

59 *et seq.* Accordingly, the communities will be suspended on the effective date in the third column. As of that date, flood insurance will no longer be available in the community. However, some of these communities may adopt and submit the required documentation of legally enforceable floodplain management measures after this rule is published but prior to the actual suspension date. These communities will not be suspended and will continue their eligibility for the sale of insurance. A notice withdrawing the suspension of the communities will be published in the **Federal Register**.

In addition, the Federal Emergency Management Agency has identified the special flood hazard areas in these communities by publishing a Flood Insurance Rate Map (FIRM). The date of the FIRM if one has been published, is indicated in the fourth column of the table. No direct Federal financial assistance (except assistance pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act not in connection with a flood) may legally be provided for construction or acquisition of buildings in the identified special flood hazard area of communities not participating in the NFIP and identified for more than a year, on the Federal Emergency Management Agency's initial flood insurance map of the community as having flood-prone areas (section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106(a), as amended). This prohibition against certain types of Federal

assistance becomes effective for the communities listed on the date shown in the last column. The Administrator finds that notice and public comment under 5 U.S.C. 553(b) are impracticable and unnecessary because communities listed in this final rule have been adequately notified.

Each community receives a 6-month, 90-day, and 30-day notification letter addressed to the Chief Executive Officer that the community will be suspended unless the required floodplain management measures are met prior to the effective suspension date. Since these notifications have been made, this final rule may take effect within less than 30 days.

National Environmental Policy Act. This rule is categorically excluded from the requirements of 44 CFR part 10, Environmental Considerations. No environmental impact assessment has been prepared.

Regulatory Flexibility Act. The Administrator has determined that this rule is exempt from the requirements of the Regulatory Flexibility Act because the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4022, prohibits flood insurance coverage unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed no longer comply with the statutory requirements, and after the effective date, flood insurance will no longer be available in the communities unless they take remedial action.

Regulatory Classification. This final rule is not a significant regulatory action under the criteria of section 3(f) of Executive Order 12866 of September 30, 1993, Regulatory Planning and Review, 58 FR 51735.

Paperwork Reduction Act. This rule does not involve any collection of information for purposes of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*

Executive Order 12612, Federalism. This rule involves no policies that have federalism implications under Executive Order 12612, Federalism, October 26, 1987, 3 CFR, 1987 Comp.; p. 252.

Executive Order 12778, Civil Justice Reform. This rule meets the applicable standards of section 2(b)(2) of Executive Order 12778, October 25, 1991, 56 FR 55195, 3 CFR, 1991 Comp.; p. 309.

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

■ Accordingly, 44 CFR part 64 is amended as follows:

PART 64—[AMENDED]

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

Authority: 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp.; p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp.; p. 376.

§ 64.6 [Amended]

■ 2. The tables published under the authority of § 64.6 are amended as follows:

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in special flood hazard areas
Region IV				
Kentucky:				
Magoffin County, Unincorporated Areas	210158	December 18, 1978, Emerg; March 4, 1986, Reg; March 16, 2005, Susp.	March 16, 2005	March 16, 2005.
Salyersville, City of, Magoffin County ...	210159	July 8, 1975, Emerg; October 15, 1985, Reg; March 16, 2005, Susp.do*	Do.*

*-do--Ditto.

Code for reading third column: Emerg.-Emergency; Reg.-Regular; Susp.-Suspension.

David I. Maurstad,

Acting Mitigation Division Director,
Emergency Preparedness and Response
Directorate.

[FR Doc. 05-5052 Filed 3-14-05; 8:45 am]

BILLING CODE 9110-12-P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Chapter I

[CC Docket No. 02-53, FCC 05-32]

Presubscribed Interexchange Carrier Charges

AGENCY: Federal Communications
Commission.

ACTION: Final rule.

SUMMARY: This document revises the Commission's presubscribed interexchange carrier (PIC)-change charge policies. PIC-change charges are federally-tariffed charges imposed by incumbent local exchange carriers on end-user subscribers when these subscribers change their long distance carriers. The report and order requires incumbent local exchange carriers to

create separate PIC-change charges based on the method used to process the request. Based on cost information submitted in the record of the proceeding, the report and order adopts safe harbors below which PIC change charges will be considered reasonable. These safe harbors are \$1.25 for electronically-processed PIC changes and \$5.50 for manually-processed PIC changes.

DATES: Effective April 14, 2005.

FOR FURTHER INFORMATION CONTACT:

Jennifer McKee, Wireline Competition Bureau, Pricing Policy Division, (202) 418-1530, jennifer.mckee@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order in CC Docket No. 02-53 released on February 17, 2005. The full text of this document is available on the Commission's Electronic Comment Filing System Web site and for public inspection during regular business hours in the FCC Reference Center, Room CY-A257, 445 Twelfth Street, SW., Washington, DC 20554.

Paperwork Reduction Act Analysis

This document does not contain new or modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104-13. In addition, therefore, it does not contain any new or modified "information collection burden for small business concerns with fewer than 25 employees," pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107-198. 44 U.S.C. 3506(c)(4).

Background

In this Report and Order, adopted February 10, 2005 and released February 17, 2005 in CC Docket No. 02-53, FCC 05-32, the Commission revises its policies regarding the charge incumbent local exchange carriers (LECs) impose on customers when the customers change their long distance service provider. For incumbent LECs, these charges currently are subject to a \$5 safe harbor within which a PIC change charge is considered reasonable. Significant industry and market changes have occurred since the implementation of the \$5 safe harbor in 1984; therefore, the Commission initiated this proceeding to reexamine the existing safe harbor for incumbent LEC PIC change charges. Based on the record in this proceeding, the Commission requires incumbent LECs to adopt separate PIC change charges for changes that are processed electronically and manually. The Commission adopts a safe harbor of \$1.25 for electronically

processed PIC changes, and a safe harbor of \$5.50 for manually processed PIC changes.

Discussion

As a threshold matter, we consider whether regulation of incumbent LEC PIC change charges is necessary at the current time. As discussed above, incumbent LECs assess PIC change charges on their end user customers that switch long distance service providers. Under the Commission's existing domestic common carrier regulations, incumbent LECs generally are treated as dominant carriers because the Commission has found that these carriers possess and are likely to be able to exercise market power. While we do believe that residential competition is growing, competition is not yet so ubiquitous to serve as a reliable constraint on PIC change charge rates. Thus, we find that, at this time, market forces cannot be relied upon to limit incumbent LEC PIC change charge rates.

PIC Change Charge Safe Harbors

We do not require incumbent LECs to tariff PIC change charges based on individual incumbent LEC actual costs. Such a requirement would be unduly burdensome, both to the incumbent LECs that would now be required to compile and submit detailed cost information related to PIC changes, and to the Commission, which would have to expend scarce resources evaluating the multiple cost submissions. Instead, we find that adopting a safe harbor for the incumbent LEC PIC change charge has been a reasonable method of regulating the charge in the past, and use of this method continues to be a reasonable practice going forward. Under the safe harbor approach, incumbent LECs may tariff PIC change charge rates that are equal to or less than the safe harbor without having to provide detailed cost filings in support of the rates. Incumbent LECs are free, however, to submit cost showings if their costs exceed the safe harbor limit. We find that adoption of a safe harbor in this instance provides a reasonable proxy for incumbent LECs' PIC change costs, while allowing carriers the option of foregoing the submission of cost support if their rates are within the safe harbor limits.

An examination of PIC change costs reveals a substantial difference between the costs of electronically processed PIC changes and PIC changes that require manual processing. The record in this proceeding further confirms that the costs of an electronically processed PIC change are substantially lower than the costs of PIC changes that must be

processed manually. By allowing carriers to impose a single, blended PIC change charge, customers whose PIC changes are processed through the less costly electronic system are realizing no benefit from the use of these more efficient systems. They will be assessed the same charge as a customer whose PIC change is more complicated and requires costly manual processing. With no distinction in the rates between electronically processed and manually processed changes, long distance carriers lack an incentive to invest in the more efficient electronic systems, as there is no competitive benefit to doing so. Instead, we believe that both customers and long distance providers should reap the benefit of the long distance providers' investments in more efficient electronic processing capabilities. We therefore adopt separate safe harbors for incumbent LEC PIC changes that are processed manually and electronically. Adopting a two-tiered approach will provide an incentive for long distance providers to invest in electronic processing capabilities to gain the competitive advantage of lower incumbent LEC PIC change charges for customers switching to these long distance providers' services.

We find that small and rural incumbent LECs should be subject to the same safe harbors for electronic and manual processing applicable to larger incumbent LECs. There is no evidence on the record that the costs for processing electronically submitted PIC changes are greater for small and rural incumbent LECs than for larger and non-rural incumbent LECs. Therefore we have no basis on which to establish a separate electronic PIC change safe harbor rate for these carriers. One carrier submitted cursory cost information regarding its costs to process manually submitted PIC changes, but this information from a single carrier was not sufficient evidence on which to base a separate small and rural incumbent LEC manual PIC change charge safe harbor. In any event, we note that, as discussed below, we are raising the current manual safe harbor rate for all incumbent LECs, including small and rural carriers. Finally, we note that prior to our decision in this report and order small and rural incumbent LECs have been subject to the same \$5.00 safe harbor applicable to all other incumbent LECs. No small or rural carrier has submitted cost information seeking to increase this \$5.00 charge. As has been the case since 1984, all carriers remain free to submit cost studies to justify a higher rate to the extent these

companies' costs exceed the safe harbors.

We find that incumbent LECs without electronic PIC change capabilities may rely solely on a manual rate, subject to the manual safe harbor. We do not require any small or rural carrier to implement electronic PIC change processing systems if doing so would not be economically rational. To the extent small and rural incumbent LECs have electronic PIC change processing systems in place, we find that the separate electronic PIC change rate will provide an incentive for long distance providers to use this less costly manner of PIC change submission. Customers selecting long distance providers that employ electronic PIC change processing will be charged the incumbent LECs' tariffed lower electronic PIC change charge rates.

Costs Recovered in the PIC Change Charge

We find that incumbent LECs should not recover PIC freeze or third-party verification (TPV) costs through the PIC change charge. PIC freeze services are optional services offered by LECs to their customers. If LECs choose to offer a PIC freeze service, they should recover the costs from those customers requesting and using the service. If LECs are allowed to recover the costs of PIC freezes through the PIC change charge, customers that pay the PIC change charge are paying for the PIC freeze service for other customers. Customers that do not subscribe to the PIC freeze service are more likely to change their long distance providers and to pay the PIC change charge. It is unreasonable to require these customers to pay the costs of a PIC freeze service utilized by other customers. Therefore, we find that the costs associated with administering PIC freeze services cannot be recovered through the PIC change charge.

We also find that the costs of TPV cannot be recovered through the PIC change charge. LECs are not required to conduct TPV under our rules unless a customer is switching to the service of the LECs' long distance affiliates (or from a competitive LEC to the LECs themselves for local service). To the extent TPV is used to verify a change to a LEC-affiliated carrier, LECs should not be allowed to recover these costs from customers switching to competing long distance providers. Instead, these costs should be recovered by the LEC from its affiliate. Similarly, LECs should not be allowed to increase the costs of PIC changes by including the costs of TPV processes that are voluntarily undertaken by the LECs. For example, a cost study submitted by Verizon in the

record of this proceeding demonstrates that TPV costs represent approximately 12 percent of its manual processing costs. Allowing LECs to inflate the PIC change charge by recovering these voluntarily incurred costs may reduce customers' willingness to switch long distance providers, thereby hindering competition. Therefore, we find that incumbent LECs may not recover voluntarily-incurred TPV costs through the PIC change charge, and may recover mandatorily-incurred TPV costs only from customers that switch to the incumbent LECs' long distance affiliates.

Some commenters also argue that costs related to "slamming," which is an unauthorized change in a customer's long distance provider, should not be recovered through the PIC change charge. They contend that incumbent LECs have no legitimate role in investigating slamming complaints so there are no costs to be recovered. These commenters overlook the fact that customers may not be aware of the Commission's slamming complaint procedures and may contact the LECs for information about the process. Under the Commission's rules, if a customer notifies its LEC of an unauthorized change of its long distance provider, the LEC must notify both the authorized and the unauthorized long distance provider, and must also refer the customer to the appropriate regulatory authority for resolution of the complaint. Incumbent LECs do incur some small costs in carrying out these duties. In Verizon's cost study, for example, slamming inquiry costs represented only approximately \$0.09 per PIC change, or approximately two percent of the total costs included in Verizon's PIC change costs. Because these costs are incurred legitimately by the LECs as part of implementation of customers' PIC selections; because, as represented by Verizon's cost study, these costs are slight; and because all customers benefit directly or indirectly from the LECs' diligence in investigating slamming complaints, we will allow incumbent LECs to spread these costs over all PIC change requests and recover them through the PIC change charge.

We also find that incumbent LECs may recover a reasonable percentage of their common costs through the PIC change charge. SBC and Verizon argue that common costs, such as legal, executive, marketing, and other costs, are not incurred in relation to any specific service, but are required for LECs to provide all of the services they offer, including the PIC change service. Commenters have offered no justification for treating the PIC change

service differently from other incumbent LEC services with respect to the inclusion of reasonable common costs.

Establishing Safe Harbor Rates

To set the incumbent LEC electronic and manual PIC change charge safe harbors, we look to the cost information submitted in the record of this proceeding. There are three cost studies in the record: one filed by BellSouth in support of a change to its tariffed PIC change charge rate in November 2003; one filed by Verizon on June 15, 2004, in response to the Further Notice of Proposed Rulemaking in this proceeding; and one filed by SBC more than four months after the record closed, on November 4, 2004. BellSouth's cost information was not promulgated in response to the issues raised in this proceeding, and it does not provide as much detail in certain areas, such as PIC freeze costs, as does Verizon's cost study. Verizon's cost study provides the most detailed analysis of the costs it includes in its PIC change charge, including costs associated with PIC freezes and the TPV process. Commenters objecting to Verizon's cost study focus on costs that should be excluded from the PIC change charge and do not contest the actual amounts of the costs. SBC's cost study was submitted after the record closed and parties have not had an opportunity to comment on it. Furthermore, SBC's cost study does not provide a detailed analysis of the costs attributable to electronically processed PIC changes. We therefore rely on Verizon's cost study as the best record evidence to establish revised safe harbor rates.

After removing costs that Verizon identifies as associated with PIC freezes and TPV, we adopt a safe harbor rate of \$1.25 for electronically processed PIC changes and a safe harbor rate of \$5.50 for manually processed PIC changes. Verizon's cost study on which we base these safe harbor rates includes in its electronically processed PIC change costs the costs associated with electronically submitted change requests that "fall out" of the electronic system and require some manual handling. We therefore clarify that all PIC change requests that are submitted electronically by the long distance carrier will result in the incumbent LEC charging the end user the electronic PIC change charge rate, regardless of whether some manual processing is required.

Incumbent LECs that process PIC change requests through electronic and manual methods must amend their tariffs to reflect separate rates for electronic and manual processing of PIC

changes. If an incumbent LEC's rates are at or below these safe harbors, the incumbent LEC is not required to file cost support for the rates. If an incumbent LEC wishes to demonstrate costs in excess of the safe harbor rates, it must file detailed cost support for its proposed rates. If at the time it filed its currently tariffed PIC change charge rate an incumbent LEC relied on cost data demonstrating that its costs are lower than the new safe harbor rates, the incumbent LEC may not increase its PIC change charge rates unless it files new cost support justifying the higher rates.

Multiple PIC Change Charges for Simultaneous Changes in Services

Some commenters in the proceeding argue that LECs should not be able to assess multiple PIC change charges when customers change both their PIC and their intraLATA primary interexchange carrier (LPIC) at the same time. Two incumbent LEC commenters confirm that, when the changes are requested simultaneously, the costs are equal to the costs of a single change. Generally, incumbent LECs' PIC change charges are contained in their federal tariffs and LPIC change charges are contained in state tariffs. For purposes of the federally-tariffed PIC change charge, when customers change their PICs in conjunction with changing their LPICs, incumbent LECs should assess half of the applicable federally-tariffed PIC change charge. Carriers may recover their remaining costs through the state-tariffed LPIC change charges. We require incumbent LECs to amend their federal tariffs to include a rate that is 50 percent of the manual PIC change charge rate, and another rate that is 50 percent of the electronic PIC change charge rate, and the respective 50 percent rate will apply when a customer requests a PIC change simultaneously with an LPIC change.

Conclusion

As discussed above, we require all incumbent LECs that process PIC change requests through electronic and manual methods to revise their tariffs to include one rate for PIC changes that are processed electronically and a separate rate for PIC changes that are processed manually. Rates that are within the safe harbors of \$1.25 for electronically processed PIC changes and \$5.50 for manually processed PIC changes may be filed without separate cost support. Rates in excess of these safe harbors must include appropriately detailed cost support justifying the rates. Incumbent LECs must also revise their tariffs to reflect a rate that is equal to 50 percent of the full PIC change charge rate when a customer requests a PIC change in

conjunction with an LPIC change. These tariff revisions are to be filed on or before April 14, 2005.

Procedural Matters

Final Regulatory Flexibility Analysis

As required by the Regulatory Flexibility Act of 1980, as amended (RFA), 5 U.S.C. 603, an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the Notice of Proposed Rulemaking, 67 FR 34665, May 15, 2002, and the Further Notice of Proposed Rulemaking, 69 FR 29913, May 26, 2004. The Commission sought written public comment on the proposals in the Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, including comment on the IRFA. This present Final Regulatory Flexibility Analysis (FRFA) conforms to the RFA. 5 U.S.C. 604.

Need for, and Objectives of, the Report and Order

PIC change charges are federally tariffed charges imposed by LECs on end user subscribers when these subscribers change their presubscribed long distance providers. The Commission in 1984 established a safe harbor of \$5 for PIC change charges of incumbent LECs, allowing carriers to set rates at or below the \$5 safe harbor without the need for filing detailed cost support for the rates. Significant industry and market changes have occurred since the implementation of the \$5 safe harbor in 1984; therefore, the Commission initiated this proceeding to reexamine the existing safe harbor for incumbent LEC PIC change charges. As discussed in paragraphs 0–0 of the report and order, incumbent LECs are required to adopt separate PIC change charges for changes that are processed electronically and manually. We adopt a safe harbor of \$1.25 for electronically processed PIC changes, and a safe harbor of \$5.50 for manually processed PIC changes. Also as discussed in paragraph 0, incumbent LECs must include in their federal tariffs a rate equal to 50 percent of the full PIC change charge rate when a customer requests a PIC change in conjunction with a change in its intraLATA presubscribed interexchange carrier (LPIC).

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

There were no comments filed that specifically addressed the rules and policies proposed in the IRFA.

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

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 rules adopted herein. 5 U.S.C. 604(a)(3). The RFA generally defines the term "small entity" as having the same meaning as the terms "small business," "small organization," and "small governmental jurisdiction." 5 U.S.C. 601(6). In addition, the term "small business" has the same meaning as the term "small business concern" under the Small Business Act. 5 U.S.C. 601(3) (incorporating by reference the definition of "small business concern" in the Small Business Act, 15 U.S.C. 632). Pursuant to 5 U.S.C. 601(3), the statutory definition of a small business applies "unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the **Federal Register**." A "small business concern" is one that: (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). 15 U.S.C. 632.

We have included small incumbent LECs in this present RFA analysis. As noted above, 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." 15 U.S.C. 632. 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. Letter from Jere W. Glover, Chief Counsel for Advocacy, SBA, to William E. Kennard, Chairman, FCC (May 27, 1999). The Small Business Act contains a definition of "small business concern," which the RFA incorporates into its own definition of "small business." See 15 U.S.C. 632(a); 5 U.S.C. 601(3). SBA regulations interpret "small business concern" to include the concept of dominance on a national basis. 13 CFR 121.102(b). We have therefore included small incumbent LECs in this RFA analysis, although we emphasize that this RFA action has no effect on Commission analyses and determinations in other, non-RFA contexts.

Wired Telecommunications Carriers. The SBA has developed a small business size standard for Wired Telecommunications Carriers, which consists of all such companies having 1,500 or fewer employees. 13 CFR 121.201, NAICS code 517110. According to Census Bureau data for 1997, there were 2,225 firms in this category, total, that operated for the entire year. Of this total, 2,201 firms had employment of 999 or fewer employees, and an additional 24 firms had employment of 1,000 employees or more. Thus, under this size standard, the majority of firms can be considered small.

Incumbent Local Exchange Carriers. Neither the Commission nor the SBA has developed a size standard for small businesses specifically applicable to incumbent local exchange carriers. The closest applicable size standard under SBA rules is for Wired Telecommunications Carriers. Under that size standard, such a business is small if it has 1,500 or fewer employees. 13 CFR 121.201, NAICS code 517110. According to Commission data, 1,310 carriers reported that they were incumbent local exchange service providers. Of these 1,310 carriers, an estimated 1,025 have 1,500 or fewer employees and 285 have more than 1,500 employees. Consequently, the Commission estimates that most incumbent local exchange carriers are small entities that may be affected by the rules and policies adopted herein.

Description of Projected Reporting, Recordkeeping and Other Compliance Requirements for Small Entities

All incumbent LECs, including those that are small entities, are now required to make revisions to their federal tariffs to implement our revised PIC change charge policies. To the extent their federal tariffs do not already reflect this, all incumbent LECs must file rates equal to 50 percent of the full PIC change charge rate when an end user customer requests a PIC change in conjunction with an LPIC change. Also, all incumbent LEC that are able to process PIC changes electronically must file separate rates for PIC changes that are processed manually and electronically. If the rates are within the safe harbor rates of \$5.50 for manually processed changes and \$1.25 for electronically processed changes, no cost support is required. For rates in excess of the safe harbor rates, incumbent LECs must file detailed cost information justifying the higher rates.

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

The RFA requires an agency to describe any significant alternatives that it has considered in developing its 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.” 5 U.S.C. 603(c)(1)–(c)(4).

Some commenters in this proceeding argue that incumbent LECs should be required to base their PIC change charges on their individual costs. As discussed in paragraph 10 of the report and order, we reject this approach as unduly burdensome on incumbent LECs, including any that may be small entities. Instead, adopting safe harbors for PIC change charges allows incumbent LECs to file rates without the burden of filing detailed cost support. Incumbent LECs still have the option of filing cost support if their PIC change costs exceed the safe harbor rates. As discussed in paragraphs 9–10 of the report and order, we decline to adopt a separate safe harbor rate for small and rural incumbent LECs. We note that prior to our decision in this order small and rural carriers have been subject to the same \$5.00 safe harbor applicable to all other carriers. No small or rural carrier has submitted cost information seeking to increase this \$5.00 charge. As has been the case since 1984, all carriers remain free to submit cost studies to justify a higher rate to the extent these companies’ costs exceed the safe harbors. As discussed in paragraph 0, we do not require any small or rural carrier to implement electronic PIC change processing systems if doing so would not be economically rational.

Report to Congress

The Commission will send a copy of this Report and Order, including this FRFA, in a report to be sent to Congress and the General Accounting Office pursuant to the Congressional Review Act. 5 U.S.C. 801(a)(1)(A). In addition, the Commission will send a copy of the Report and Order, including the FRFA, to the Chief Counsel for Advocacy of the SBA. A copy of the Report and Order and FRFA (or summaries thereof) will

also be published in the **Federal Register**. 5 U.S.C. 604(b).

Ordering Clauses

Accordingly, *it is ordered that*, pursuant to 4(i), 4(j), 201(b), 203(a), 205, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 154(j), 201(b), 203(a), 205, and 403, all incumbent LECs that process PIC change requests through electronic and manual methods shall file revised rates, to include one rate for PIC changes that are processed electronically and a separate rate for PIC changes that are processed manually, and all incumbent LECs shall file revised rates equal to 50 percent of the full PIC change charge rate when a customer requests a PIC change in conjunction with an LPIC change, no later than April 14, 2005. These rates shall be effective on fifteen (15) days’ notice.

It is further ordered that the Commission’s Consumer and Governmental Affairs Bureau, Reference Information Center, shall send a copy of this Report and Order, including the Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. 05–5058 Filed 3–14–05; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 64

[CC Docket No. 94–129, CC Docket No. 00–257; FCC 04–153]

2000 Biennial Review—Review of Policies and Rules Concerning Unauthorized Changes of Consumers’ Long Distance Carriers

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: In this document, the Commission addresses issues raised in petitions for reconsideration filed pursuant to the First Report and Order and Fourth Report and Order, and certain ancillary slamming issues relating to switchless resellers that were raised in CC Docket No. 94–129 and CC Docket No. 00–257 that have not yet been resolved.

DATES: Effective March 15, 2005.

ADDRESSES: Federal Communications Commission, 445 12th Street, SW., Washington, DC 20554.