

material comments which VA has accepted.

SBA, Office of Advocacy, objected to the proposed rule on various grounds including that it fails to provide an adequate basis in its Regulatory Flexibility Act (RFA) certification concerning the proposed rule's impact on small business entities. VA's RFA language provided that "VA estimates the cost to an individual business to be less than \$100.00 for 70–75 percent of the businesses seeking verification, and the average cost to the entire population of veterans seeking to become verified is less than \$325.00 on average." In its comment, SBA stated that "[o]ne of the most important provisions with the RFA requires that the promulgating agency give the public some idea of the number of small entities that any proposed rule will impact. VA's proposed certification does not provide any indication of the number of small businesses that may be impacted by the proposed change." After considering this comment, VA procured a survey to better demonstrate that the proposed rule would not have a significant economic impact on a substantial number of small business entities.

SBA also objected to the proposed rule to the extent that it failed to provide statutory or other legal authority following each cited substantive provision. SBA, in its comment, stated that the proposed rule does not comply with 38 U.S.C. 501 in that the proposed rule does not "contain citations to the particular section or sections of statutory law or other legal authority upon which such issuance is based." After considering the SBA's comment, VA seeks to withdraw the proposed rule and to republish at a later date to ensure that each substantive revision is followed immediately by supporting statutory or other legal authority.

Fourteen comments spoke to potential violations of due process through the immediate removal of a company without allowing the company an opportunity to refute the allegations, such as owners accused of criminal offenses. The proposed amendment to 38 CFR 74.2(b) provides that "[i]ndividuals having an ownership or control interest in VetBiz verified businesses must have good character. Concerns owned or controlled by a person(s) who is formally accused of a crime involving business integrity are ineligible for VetBiz VIP Verification. If, after verifying a participant's eligibility the person(s) controlling the participant is found to lack good character, CVE will remove the participant from the VIP database immediately . . ." One

commenter, SBA, commented that "Section 74.2(b) of the proposed regulation would seem to deny an applicant due process of law . . . [and] . . . would seem to indicate that if an applicant is formally accused of an offense, that person is not eligible for Vet Biz Verification." Another commenter stated "I would . . . question if being 'formally accused' and not actually proven guilty of any crime, is proper." After considering these and other similar comments, VA seeks to remove the portion of the proposed rule prescribing the immediate removal of companies, under certain circumstances, prior to allowing such affected company a chance to refute the allegations.

Six comments were lodged complaining that the increase of the waiting period following a denial of verification from 6 months to 12 months does not (i) benefit the Veteran, (ii) is unnecessarily long, and (iii) punitive in nature. One commenter stated that "extending the waiting period from six to 12 months does not allow sufficient time for ineligible concerns to address significant issues" any more than the current rule does. The current rule requires a *minimum* wait of six months—if issues require more time to address, the eligible veteran can make that determination and simply wait 12 months—or 16 months—to reapply. Second, the extended wait time will not incentivize applicants to avail themselves of CVE resources. In fact, lengthening the wait period will result in lost momentum and is described in the preamble as a form of punishment for veterans that do not use CVE resources. VA should not take this approach. Finally, the program will be no more efficient in the long run with a 12 month waiting period. Applications from concerns that are denied or cancelled will not decrease, they will only be filed in 12 months rather than in six." After considering these and other similar comments, VA seeks to withdraw the portion of the proposed rule that increases the waiting period from 6 to 12 months, following a denial of verification.

VA understands that in order to proceed forward without withdrawing the proposed rule and republishing, the proposed modifications to the proposed rule must be considered a logical outgrowth. Considering the extent of the revisions as outlined in this publication and that VA proposes to include additional modifications to the rule, it is unlikely that the proposed rule as modified would be considered a logical outgrowth. Because of the adverse comments received during the comment

period, VA is withdrawing the proposed rule.

#### Signing Authority

The Secretary of Veterans Affairs, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Gina S. Farrisee, Deputy Chief of Staff, Department of Veterans Affairs, approved this document on June 23, 2017, for publication.

Approved: June 23, 2017.

**Jeffrey Martin,**

*Office Program Manager, Office of Regulation Policy & Management, Office of the Secretary, Department of Veterans Affairs.*

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## FEDERAL COMMUNICATIONS COMMISSION

**47 CFR Parts 1, 22, 24, 27, 30, 74, 80, 90, 95, and 101**

[WT Docket No. 10–112; FCC 17–105]

### Amendment of the Commission's Rules To Establish Uniform License Renewal, Discontinuance of Operation, and Geographic Partitioning and Spectrum Disaggregation Rules and Policies for Certain Wireless Radio Services

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** In this document, the Federal Communications Commission seeks additional comment on a range of possible actions that may advance the Commission's goal of increasing the number of rural Americans with access to wireless communications services. In order to encourage investment in wireless networks, facilitate access to scarce spectrum resources, and promote the rapid deployment of mobile services to rural Americans, the Commission seeks comment on additional, reasonable construction obligations during renewal terms that are targeted to reach rural areas that lack adequate service.

**DATES:** Interested parties may file comments on or before October 2, 2017, and reply comments on or before October 31, 2017.

**ADDRESSES:** You may submit comments, identified by WT Docket No. 10–112, by any of the following methods:

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the Commission's Electronic Comment Filing System (ECFS): <http://fjallfoss.fcc.gov/ecfs2/>. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- **Paper Filers:** Parties who choose to file by paper must file an original and one copy of each filing. Generally if more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number. Commenters are only required to file copies in GN Docket No. 13–111.

- Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW–A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of *before* entering the building.

- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington, DC 20554.

**People with Disabilities:** To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (TTY).

**FOR FURTHER INFORMATION CONTACT:**

Anna Gentry, [Anna.Gentry@fcc.gov](mailto:Anna.Gentry@fcc.gov), of the Wireless Telecommunications Bureau, Mobility Division, (202) 418–2887. For additional information concerning the PRA information collection requirements contained in this document, contact Cathy Williams at (202) 418–2918 or send an email to [PRA@fcc.gov](mailto:PRA@fcc.gov).

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Further Notice of Proposed Rulemaking (FNPRM) in WT Docket No. 10–112, FCC 17–105, released on August 3,

2017. The complete text of the FNPRM is available for viewing via the Commission's ECFS Web site by entering the docket number, WT Docket No. 10–112. The complete text of the FNPRM is also available for public inspection and copying from 8:00 a.m. to 4:30 p.m. Eastern Time (ET) Monday through Thursday or from 8:00 a.m. to 11:30 a.m. ET on Fridays in the FCC Reference Information Center, 445 12th Street SW., Room CY–B402, Washington, DC 20554, telephone 202–488–5300, fax 202–488–5563.

This proceeding shall continue to be treated as a “permit-but-disclose” proceeding in accordance with the Commission's *ex parte* rules (47 CFR 1.1200 *et seq.*). Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.*, .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

## Synopsis

### I. Introduction

The FNPRM seeks comment on a range of possible actions that may advance the Commission's goal of increasing the number of rural Americans with access to wireless communications services. A core Commission goal is to facilitate access to scarce spectrum resources and ensure that wireless communication networks are widely deployed so that every American, regardless of location, can benefit from a variety of communications offerings made available by Commission licensees. In pursuit of that goal, the Commission has, through various service rulemakings, created flexible-use geographic licenses and established initial term construction obligations tailored to specific bands, many of which were adopted with the stated intent of promoting service in rural areas.

Although the Commission's efforts have facilitated the rapid development of a wide variety of wireless services over the past decade, there remains a real and growing digital divide between rural and urban areas in the United States. While the construction obligations associated with geographic licenses are intended to encourage wide deployment of wireless networks, those obligations require licensees to provide service to only portions of the license area, not the entire area. Even the Commission's most aggressive initial term construction obligation, which requires licensees to cover 70 percent of the geographic area of the license, likely leaves significant portions of rural America, where deployment costs may be higher and demand lower, without meaningful mobile coverage. In addition, the Commission's current rules do not require any additional construction after the initial license term—that is, during subsequent renewal terms.

Therefore, in order to encourage investment in wireless networks, facilitate access to scarce spectrum resources, and promote the rapid deployment of mobile services to rural Americans, the FNPRM seeks comment on whether additional, reasonable construction obligations during renewal terms that are targeted to reach rural areas that lack adequate service would help achieve the Commission's goals. The FNPRM seeks comment on three methods for applying any such obligations: (1) Applying any new obligations on a prospective basis only to new licenses issued in the future; (2) establishing an “opt-in” framework to

facilitate additional buildout; or (3) applying any new obligations prospectively to all existing and future licensees of flexible geographic licenses.

In the event the Commission adopts construction obligations beyond a licensee's initial term requirements—whether on the opt-in or mandatory basis described above—the *FNPRM* seeks comment on the obligations that would be most effective to achieve the Commission's goals. Specifically, the *FNPRM* seeks comment on an additional construction obligation beyond a licensee's initial term construction obligations, under which the licensee would be required to exceed its original construction metric by an additional 10 percent in the next full renewal term, followed by incremental increases of five or 10 percent in subsequent renewal terms. The *FNPRM* also seeks comment on other, targeted construction obligations that might achieve the Commission's goal of expanded coverage with respect to spectrum bands used to provide service to consumers. In light of the wide variety of flexible geographic licenses and their potential uses, the *FNPRM* seeks comment on whether to apply any additional renewal term construction obligations to all flexible geographic licenses, or whether certain types of licenses should be excluded. Similarly, the *FNPRM* seeks comment on whether any additional renewal term obligations should vary depending on the type of license, or the specific band, to which they would apply, and, if so, why those obligations should vary.

In the event the Commission adopts additional construction obligations for license renewal terms, the *FNPRM* seeks comment on various implementation issues. First, the *FNPRM* seeks comment on requiring licensees to meet the additional construction obligations at the end of the next full renewal license term. As an alternative, the *FNPRM* seeks comment on requiring licensees to satisfy at least some additional renewal term construction obligations by a certain number of years into their renewal term, *e.g.*, five years into a ten-year renewal term. The *FNPRM* seeks comment on these and any other considerations concerning the timeframe for implementation that will most effectively facilitate rapid deployment of wireless communications services to rural areas. The *FNPRM* also seeks comment on possible renewal reporting obligations that could provide insights into the adoption and affordability of services being provided by wireless carriers and that may help achieve our goal of closing the digital divide, particularly in rural areas.

In order to create incentives for additional license construction, including investment in rural areas, the *FNPRM* seeks comment on appropriate penalties should licensees fail to meet those obligations. First, the *FNPRM* seeks comment on the “keep-what-you-serve” penalty for failure whereby a licensee's authorization would terminate automatically for those geographic portions of its license area in which the licensee is not providing service as of the construction deadline, and those unserved areas would be returned to the Commission's inventory for reassignment. Second, the *FNPRM* seeks comment on a “use or offer” penalty whereby a licensee that fails to meet its construction obligation would retain its entire license area, but would be required to negotiate in good faith with any third party seeking to acquire or lease spectrum in the unserved areas of the license. Third, the *FNPRM* seeks comment on a penalty resulting in total loss of the license or a reduction in license area, including loss of areas that the licensee serves. Finally, the *FNPRM* seeks comment generally on other penalties, including forfeitures, that could be used as alternatives to, or in combination with, those described above.

In the event that the Commission ultimately adopts penalties that result in the return of whole or partial licenses to the Commission's inventory for reassignment, the *FNPRM* seeks comment on various approaches for relicensing unused spectrum. First, the *FNPRM* seeks comment on applying a two-phased on-demand relicensing approach, such as the framework established by the Commission in the 700 MHz Second Report and Order, under which interested parties would be allowed to file applications to serve any amount of available unserved area. Under the framework established there, there is a 30-day Phase 1 filing window during which only the failing licensee is barred, followed by a Phase 2 window, which is open to all interested parties, including the failing licensee, and runs until all unserved areas in the market are relicensed. In the alternative, the *FNPRM* seeks comment on relicensing spectrum for unserved areas through a re-auction framework that would offer all remaining unserved areas in the license together in a single auction. The *FNPRM* seeks comment on the respective costs and benefits of both approaches to relicensing and any additional or alternative conditions that might serve our rural coverage objectives.

Finally, the *FNPRM* seeks comment on other possible changes to the

Commission's rules that might reduce regulatory burdens to improve the renewal process and facilitate the efficient allocation and use of spectrum. The *FNPRM* seeks comment on whether it may be appropriate to extend the license term, upon renewal, of subject licenses. For example, a 10-year license term could be extended to 15 years, as an alternative to or in combination with any other approach to the timeframe for implementation. In addition, Verizon proposed that the Commission “adopt a presumption that band-specific service rules or conditions will sunset at renewal, absent an affirmative finding that they are necessary in the public interest.” The *FNPRM* seeks comment on what types of rules or conditions should be included under Verizon's proposed sunset presumption, including specific examples, and whether there are categories of regulations that should be excluded from any sunset-at-renewal presumption.

## II. Procedural Matters

### *Initial Regulatory Flexibility Act Analysis*

As required by the Regulatory Flexibility Act of 1980 (5 U.S.C. 603), the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities of the policies and rules proposed in this document. We request written public comment on the IRFA. Comments must be filed in accordance with the same deadlines as comments filed in response to the *FNPRM* as set forth on the first page of this document, and have a separate and distinct heading designating them as responses to the IRFA. The Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, will send a copy of the *FNPRM*, including the IRFA, to the Chief Counsel for Advocacy of the Small Business Administration.

### *Initial Paperwork Reduction Act Analysis*

The *FNPRM* contains proposed new information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and OMB to comment on the information collection requirements contained in this document, as required by PRA. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, see 44 U.S.C. 3506(c)(4), the Commission seeks specific comment on how it might “further reduce the information collection burden for small business

concerns with fewer than 25 employees.”

Federal Communications Commission.

**Katura Jackson,**

*Federal Register Liaison Officer, Office of the Secretary.*

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## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 74

[GN Docket No. 14–166, ET Docket No. 14–165, GN Docket No. 12–268: FCC 17–95]

#### Promoting Spectrum Access for Wireless Microphone Operations

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** In this document, the Commission proposes to permit professional theater, music, performing arts, or similar organizations that operate wireless microphones on an unlicensed basis and that meet certain criteria to obtain a license to operate in the TV bands (and the 600 MHz service band during the post-auction transition period), thereby allowing them to register in the white spaces databases for interference protection from unlicensed white space devices at venues where their events/productions are performed. In addition, the Commission proposes to permit these same users, based on demonstrated need, also to obtain a license to operate on other bands available for use by wireless microphone licensees provided that they meet the applicable requirements for operating in those bands. This proposed action promotes the Commission’s goal of accommodating wireless microphone users’ needs through access to spectrum resources following the incentive auction and reconfiguration of the TV bands.

**DATES:** Comments are due October 2, 2017. Reply comments are due October 16, 2017.

**FOR FURTHER INFORMATION CONTACT:** Paul Murray, Office of Engineering and Technology, 202–418–0688, [Paul.Murray@fcc.gov](mailto:Paul.Murray@fcc.gov).

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission’s Further Notice of Proposed Rulemaking, GN Docket No. 14–166, ET Docket No. 14–165, GN Docket No 12–268, FCC 17–95, adopted July 13, 2017, and released July 14, 2017. The full text of this document is available for inspection and copying

during normal business hours in the FCC Reference Center (Room CY–A257), 445 12th Street SW., Washington, DC 20554. The full text may also be downloaded at: [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2017/db0714/FCC-17-95A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2017/db0714/FCC-17-95A1.pdf).

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#### Synopsis

1. *Background.* As an alternative to its request for reinstatement of a reservation system for certain unlicensed wireless microphone users, wireless microphone manufacturer Shure requested in its petition for reconsideration of the Commission’s 2015 *Wireless Microphones R&O*, 80 FR 71702, November 17, 2015, that the Commission provide a more limited reservation system that would make registration for interference protection for wireless microphone users in the TV bands available in special circumstances requiring a high degree of reliability for a user that does not typically use 50 or more microphones. Shure pointed out that recent Commission decisions, including the elimination of two “reserved” TV channels for wireless microphones in the TV bands following the incentive auction, has resulted in unlicensed wireless microphone users having access to fewer vacant TV channels that would be free from interference from white space devices.

2. Under the Commission’s part 74 Low Power Auxiliary Stations (LPAS) rules, licensed operations of wireless microphones are permitted on the TV band frequencies on a secondary, non-exclusive basis, with license eligibility restricted to a limited set of specified entities. Prior to 2014, eligibility was restricted to licensees of radio and broadcast television stations, broadcast television network entities, certain cable television system operators, and motion picture and television program producers. In the *TV Bands Wireless Microphones Second R&O*, 79 FR 40680, July 14, 2014, the Commission provided for a limited expansion of eligibility under part 74, Subpart H, to include professional sound companies and venues that routinely use 50 or more wireless microphones for major events/productions where use of such devices is an integral part of these events/productions. When using frequencies in the TV bands, these licensed wireless microphone users may also register with

the white spaces databases to receive interference protection from unlicensed white space devices in the TV bands at specified locations when these events/productions are performed.

3. In providing for this limited expansion of license eligibility, the Commission explained that these particular entities share the need of the other eligible entities for regular and reliable high quality audio services that are free from interference, and often require a large number of wireless microphones to meet their needs. In particular, the Commission concluded that professional sound companies and venues that routinely use 50 or more wireless microphones at events/productions generally have the same needs for interference protection as existing part 74 wireless microphone licensees, particularly given the spectrum requirements associated with use of a large number of wireless microphones. The Commission found that these types of professional users have experience in coordinating wireless microphone uses among themselves at venues or events, even in congested markets, and have similar needs to existing part 74 wireless microphone licensees, and concluded that routine use of 50 microphones was a reasonable threshold for identifying entities that are more likely to require interference protection in order to ensure high quality audio services.

4. In the 2015 *Wireless Microphones R&O*, the Commission adopted various revisions in with regard to licensed wireless microphone operations under the part 74 LPAS rules. With respect to the TV bands, it revised the rules to provide more opportunities for licensed wireless microphone users to access spectrum by allowing greater use of VHF channels, and by providing for closer co-channel operation without the need for coordination where the licensed wireless microphone user determines that the TV signals fell below a specified threshold (such that wireless microphone operations would pose little risk of causing harmful interference to TV service). The Commission also expanded eligibility for licensed use of the 600 MHz duplex gap to all entities eligible to hold part 74 wireless microphone licenses for using TV band spectrum. In addition, outside of the TV bands the Commission opened up additional portions of the 900 MHz band (portions of the 941–944 MHz and 952–960 MHz bands on each side of the 944–952 MHz band), as well as portions of the 1435–1525 MHz band (with special equipment and coordination requirements) and the 6875–7125 MHz band, to permit use by