



Office of the General Counsel

B-281709

December 29, 1998

The Honorable John McCain
Chairman
The Honorable Ernest F. Hollings
Ranking Minority Member
Committee on Commerce, Science, and Transportation
United States Senate

The Honorable Thomas J. Bliley, Jr.
Chairman
The Honorable John D. Dingell
Ranking Minority Member
Committee on Commerce
House of Representatives

Subject: Federal Communications Commission: Facilitate the Development and Use of the Universal Licensing System in the Wireless Telecommunications Services

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Federal Communications Commission (FCC), entitled "Facilitate the Development and Use of the Universal Licensing System in the Wireless Telecommunications Services" (WT Docket No. 98-20; WT Docket No. 96-188; RM-8677; FCC 98-234). We received the rule on November 20, 1998. It was published in the Federal Register as a final rule on December 14, 1998. 63 Fed. Reg. 68904.

In this rule, the Commission consolidates, revises, and streamlines license application procedures for radio services licensed by the Wireless Telecommunications Bureau. These rule changes enable the Commission to fully implement the Universal Licensing System, a new automated licensing system and integrated database for wireless services. In the rule, the Commission also adopts new consolidated application forms, which enable all wireless licensees and applicants to file applications electronically, and establishes procedures to ensure a smooth transition to the new licensing process.

Enclosed is our assessment of the FCC's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that the FCC complied with the applicable requirements.

If you have any questions about this report, please contact Kathleen Wannisky, Associate General Counsel for Operations, at (202) 512-5207. The official responsible for GAO evaluation work relating to the Federal Communications Commission is Judy England-Joseph, Director for Housing and Community Development Issues. Ms. England-Joseph can be reached at (202) 512-7631.

Robert P. Murphy
General Counsel

Enclosure

cc: Ms. Kathleen Fagan
AMD-Performance Evaluation and
Records Management
Federal Communications Commission

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE
ISSUED BY
THE FEDERAL COMMUNICATIONS COMMISSION
ENTITLED
"FACILITATE THE DEVELOPMENT AND USE OF THE
UNIVERSAL LICENSING SYSTEM IN THE
WIRELESS TELECOMMUNICATIONS SERVICES"
(RIN: WT Docket No. 98-20; WT Docket No. 96-188;
RM-8677; FCC 98-234)

(i) Cost-benefit analysis

The FCC's submission to us stated that it was not required to prepare and did not prepare a cost-benefit analysis of the rule.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

An initial regulatory flexibility analysis was incorporated in the notice of proposed rulemaking, 63 Fed. Reg. 16938, April 7, 1998. In it, the FCC sought comments on the proposed rulemaking, including comments on the initial regulatory flexibility analysis.

The initial analysis provides the information required by paragraphs 603(b)(1), (b)(2), (b)(3), and (b)(4). It describes the reasons for the proposed action, its objectives, the legal basis for it, and the reporting, recordkeeping, and other compliance requirements of the proposed rule. In addition, in compliance with 603(b)(5), the FCC notes that there are no federal rules that may duplicate, overlap, or conflict with the proposed rule.

The final rule incorporates the Final Regulatory Flexibility Analysis consistent with the requirements of 5 U.S.C. § 604. The analysis describes the 18 groups of services affected by the rule and provides estimates of the numbers of small entities included in each group. The FCC also discusses the need for and the objectives of the rule, as well as the one comment filed in response to the initial regulatory flexibility analysis. Finally, it describes the steps taken to minimize the significant economic impact on small entities and the significant alternatives considered in promulgating the final rule.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

As an independent regulatory agency, the FCC is not subject to title II of the Unfunded Mandates Reform Act of 1995.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

The FCC promulgated this rule under the notice and comment procedures of 5 U.S.C. § 553. A notice of proposed rulemaking was published on April 7, 1998, 63 Fed. Reg. 16938. In the preamble to the rule, the FCC discusses its consideration of comments filed by interested parties.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

This rule modifies existing information collection requirements previously approved by the Office of Management and Budget. The rule also establishes a new information collection necessitated by the establishment of the Universal Licensing System. The FCC requests comments on the information collection requirements, which have been submitted to the Office of Management and Budget for its review under the Paperwork Reduction Act.

Statutory authorization for the rule

According to the FCC, the authority for this rule is contained in 47 U.S.C. §§ 154(i), 161, 303(g), 303(r), and 332 (c)(7).

Executive Order No. 12866

Since this rule is promulgated by an independent regulatory agency, it is not subject to the review requirements of Executive Order 12866.