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FCC STREAMLINES PART 22 OF ITS RULES Eliminates Analog Service Requirement After Five-Year Transition Period

Washington, DC -- As part of its Biennial Review of regulations, today the Federal Communications Commission made significant modifications to Part 22 of its rules that cover the Cellular Radiotelephone and other services. The Commission modified or eliminated various rules that have become outdated due to supervening rules, technological change, or increased competition among providers of Commercial Mobile Radio Services (CMRS). Among the rule changes adopted by the Commission is the amendment of sections 22.901 and 22.933 of FCC rules to modify the requirement that cellular carriers provide analog service compatible with Advanced Mobile Phone Service (AMPS) specifications by establishing a five-year transition period after which the analog standard will not be required, but may still be provided.

Background:

The Commission has undertaken this review as directed by section 11 of the Communications Act of 1934, as amended (the Act). Section 11 of the Act mandates that the FCC review all of its regulations relating to providers of telecommunications service, and to determine whether a regulation is no longer necessary in the public interest as a result of meaningful economic competition between providers of telecommunications service, and to repeal or modify any such regulation. In the Notice of Proposed Rulemaking in this proceeding the Commission noted that its rules governing the cellular service have changed little since service was first initiated in the early 1980s. The commercial wireless environment, however, has changed significantly in the interim and many of the current cellular rules do not reflect these developments, and continue to be more applicable to the earlier forms of cellular than the more advanced digital services available today.

Specifics of the Adopted Report and Order:

The Report and Order amends sections 22.901 and 22.933 of FCC rules to modify the requirement that carriers provide analog service compatible with AMPS specifications. The FCC concludes that in light of the present competitive state of mobile telephony, the nationwide coverage achieved by cellular carriers, and the clear market demand for nationwide, ubiquitous coverage by carriers, the analog requirement has substantially achieved its purpose of ensuring that the public has access to low-cost, compatible equipment and to nationwide roaming. Not only does the Commission determine that the current rule is no longer necessary to achieve its purposes, the FCC concludes that it imposes costs and impedes spectral efficiency.

However, eliminating the rule immediately without a reasonable transition period would be extremely disruptive to certain consumers, particularly those with hearing disabilities as well as emergency-only consumers (i.e., those using analog phones for emergency purposes), who currently continue to rely on the availability of analog service and lack digital alternatives. Accordingly, the Commission has modified the rules requiring application of the analog compatibility standard to add a

sunset period of five years, during which time it is anticipated that problems regarding access will likely be resolved.

In order to monitor the progress made by the wireless industry in developing solutions, and to ensure that wireless services are continuing to be made available to persons with hearing disabilities, the Commission will require that certain CMRS carriers file reports with the Commission no later than three years from the effective date of the Report and Order and again at four years. The information in the reports will be used to determine whether to extend the sunset date.

The Report and Order also makes the following rule changes:

- Removes the manufacturing requirements found in section 22.919 governing electronic serial numbers (ESNs) in cellular telephones.
- Eliminates cellular channelization provisions of section 22.905.
- Removes the requirement in section 22.915 that cellular systems have the capability to provide service using the modulation types specified in the Office of Engineering and Technology Bulletin No. 53 (OET 53), and modify language in section 22.917 regarding the out-of-band emission limit.
- Eliminates the requirement in section 22.367 of FCC rules requiring electromagnetic waves radiated by transmitters to be vertically polarized.
- Eliminates the procedures and rules set forth in section 22.941 by which the Commission administers cellular system identification numbers (SIDs).
- Clarifies the language in section 22. 911(b) regarding the term "SAB" (service area boundary) in situations in which a carrier employs alternative methods to calculate the cellular geographic service area (CGSA) of its system.
- Resolves issues relating to the incidental services rule, cellular anti-trafficking, as well as certain other Part 22 issues.
- With respect to FreePage Corporation's requesting its provision of Limited Program Distribution Services, the Commission finds that FreePage may provide any form of fixed or mobile service, provided its service is not a broadcast service. To the extent FreePage's service is a broadcast service, the FCC finds it is in the public interest to provide the company with a developmental authorization if requested.

Action by the Commission August 8, 2002, by Report and Order (FCC 02-229). Chairman Powell and Commissioner Abernathy, with Commissioner Copps approving in part, dissenting in part and issuing a statement, and Commissioner Martin approving in part, concurring in part and issuing a statement.

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