37703, June 16, 2000. OMB approved the information collections on June 23, 2000. See OMB No. 3060–0895. This publication satisfies our statement that the Commission would publish a document in the **Federal Register** announcing the effective date of § 52.15(f).

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 00–17669 Filed 7–12–00; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 64

[CC Docket No. 98–170; FCC 00–111]

Truth-in-Billing and Billing Format

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: In this document concerning Truth-in Billing and Billing Format, we grant, in part, petitions for reconsideration of the requirements that telephone bills highlight new service providers and prominently display inquiry contact numbers. We deny all other petitions seeking reconsideration, but provide clarification with respect to certain issues. We note that several petitioners make arguments substantially similar to those addressed previously in the Truth-in-Billing Order and offer no new information to persuade us that our decisions in the Truth-in-Billing Order were erroneous. This document addresses only those new arguments raised in the petitions that we have not already considered and rejected.

DATES: Effective July 13, 2000 except for the amendments to §§ 64.2401(a), (d), and (e), which contain information collection requirements that are not effective until approved by the Office of Management Budget (OMB). The Commission will publish a document in the **Federal Register** announcing the effective date of these sections.

FOR FURTHER INFORMATION CONTACT: Michele Walters, Associate Division Chief, Accounting Policy Division, Common Carrier Bureau, (202) 418–7400.

SUPPLEMENTARY INFORMATION: This is a summary of a Commission's Order on Reconsideration in CC Docket No. 98–170 released on March 29, 2000. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY–A257, 445 Twelfth Street, SW, Washington, DC, 20554.

I. Introduction and Background

1. In this Order, we address several petitions for reconsideration or clarification of the principles and guidelines contained in *Truth-in-Billing and Billing Format,* First Report and Order (TIB Order), 64 FR 34487 (June 25, 1999), 64 FR 55163 (October 12, 1999), 64 FR 56177 (October 18, 1999). In the *TIB Order,* we adopted principles and guidelines designed to reduce telecommunications fraud such as slamming and cramming by making telephone bills easier for consumers to read and understand, and thereby, making such fraud easier to detect and report. Our truth-in-billing principles and guidelines require common carriers to: (1) Identify the telecommunications service provider, separate charges on bills by service provider, and notify customers when a new entity has begun providing service; (2) provide on telephone bills brief, clear, non-misleading, plain language descriptions of services rendered; and (3) provide a toll-free number for customers to call to lodge a complaint or to obtain information about any charge contained in the bill. Carriers also must identify on bills those charges for which failure to pay will not result in disconnection of the customer's basic, local service. Finally, we held that carriers must use standardized labels on bills to refer to certain line item charges relating to federal regulatory activity, such as the PICC, local number portability, and subscriber line charge.

2. Six parties filed petitions for reconsideration and/or clarification of the principles and guidelines adopted in the *TIB Order.* In this Order, we grant, in part, petitions for reconsideration of the requirements that telephone bills highlight new service providers and prominently display inquiry contact numbers. We deny all other petitions seeking reconsideration, but provide clarification with respect to certain issues. We note that several petitioners make arguments substantially similar to those addressed previously in the *TIB Order* and offer no new information to persuade us that our decisions in the *TIB Order* were erroneous. This Order

addresses only those new arguments raised in the petitions that we have not already considered and rejected.

II. Discussion

A. Identification of New Service Providers

3. In the *TIB Order,* we adopted rules requiring that telephone bills ''provide clear and conspicuous notification of any change in service provider, including notification to the customer that a new provider has begun providing service.'' We concluded in that order that such a requirement would act as an important tool in deterring both slamming and cramming by enabling consumers to detect more readily charges for unauthorized services. On reconsideration, we retain the fundamental aspects of this requirement. In response to arguments raised by some Petitioners, however, we modify this rule to apply only to subscribed services for which the provider will (absent a decision by the subscriber to terminate) continue to place periodic charges on the subscriber's bill. Thus, for example, preferred carrier changes would be subject to this rule, as would charges for other services where a continuing month-to-month relationship exists. By contrast, services that are billed solely on a per-transaction basis, such as dial-around and directory assistance services, would not be subject to the rule. As explained, however, these services would continue to be subject to the requirement that charges be separated by provider. We conclude that this modification substantially addresses the concerns raised by Petitioners, without significantly impairing the effectiveness of this rule in protecting consumers.

4. In light of the modification to our rules described, we are otherwise unpersuaded by carrier assertions that highlighting of new service providers will be costly and difficult. Petitioners argue that compliance with this rule will require the construction of expensive ''stare and compare'' databases to compare current providers with those that have provided service in the past. The record demonstrates, however, that development of such a database is not necessary in order to comply with our rules, particularly as clarified in this Order. In particular, we clarify that local exchange carriers and other billing agents may satisfy this obligation by requiring the parties for which they bill to include, as part of the electronic billing information submitted to the billing agent, information identifying the provider as a new provider subject to this rule with respect to a particular customer. We note that the industry already has taken steps to facilitate provision of this information by service providers to billing agents by agreeing to modify the standard industry electronic billing documentation and notification to include this information. Accordingly, LECs and other billing entities will be able to comply with the modified requirements to highlight new providers in a low-cost and effective manner.

5. As modified by this order, our rule requiring highlighting of new service providers will apply only to providers that have continuing arrangements with the subscriber that result in periodic charges on the subscriber's telephone bill. Thus, changes in a subscriber's presubscribed local and long-distance service providers clearly would be subject to the rule. Additionally, charges on telephone bills for such services as voice mail and internet access would also be subject to the rule because these services typically involve monthly or other periodic charges on an ongoing basis until the service is cancelled. On the other hand, our modified rule excludes services billed solely on a per transaction basis, such as dial-around interexchange access service, operator service, directory assistance, and non-recurring pay-per-call services. These services typically are ordered intermittently with no formal, ongoing relationship between the carrier and the customer. Because they are used just for occasional convenience, such a carrier is and will always be a ''new'' provider with regard to a consumer using its services. Highlighting of such providers, in fact, might confuse consumers into thinking that the provider is a new presubscribed carrier. We also note that, with regard to pay-per-call services, the Commission's pay-per-call rules already require specific disclosures that accomplish many of the same goals as the requirement to highlight new service providers. Although the modification we adopt in this order restrict somewhat the application of our rule requiring highlighting of new services, we emphasize that these other services remain subject to the rules adopted in the *TIB Order* requiring charges to be separated by provider. As we explained in the *TIB Order,* this obligation, like the highlighting requirement, also serves to help consumers identify unauthorized charges on their bills. Taking into consideration the additional costs of highlighting these intermittent services, as asserted by Petitioners, we conclude that our modified rule draws an appropriate balance between the needs of consumers and any impact on the industry.

6. Finally, we have modified slightly the language in the rule concerning when the highlighting requirement is triggered. The original rule states that the highlighting requirement is triggered if a provider ''did not bill for services on the previous billing statement.'' Under the revised rule, the highlighting requirement is triggered if a provider ''did not bill for services, in its last billing cycle, with respect to a particular subscriber.'' This modification recognizes that the billing cycles of service providers often may be different from the billing cycles of their billing agents. For example, if a voicemail provider bills quarterly through a LEC, the voicemail provider's charges will only appear on every third monthly LEC bill. Under the original rule, the voicemail provider would be highlighted as a new provider every cycle, even though it was not a new provider, because the subscriber's last monthly bill would not have contained voicemail charges. Under the revised rule, the voicemail provider would not be highlighted as a new provider because the subscriber was billed during the voicemail provider's last billing cycle, even if that charge was not reflected on the subscriber's last monthly LEC bill. We make this modification in order to minimize the burden on service providers and billing agents, as well as to reduce possible consumer confusion.

B. Identification of Deniable and Non-Deniable Charges

7. We retain our requirement that carriers distinguish on telephone bills those charges that consumers may refuse to pay without jeopardizing the provision of basic, local service, and charges for which non-payment may result in such disconnection. As we noted in the *TIB Order,* distinguishing between such charges on consumers' bills protects consumers from paying contestable, unauthorized charges because they believe that they will lose basic telephone service for non-payment. We are unpersuaded by U S West's argument that compliance with this rule will be costly because it would require the creation and maintenance of a database containing the necessary information. We note that, even absent the Commission's truth-in-billing requirements, carriers need such a database to remain knowledgeable about state law requirements regarding disconnection of customers for non-payment.

8. Equally important, we find that compliance with this truth-in-billing

requirement need not involve an expensive or complicated billing process. In the *TIB Order,* we refrained from mandating any particular method of distinguishing between deniable and non-deniable charges in order to give carriers maximum flexibility in complying with our rules. Because of the concerns raised in the petitions for reconsideration and/or clarification, however, we clarify that a carrier need not label every charge as either deniable or non-deniable. For example, SNET's bill, complies with the rule by listing the total amount due, the amount of charges owed for deniable, basic local service, and includes an explanatory statement that basic, local service can only be disconnected for failure to pay the charges for basic, local service. Although SNET's bill does not label each individual charge as either deniable or non-deniable, we find that its format appropriately places consumers on notice that they may dispute the non-deniable portion of their bills without fear that their local service will be cut off for failure to pay such charges. While we approve of SNET's approach, we reiterate that carrier's retain broad flexibility to use other methods on telephone bills that adequately provide this essential information to consumers. We also note that, upon customer inquiry, a carrier's customer service personnel must explain this distinction to customers.

C. Bundled Services

9. Section 64.2401(a)(2) of our rules provides that, where charges for two or more telephone companies appear on the same bill, the charges must be separated by service provider. SBC seeks clarification on the applicability of § 64.2401(a)(2) to bundled services. Bundled services are various types of services, such as telephone, cable, and Internet services, that are offered and billed by a single entity, even though they may be provisioned by multiple carriers. We clarify that, where an entity bundles a number of services (some of which may be provided by various carriers) as a single package offered by a single company, such offering may be listed on the telephone bill as a single offering, rather than listed as separate charges by provider. Carriers providing bundled services in this manner must, however, make sure that an inquiry contact number or numbers appears on the bill for customer questions or complaints concerning the services provided through the bundle, as required by § 64.2401(d).

D. Clear Identification of Providers

10. We decline to reconsider the timetable for implementation of the requirement to identify each provider. We note that we have already delayed implementation of this requirement for certain carriers, and we find further delay to be unwarranted. We clarify, however, that this guideline may be satisfied by listing the carrier's trade name, rather than its precise corporate or corporate subsidiary name. That is, the carrier name on the telephone bill should be the name by which such company is known to its consumers for the provision of the respective service.

E. Toll Free Contact Numbers

11. Section 64.2401(d) of the Commission's rules requires that common carriers prominently display on each bill a toll-free number or numbers by which consumers may inquire about or dispute charges on their bills. While agreeing that it is reasonable to expect carriers to provide adequate inquiry information to their customers, MCIW requests that carriers be permitted to provide means other than toll-free numbers for consumers to access a carrier's customer service. MCIW specifically notes that some carriers offer customer service via a web site or e-mail. We decline to modify the generally applicable requirement adopted in the TIB Order that carriers include toll-free numbers on their bills for customers to inquire about or dispute charges. Since the bills at issue are for telephone service, it naturally follows that those questioning these charges will have telephone access; on the other hand, Internet access remains far from universally available. We will, however, modify this requirement by creating a limited exception where the customer does not receive a paper copy of his or her telephone bill, but instead accesses that bill only by e-mail or Internet. Under such circumstance, we find it reasonable to expect that customers can adequately resolve their inquiries and disputes through e-mail or web site communications. As MCI recognizes in its Petition, consumers contacting a service provider though such means continue to be entitled to have their communications reach and be responded to by an individual with the necessary information and authority to timely resolve their inquiry or dispute. We also note that any carrier may provide on customers' bills other means for consumers to make inquiries, such as an e-mail address, in addition to the toll-free number required by the rule.

F. Regulatory Flexibility Analysis in the TIB Order

12. We reject NTCA's contention that we failed to perform adequately our regulatory flexibility analysis in the *TIB Order* because we did not give sufficient consideration to the needs of small carriers. We conclude that the regulatory flexibility analysis in the *TIB Order* adequately addressed the concerns of small carriers. In the *TIB Order,* we noted that, in order to decrease the economic impact of our rules on small carriers, we declined to adopt several proposals made in the Notice of Proposed Rulemaking and gave carriers considerable discretion in implementing our guidelines. Moreover, the modifications in this *Order* and the extensions of time that we have granted to carriers provide evidence of our continuing concern for the impact of our guidelines on small carriers.

13. USTA requests that we find that small ILECs constitutes small businesses under the definition of the United States Small Business Administration (SBA). We have included small ILECs in this RFA analysis. A ''small business'' under the RFA is one that, inter alia, meets the pertinent small business size standard (*e.g.,* a telephone communications business having 1,500 or fewer employees), and ''is not dominant in its field of operation.'' The SBA's Office of Advocacy contends that, for RFA purposes, small ILECs are not dominant in their field of operation because any such dominance is not ''national'' in scope. We have therefore included small ILECs in this RFA analysis, although we emphasize that this RFA action has no effect on FCC analyses and determinations in other, non-RFA contexts.

III. Procedural Matters

A. Effective Date of Existing Rules

14. Our existing truth-in-billing rules took effect on November 18, 1999 with compliance required as of April 1, 2000. Thus, absent action on our part, carriers would be bound by the existing rules as of April 1, despite the fact that today we amend those rules to become effective upon OMB approval. In view of these circumstances, we stay the portions of the *existing* § 64.2401 detailed below for which compliance was required as of April 1, 2000 until such time as today's amendments of § 64.2401 become effective. The portions of the existing § 64.2401 that are subject to this stay are: (1) That portion of § 64.2401(a)(2) that requires that each carrier's ''telephone bill must provide clear and conspicuous notification of any change in service provider, including

notification to the customer that a new provider has begun providing service,'' (2) § 64.2401(a)(2)(ii) and (3) § 64.2401(d). The existing provisions of §§ 64.2401(a)(1), (a)(2)(i) and the portion of (a)(2) requiring ''[w]here charges for two or more carriers appear on the same telephone bill, the charges must be separated by service provider,'' will continue to take effect on April 1, 2000. Nothing in this order modifies the effective dates of existing §§ 64.2401(b) and (c). Upon their effective date, the rules, as amended, will supercede the existing rules. We take this action because we find that requiring carriers to comply with the existing rules for a short time prior to the effective date of today's amendments would be unduly burdensome and that it could result in the very sort of consumer confusion that today's amendments seek to avoid.

B. Final Supplemental Regulatory Flexibility Act Analysis

15. As required by the Regulatory Flexibility Act (RFA), an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the *Notice* in Truth-in-Billing and Billing Format. The Commission sought written public comment on the proposals in the Notice, including comment on the IRFA. The comments received are discussed. The *TIB Order* included a Final Regulatory Flexibility Analysis (FRFA) that conformed to the RFA. The Supplemental FRFA included herein addresses only the modifications adopted in this Order on Reconsideration, and conforms with RFA.

1. Need for and Objectives of This Order and the Rules Adopted Herein

16. Section 258 of the Act makes it unlawful for any telecommunications carrier ''to submit or execute a change in a subscriber's selection of a provider of telephone exchange service or telephone toll service except in accordance with such verification procedures as the Commission shall prescribe.'' Accordingly, the Commission adopted in the *TIB Order* principles to ensure that consumers receive thorough, accurate, and understandable bills from their telecommunications carriers. First, consumer telephone bills must be clearly organized, clearly identify the service provider, and highlight any new providers; second, bills must contain full and non-misleading descriptions of charges that appear therein; and third, bills must contain clear and conspicuous disclosure of any information the consumer may need to make inquiries about, or contest charges, on the bill. Additionally, the Commission adopted minimal, basic guidelines that explicate carriers' obligations pursuant to these broad principles. These principles and guidelines are designed to prevent the types of consumer fraud and confusion evidenced in the tens of thousands of complaints that this Commission, and state commissions, receive each year. In enacting the principles and guidelines contained in the *TIB Order*, our goal was to implement the provisions of sections 201(b) and 258 to prevent telecommunications fraud, as well as to encourage full and fair competition among telecommunications carriers in the marketplace. This Order on Reconsideration seeks to respond to requests for modification and clarification received by certain carriers in response to the *TIB Order*. Specifically, we modify our rule concerning highlighting of new service providers to apply only to subscribed services for which a provider will continue to place periodic charges on the subscriber's bill.

2. Summary of the Significant Issues Raised by the Public Comments in Response to the IRFA

17. In the IRFA, we found that the rules we proposed to adopt in this proceeding may have a significant impact on a substantial number of small businesses as defined by 5 U.S.C. 601(3). The IRFA solicited comment on the number of small businesses that would be affected by the proposed regulations and on alternatives to the proposed rules that would minimize the impact on small entities consistent with the objectives of this proceeding.

18. PCIA, Liberty, RTG and others argued that the cost of compliance faced by smaller carriers would be particularly burdensome. PCIA asserted that medium- and small-sized carriers will be less likely to have billing systems in place that ''can simply be 'tweaked' to produce the required modifications.'' Indeed, PCIA stated that smaller carriers may be forced to replace their entire billing systems in order to comply with the format and content mandates proposed in the *NPRM*. RTG agreed, arguing that rural carriers are particularly sensitive to increased regulatory requirements with significant costs.

19. The Office of Management and Budget (OMB) received a large number of comments in response to the *NPRM*. The commenters generally agreed that new charges or services need to be easily identifiable on customer bills; that definitions of services and other terms are difficult to reach and could be counterproductive; that more information, including point of contact toll-free numbers for service providers or billing agents needs to be included in billing materials; that materials should be clear, concise, and relatively simple; that the Commission must account for costs of any changes to bills that will be passed on to consumers in making decisions; that CMRS and other wireless firms that provide services only to businesses should be exempt from most new requirements that would be imposed on wireline carriers; that every effort should be made so that billing standards are uniform across the nation; that reseller information should be included; and that, where possible, market-based solutions should be adopted unless there is conclusory evidence that the Commission must enact regulations that affect billing practices. As a result, OMB recommended that we not impose undue burdens on wireless providers and small wireline services, and urged that flexibility be given to small companies that may experience significant cost and managerial issues related to implementation of billing requirements. Moreover, OMB recommended that the Commission allow companies sufficient time to address their necessary Year 2000-related modifications to their computer systems as well as modifying their billing systems to meet any new requirements. OMB also recommended that the Commission make a concerted effort to work with the industry to establish voluntary guidelines in lieu of mandatory requirements that restrict the ability of firms to tailor their billing to meet the needs of customers.

20. The *TIB Order* considered these comments and found that we appropriately balanced the concerns of carriers that detailed rules may increase their costs against our goal of protecting consumers against fraud. We exempted CMRS carriers from certain of our requirements on grounds that the requirements may be inapplicable or unnecessary in the CMRS context. Moreover, we considered our principles and guidelines to be flexible enough that carriers will be able to comply with them without incurring unnecessary expense. Since the modifications adopted in this Order were made in response to requests from carriers, and are designed to ease any burden on such carriers from implementing our rules, we find that nothing we have done in this Order causes us to reconsider our previous evaluation of this issue. Specifically, in response to petitions from various carriers, we have modified

our rule concerning highlighting of new service providers to apply only to subscribed services for which a provider will continue to place periodic charges on the subscriber's bill. Thus, the rule will apply to a narrower range of charges than contemplated in the original rule, thereby reducing the compliance costs on small businesses and other entities.

3. Description and Estimates of the Number of Small Entities to Which the Rules Adopted in the Order in CC Docket No. 98–170 May Apply

21. The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the rules. The RFA generally defines the term ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction.'' In addition, the term ''small business'' has the same meaning as the term ''small business concern'' under the Small Business Act. A small business concern is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA).

22. The most reliable source of information regarding the total numbers of certain common carrier and related providers nationwide, as well as the numbers of commercial wireless entities, appears to be data the Commission publishes annually in its Telecommunications Industry Revenue report, regarding the Telecommunications Relay Service (TRS). According to data in the most recent report, there are 3,459 interstate carriers. These carriers include, *inter alia*, local exchange carriers, wireline carriers and service providers, interexchange carriers, competitive access providers, operator service providers, pay telephone operators, providers of telephone toll service, providers of telephone exchange service, and resellers.

23. The SBA has defined establishments engaged in providing ''Radiotelephone Communications'' and ''Telephone Communications, Except Radiotelephone'' to be small businesses when they have no more than 1,500 employees. We discuss the total estimated number of telephone companies falling within the two categories and the number of small businesses in each, and we then attempt to refine further those estimates to correspond with the categories of telephone companies that are commonly used under our rules.

24. We have included small incumbent LECs in this present RFA analysis. As noted, a ''small business'' under the RFA is one that, *inter alia*, meets the pertinent small business size standard (*e.g.*, a telephone communications business having 1,500 or fewer employees), and ''is not 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. We have therefore included small incumbent LECs in this RFA analysis, although we emphasize that this RFA action has no effect on FCC analyses and determinations in other, non-RFA contexts.

25. *Total Number of Telephone Companies Affected.* The U.S. Bureau of the Census (''Census Bureau'') reports that, at the end of 1992, there were 3,497 firms engaged in providing telephone services, as defined therein, for at least one year. This number contains a variety of different categories of carriers, including local exchange carriers, interexchange carriers, competitive access providers, cellular carriers, mobile service carriers, operator service providers, pay telephone operators, personal communications services providers, covered specialized mobile radio providers, and resellers. It seems certain that some of those 3,497 telephone service firms may not qualify as small entities or small ILECs because they are not ''independently owned and operated.'' For example, a PCS provider that is affiliated with an interexchange carrier having more than 1,500 employees would not meet the definition of a small business. It is reasonable to conclude that fewer than 3,497 telephone service firms are small entity telephone service firms or small ILECs that may be affected by our principles and guidelines.

26. *Wireline Carriers and Service Providers.* The SBA has developed a definition of small entities for telephone communications companies except radiotelephone (wireless) companies. The Census Bureau reports that there were 2,321 such telephone companies in operation for at least one year at the end of 1992. According to the SBA's definition, a small business telephone company other than a radiotelephone company is one employing no more than 1,500 persons. All but 26 of the 2,321 non-radiotelephone companies listed by the Census Bureau were reported to have fewer than 1,000 employees. Thus, even if all 26 of those companies had more than 1,500 employees, there would still be 2,295 non-radiotelephone companies that might qualify as small entities or small ILECs. We do not have data specifying the number of these carriers that are not independently owned and operated, and thus are unable at this time to estimate with greater precision the number of wireline carriers and service providers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that fewer than 2,295 small telephone communications companies other than radiotelephone companies are small entities or small ILECs that may be affected by our principles and guidelines.

27. *Local Exchange Carriers.* Neither the Commission nor the SBA has developed a definition for small providers of local exchange services (LECs). The closest applicable definition under the SBA rules is for telephone communications companies other than radiotelephone (wireless) companies. According to the most recent *Telecommunications Industry Revenue* data, 1,371 carriers reported that they were engaged in the provision of local exchange services. We do not have data specifying the number of these carriers that are either dominant in their field of operations, are not independently owned and operated, or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of LECs that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that fewer than 1,371 providers of local exchange service are small entities or small ILECs that may be affected by our principles and guidelines.

28. *Interexchange Carriers.* Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to providers of interexchange services (IXCs). The closest applicable definition under the SBA rules is for telephone communications companies other than radiotelephone (wireless) companies. According to the most recent Telecommunications Industry Revenue data, 143 carriers reported that they were engaged in the provision of interexchange services. We do not have data specifying the number of these carriers that are not independently owned and operated or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of IXCs that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 143 small entity IXCs that

may be affected by our principles and guidelines.

29. *Competitive Access Providers.* Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to competitive access services providers (CAPs). The closest applicable definition under the SBA rules is for telephone communications companies other than radiotelephone (wireless) companies. According to the most recent *Telecommunications Industry Revenue* data, 109 carriers reported that they were engaged in the provision of competitive access services. We do not have data specifying the number of these carriers that are not independently owned and operated, or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of CAPs that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 109 small entity CAPs that may be affected by our principles and guidelines.

30. *Resellers (including debit card providers).* Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to resellers. The closest applicable SBA definition for a reseller is a telephone communications company other than radiotelephone (wireless) companies. According to the most recent Telecommunications Industry Revenue data, 339 reported that they were engaged in the resale of telephone service. We do not have data specifying the number of these carriers that are not independently owned and operated or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of resellers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 339 small entity resellers that may be affected by our principles and guidelines.

31. *Rural Radiotelephone Service.* The Commission has not adopted a definition of small entity specific to the Rural Radiotelephone Service. A significant subset of the Rural Radiotelephone Service is the Basic Exchange Telephone Radio Systems. We will use the SBA's definition applicable to radiotelephone companies, *i.e.,* an entity employing no more than 1,500 persons. There are approximately 1,000 licensees in the Rural Radiotelephone Service, and we estimate that almost all of them qualify as small entities under the SBA's definition.

32. *International Services.* The Commission has not developed a definition of small entities applicable to licensees in the international services. Therefore, the applicable definition of small entity is generally the definition under the SBA rules applicable to Communications Services, Not Elsewhere Classified (NEC). This definition provides that a small entity is expressed as one with $11.0 million or less in annual receipts. According to the Census Bureau, there were a total of 848 communications services providers, NEC, in operation in 1992, and a total of 775 had annual receipts of less than $9,999 million. The Census report does not provide more precise data.

33. *Telex.* Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to telex. The most reliable source of information regarding the number of telegraph service providers of which we are aware is the data the Commission collects in connection with the *International Telecommunications Data.* According to our most recent data, 5 facilities based and 2 resale provider reported that they engaged in telex service. Consequently, we estimate that there are 7 or fewer telex providers that may be affected by our principles and guidelines.

34. *Message Telephone Service.* Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to message telephone service. The most reliable source of information regarding the number of message telephone service providers of which we are aware is the data the Commission collects in connection with the *International Telecommunications Data.* According to our most recent data, 1,092 carriers reported that they engaged in message telephone service. Consequently, we estimate that there are fewer than 1,092 message telephone service providers that may be affected by our principles and guidelines.

35. *Cellular Licensees.* Neither the Commission nor the SBA has developed a definition of small entities applicable to cellular licensees. Therefore, the applicable definition of small entity is the definition under the SBA rules applicable to radiotelephone (wireless) companies. This provides that a small entity is a radiotelephone company employing no more than 1,500 persons. According to the Bureau of the Census, only twelve radiotelephone firms out of a total of 1,178 such firms which operated during 1992 had 1,000 or more employees. Therefore, even if all twelve of these firms were cellular telephone companies, nearly all cellular carriers were small businesses under the SBA's definition. In addition, we note that there are 1,758 cellular licenses; however, a cellular licensee may own several licenses. In addition, according to the most recent *Telecommunications Industry Revenue* data, 804 carriers reported that they were engaged in the provision of either cellular service or Personal Communications Service (PCS) services, which are placed together in the data. We do not have data specifying the number of these carriers that are not independently owned and operated or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of cellular service carriers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 804 small cellular service carriers that may be affected by the proposed rules, if adopted.

36. *220 Mhz Radio Services.* Because the Commission has not yet defined a small business with respect to 220 MHz services, we will utilize the SBA definition applicable to radiotelephone companies, *i.e.,* an entity employing no more than 1,500 persons. With respect to 220 MHz services, the Commission has proposed a two-tiered definition of small business for purposes of auctions: (1) For Economic Area licensees, a firm with average annual gross revenues of not more than $6 million for the preceding three years and (2) for regional and nationwide licensees, a firm with average annual gross revenues of not more than $15 million for the preceding three years. Given that nearly all radiotelephone companies under the SBA definition employ no more than 1,500 employees (as noted), we will consider the approximately 1,500 incumbent licensees in this service as small businesses under the SBA definition.

37. *Private and Common Carrier Paging.* The Commission has proposed a two-tier definition of small businesses in the context of auctioning licenses in the Common Carrier Paging and exclusive Private Carrier Paging services. Under the proposal, a small business will be defined as either (1) An entity that, together with its affiliates and controlling principals, has average gross revenues for the three preceding years of not more than $3 million, or (2) an entity that, together with affiliates and controlling principals, has average gross revenues for the three preceding calendar years of not more than $15 million. Because the SBA has not yet approved this definition for paging services, we will utilize the SBA's definition applicable to radiotelephone companies, *i.e.,* an entity employing no more than 1,500 persons. At present,

there are approximately 24,000 Private Paging licenses and 74,000 Common Carrier Paging licenses. According to the most recent *Telecommunications Industry Revenue* data, 172 carriers reported that they were engaged in the provision of either paging or ''other mobile'' services, which are placed together in the data. We do not have data specifying the number of these carriers that are not independently owned and operated or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of paging carriers that would qualify as small business concerns under the SBA's definition. Consequently, we estimate that there are fewer than 172 small paging carriers that may be affected by the proposed rules, if adopted. We estimate that the majority of private and common carrier paging providers would qualify as small entities under the SBA definition.

38. *Mobile Service Carriers.* Neither the Commission nor the SBA has developed a definition of small entities specifically applicable to mobile service carriers, such as paging companies. As noted in the section concerning paging service carriers, the closest applicable definition under the SBA rules is that for radiotelephone (wireless) companies, and the most recent *Telecommunications Industry Revenue* data shows that 172 carriers reported that they were engaged in the provision of either paging or ''other mobile'' services. Consequently, we estimate that there are fewer than 172 small mobile service carriers that may be affected by the proposed rules, if adopted.

39. *Broadband Personal Communications Service.* The broadband PCS spectrum is divided into six frequency blocks designated A through F, and the Commission has held auctions for each block. The Commission defined ''small entity'' for Blocks C and F as an entity that has average gross revenues of less than $40 million in the three previous calendar years. For Block F, an additional classification for ''very small business'' was added and is defined as an entity that, together with their affiliates, has average gross revenues of not more than $15 million for the preceding three calendar years. These regulations defining ''small entity'' in the context of broadband PCS auctions have been approved by the SBA. No small businesses within the SBA-approved definition bid successfully for licenses in Blocks A and B. There were 90 winning bidders that qualified as small entities in the Block C auctions. A total of 93 small and very small business bidders won approximately 40% of the 1,479 licenses for Blocks D, E, and F. Based on this information, we conclude that the number of small broadband PCS licensees will include the 90 winning C Block bidders and the 93 qualifying bidders in the D, E, and F blocks, for a total of 183 small entity PCS providers as defined by the SBA and the Commission's auction rules.

40. *Cable Service Providers.* The SBA has developed a definition of small entities for cable and other pay television services that includes all such companies generating no more than $11 million in revenue annually. This definition includes cable systems operators, closed circuit television services, direct broadcast satellite services, multipoint distribution systems, satellite master antenna systems, and subscription television services. According to the Census Bureau, there were 1,758 total cable and other pay television services and 1,423 had less than $11 million in revenue. We note that cable system operators are included in our analysis due to their ability to provide telephony.

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

41. In this Order on Reconsideration, we have responded to petitions from various carriers by modifying the rules adopted in the *TIB Order* concerning highlighting of new service providers to apply only to subscribed services for which a provider will continue to place periodic charges on the subscriber's bill. The modified rule will apply to a narrower range of charges than contemplated in the original rule, thereby reducing the compliance costs on small businesses and other entities.

5. Steps Taken To Minimize the Significant Economic Impact of This Order on Small Entities and Small Incumbent LECs, Including the Significant Alternatives Considered

42. In this Order, we make minor modifications to our previously adopted rules on Truth-In-Billing. Specifically, we modify our rule concerning highlighting of new service providers to apply only to subscribed services for which a *provider* will continue to place periodic charges on the subscriber's bill. The modified rule will apply to a narrower range of charges than contemplated in the original rule, thereby reducing the compliance costs on small businesses and other entities. The modifications adopted herein were made at the request of carriers, including small local carriers, and are specifically intended to reduce the burden on such entities in implementing the previously adopted rules. Accordingly, adoption of these rules should actually reduce the economic impact of our Truth-In-Billing rules on these entities.

6. Report to Congress

43. The Commission will send a copy of the Order on Reconsideration, including this Supplemental FRFA, in a report to be sent to Congress pursuant to the Small Business Regulatory Enforcement Fairness Act of 1996. In addition, the Commission will send a copy of the Order on Reconsideration, including the Supplemental FRFA, to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the Order on Reconsideration and Supplemental FRFA (or summaries thereof) will also be published in the **Federal Register**.

C. Paperwork Reduction Act Analysis

44. The action contained herein has been analyzed with respect to the Paperwork Reduction Act of 1995 and found to impose new or modified reporting and recordkeeping requirements or burdens on the public. These rules contain information collections which have not been approved by OMB. The Commission will publish a document in the **Federal Register** announcing the effective date of these rules.

IV. Ordering Clauses

45. Pursuant to the authority contained in sections 1, 4(i), 4(j) of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i), 154(j), and § 1.429 of the Commission's rules, the petitions for reconsideration and/or clarification filed by AT&T Corp., MCI WorldCom, Inc., National Telephone Cooperative Association, SBC Communications, Inc., United States Telephone Association, U S West Communications, Inc. are granted in part and denied in part to the extent discussed.

46. (1) That portion of § 64.2401(a)(2) that requires that each carrier's ''telephone bill must provide clear and conspicuous notification of any change in service provider, including notification to the customer that a new provider has begun providing service,'' (2) § 64.2401(a)(2)(ii), and (3) § 64.2401(d) of the existing rules took effect November 12, 1999 with compliance required as of April 1, 2000 are stayed until such time as the amendments adopted herein are effective. The amendments to § 64.2401 of the Commission's rules, 47 CFR 64.2401(a), (d), and (e), set forth are effective upon OMB approval but no

sooner than 30 days following publication of these rules in the **Federal Register**. The Commission will publish a document announcing the effective date of these rules.

47. The Commission's Consumer Information Bureau, Reference Information Center, shall send a copy of this Order on Reconsideration, including the Supplemental Final Regulatory Flexibility Certification, to the Chief Counsel for Advocacy of the Small Business Administration.

List of Subjects in Part 64

Claims, Communications common carrier, Computer technology, Consumer protection, Reporting and recordkeeping requirements, Telephone.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

Final Rules

Part 64 of title 47 of the Code of Federal Regulations is amended as follows:

PART 64—[AMENDED]

Subpart Y—Truth-in-Billing Requirements for Common Carriers

1. The authority citation for part 64 continues to read as follows:

Authority: 47 U.S.C. 151, 154, 201, 202, 205, 218–220, and 332 unless otherwise noted . Interpret or apply sections 201, 218, 225, 226, 227, 229, 332, 48 Stat. 1070, as amended. 47 U.S.C. 201–204, 208, 225, 226, 227, 229, 332, 501 and 503 unless otherwise noted.

2. Subpart Y of Part 64 consists of § 64.2400 and § 64.2401. The heading for Subpart Y is added to read as set forth above. [1]

3. A Note is added to § 64.2401 as set forth below effective July 13, 2000.

4. In § 64.2401, revise paragraphs (a) and (d), and add paragraph (e) to read as follows:

§ 64.2401 Truth-in-Billing Requirements

Note to § 64.2401: The following provisions, for which compliance would have been required as of April 1, 2000, have been stayed until such time as the amendments to § 64.2401(a), (d), and (e) become effective (following their approval by the Office of Management and Budget and the publication by the Commission of a document in the **Federal Register** announcing the effective date of these amended rules) and will be superceded by the amended rules: (1) That portion of § 64.2401(a)(2) that requires that each carrier's ''telephone bill must provide clear and conspicuous notification of any change in service provider, including notification to the customer that a new provider has begun providing service,'' (2) § 64.2401(a)(2)(ii), and (3) § 64.2401(d).

(a) *Bill organization.* Telephone bills shall be clearly organized, and must comply with the following requirements:

(1) The name of the service provider associated with each charge must be clearly and conspicuously identified on the telephone bill.

(2) Where charges for two or more carriers appear on the same telephone bill, the charges must be separated by service provider.

(3) The telephone bill must clearly and conspicuously identify any change in service provider, including identification of charges from any new service provider. For purpose of this subparagraph ''new service provider'' means a service provider that did not bill the subscriber for service during the service provider's last billing cycle. This definition shall include only providers that have continuing relationships with the subscriber that will result in periodic charges on the subscriber's bill, unless the service is subsequently canceled.

* * * * *

(d) *Clear and conspicuous disclosure of inquiry contacts.* Telephone bills must contain clear and conspicuous disclosure of any information that the subscriber may need to make inquiries about, or contest, charges on the bill. Common carriers must prominently display on each bill a toll-free number or numbers by which subscribers may inquire or dispute any charges on the bill. A carrier may list a toll-free number for a billing agent, clearinghouse, or other third party, provided such party possesses sufficient information to answer questions concerning the subscriber's account and is fully authorized to resolve the consumer's complaints on the carrier's behalf. Where the subscriber does not receive a paper copy of his or her telephone bill, but instead accesses that bill only by e-mail or internet, the carrier may comply with this requirement by providing on the bill an e-mail or web site address. Each carrier must make a business address available upon request from a consumer.

(e) *Definition of clear and conspicuous.* For purposes of this section, ''clear and conspicuous'' means notice that would be apparent to the reasonable consumer.

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BILLING CODE 6712–01–P

[1] See 64 FR 34497 (June 25, 1999); 64 FR 55163 (October 12, 1999); 64 FR 56177 (October 18, 1999); 65 FR 36637 (June 9, 2000).