

Board (CARB), which is the Governor's designee for California rule submittals.<sup>2</sup>

TABLE 3—SUBMITTED RULES

Rule No.	Rule title	Adoption date	Submitted date <sup>a</sup>
3001 .....	Title V Permits—Applicability .....	12/4/2020	2/25/2021

<sup>a</sup>CARB transmitted the submittal to the EPA by a letter dated February 24, 2021.

The SCAQMD revised the title V emissions thresholds in its Rule 3001 for volatile organic compounds and oxides of nitrogen from 25 tpy to 10 tpy for the Riverside County portion of the Salton Sea Air Basin<sup>3</sup> to align with a recent reclassification for that area from Severe-15 to Extreme for the 1997 8-hour ozone NAAQS.

The District made two additional revisions to Rule 3001: (1) clarifying the geographic areas for the Phase One and Phase Two facilities; and (2) including an applicability cutoff date of December 4, 2020, for Phase One title V facilities.

#### List of Subjects in 40 CFR Part 70

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Reporting and recordkeeping requirements.

Dated: July 2, 2024.

**Martha Guzman Aceves,**

*Regional Administrator, Region IX.*

[FR Doc. 2024–15046 Filed 7–18–24; 8:45 am]

**BILLING CODE 6560–50–P**

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 36

[CC Docket No. 80–286; FCC 24–71; FR ID 231217]

#### Jurisdictional Separations and Referral to the Federal-State Joint Board

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** In this document, the Federal Communications Commission (Commission) proposes to extend, for an additional six years, the jurisdictional separations category relationships and cost allocation factors (together, separations rules) freeze for rate-of-return incumbent local exchange carriers (LECs). Further extending the freeze will enable the Commission to

continue to work with the Federal-State Joint Board on Jurisdictional Separations (Joint Board) to determine next steps in amending the separations rules in light of sweeping technological and regulatory changes since these rules were initially adopted.

**DATES:** Comments are due on or before August 19, 2024; reply comments are due on or before September 3, 2024.

**ADDRESSES:** Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). You may submit comments, identified by WC Docket No. 80–286, by either of the following methods:

- *Electronic Filers:* Comments may be filed electronically using the internet by accessing the ECFS: <https://www.fcc.gov/ecfs/>.

- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.

- Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. All filings must be addressed to the Secretary, Federal Communications Commission.

- Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. 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 courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701. Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, 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.

**FOR FURTHER INFORMATION CONTACT:** Marv Sacks, Pricing Policy Division of the Wireline Communications Bureau, at (202) 418–2017 or via email at [marvin.sacks@fcc.gov](mailto:marvin.sacks@fcc.gov).

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Further Notice of Proposed Rulemaking (FNPRM) in CC Docket No. 80–286, FCC 24–71, adopted and released on July 1, 2024. The full text of this document is available at the following internet address: <https://docs.fcc.gov/public/attachments/FCC-24-71A1.pdf>. A notice of the renewal of the existing referrals to the Federal-State Joint Board on Separations relating to this document is published elsewhere in this issue of the **Federal Register**.

*Paperwork Reduction Act.* This document does not contain proposed information collection requirements subject to the Paperwork Reduction Act of 1995, 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.

*Providing Accountability Through Transparency Act.* The Providing Accountability Through Transparency Act requires each agency, in providing notice of a rulemaking, to post online a brief plain-language summary of the proposed rule. Accordingly, the Commission will publish the required summary of this Further Notice on <https://www.fcc.gov/proposed-rulemakings>.

## Synopsis

### I. Introduction

1. Today, the separations rules remain applicable to only a limited and

<sup>2</sup> A detailed explanation of the EPA's evaluation of these proposed revisions as well as a change

copy of the revised rule can be found in the Technical Support Document (TSD) and docket.

<sup>3</sup> The area often referred to as the "Coachella Valley" consists of the Riverside County portion of the Salton Sea Air Basin.

declining number of incumbent LECs that continue to rely on costs to calculate rates or universal service support. Due to the breadth and complexity of these rules, as well as their narrow applicability, the Commission has repeatedly extended the freeze that was first adopted in 2001. The Commission expects that the benefits of its proposal to further extend the separations rules' freeze likely outweigh the costs of allowing it to end and seeks comment on various aspects of its proposal.

## II. Background

2. *Jurisdictional Separations Process.* The jurisdictional separations rules were designed to ensure that rate-of-return incumbent LECs apportion the costs of their regulated services between the interstate or intrastate jurisdictions in a manner that reflects the relative use of their networks to provide interstate or intrastate telecommunications services. Jurisdictional separations is the third step in a four-step regulatory cost-based rate-making process. First, a rate-of-return carrier records its costs and revenues in various accounts using the Uniform System of Accounts prescribed by the Commission's part 32 rules. Second, the carrier divides the costs in these accounts between regulated and nonregulated activities in accordance with the Commission's part 64 rules, a step that helps ensure that the costs of nonregulated activities will not be recovered through regulated interstate rates. Third, the carrier separates the regulated costs and revenues between the interstate and intrastate jurisdictions using the Commission's part 36 jurisdictional separations rules. Finally, the carrier apportions the interstate regulated costs among the interexchange services and the rate elements that form the cost basis for its exchange access tariffs. Carriers subject to rate-of-return regulation perform this apportionment in accordance with the Commission's part 69 rules.

3. To comply with these rules, rate-of-return incumbent LECs must perform annual cost studies that include jurisdictional separations. After separating non-regulated from regulated costs and revenues, the cost study directly assigns or allocates the regulated costs and revenues to various part 36 categories. Amounts in categories that are used exclusively for interstate or intrastate communications are directly assigned to the appropriate jurisdiction. Amounts in categories that support both interstate and intrastate services are divided between the jurisdictions using allocation factors developed in accordance with part 36

that reflect relative use or a fixed percentage.

4. *Attempts at Separations Reform and Separations Freezes.* In 1997, recognizing that "changes in the law, technology, and market structure of the telecommunications industry" necessitated a thorough reevaluation of the jurisdictional separations process, the Commission initiated a proceeding to comprehensively reform the separations rules. At the same time, pursuant to section 410(c) of the Communications Act of 1934, as amended (the Communications Act), the Commission referred the matter of jurisdictional separations reform to the Joint Board for a recommended decision.

5. In 2000, the Joint Board—comprised of both State and Federal members—issued a recommendation that the Commission freeze the part 36 category relationships and jurisdictional allocation factors pending resolution of comprehensive reform. In 2001, the Commission adopted an order concluding that a freeze would stabilize the separations process pending reform by minimizing any impact of cost shifts on separations results due to circumstances—such as the growth of internet usage, new technologies, and local competition—not contemplated by the rules. The Commission also determined that a freeze would simplify the separations process by eliminating the need for many separations studies until separations reform was implemented. Accordingly, the Commission froze all part 36 allocation factors and allowed rate-of-return carriers to voluntarily freeze their category relationships, enabling each carrier to determine whether such a freeze would be beneficial "based on its own circumstances and investment plans." In 2009, the Commission made another referral, asking the Joint Board to consider comprehensive jurisdictional separations reform as well as "an interim adjustment of the current jurisdictional separations freeze." In 2018, the Commission tasked the Joint Board with addressing two specific issues during the interim period pending comprehensive reform. These included exploring the possibility of amending separations rules to acknowledge that certain carriers are no longer bound by them, as well as updating existing recordkeeping requirements to align with the current applicability of separations rules. The Joint Board has not to date submitted a recommended decision on comprehensive separations reform or on any interim adjustments.

6. The Commission specified that the 2001 freeze would last five years or until the Commission completed comprehensive separations reform, whichever came first. The Commission also concluded that, prior to the expiration of the five-year period, the Commission would, in consultation with the Joint Board, determine whether the freeze period should be extended, explaining that "the determination of whether the freeze should be extended at the end of the five-year period shall be based upon whether, and to what extent, comprehensive reform of separations has been undertaken by that time."

7. Since 2001, the Commission has extended the separations freeze eight times, for periods ranging from one year to six years, the most recent extension of which expires on December 31, 2024. In repeatedly extending the freeze, the Commission has explained that the freeze would stabilize and simplify the separations process while the Joint Board and the Commission continued to work on separations reform.

8. *Declining Relevance of Jurisdictional Separations.* The jurisdictional separations rules no longer apply to the majority of carriers currently providing telecommunications services. Currently, out of 1,079 rate-of-return carriers, only about 247 carriers that receive cost-based Universal Service Fund (USF) support make the full use of separations to set end-user common line, business data services (BDS), and Consumer Broadband-Only Loop service rates, as well as to determine the level of USF support. Approximately 374 Alternative-Connect America Cost Model and Alaska Plan carriers use separations only for setting BDS rates. The separations rules were never applicable to wireless carriers, and in 2008, the Commission granted price cap incumbent LECs forbearance from the separations rules, leaving rate-of-return incumbent LECs as the only remaining carriers required to comply with the separations rules. In addition, in 2018, the Commission offered rate-of-return carriers the option to receive fixed or model-based high-cost universal service support with the ability to elect incentive regulation for their business data services (BDS). Carriers electing both model-based support and incentive regulation for BDS no longer need to engage in separation of their costs for any Federal regulatory purpose, whether for universal service funding or rate-making. Currently, 232 A-CAM carriers have elected incentive regulation for BDS. Moreover, apart from a handful of carriers performing sample cost studies,

the separations rules do not apply to rate-of-return carriers that are “average schedule companies.” At present, 226 companies participate in NECA’s average schedule. These companies do not perform jurisdictional separations; they receive pool revenues, or settlements, from the National Exchange Carrier Association, Inc. for interstate telecommunications services based on a series of statistical formulas, approved by the Commission, that approximate the amounts received by a similar cost company. What is more, the Commission expects additional rate-of-return carriers will take advantage of the Commission’s latest Enhanced A–CAM program for universal service support and will also select to be subject to incentive regulation for BDS—thus, the Commission expects the number of carriers that will be subject to the separations rules to decrease even further.

9. For carriers that remain subject to the separations rules, the separations process has increasingly limited application because of regulatory reforms by the Commission that remove the need to engage in the separations process. For example, as part of comprehensive reform and modernization of the universal service and intercarrier compensation systems, the Commission adopted rate caps for the switched access services of rate-of-return carriers (including a transition to bill-and-keep for certain rate elements), thereby eliminating the need to apply separations rules for calculating switched access rates. Further, rate-of-return carriers receiving high-cost universal service support based on the Commission’s A–CAM programs but not electing incentive regulation for business data services no longer need to use jurisdictional separations to quantify the amount of high-cost support for the interstate portion of their common line services or to set interstate rates for these services.

### III. Further Notice of Proposed Rulemaking

10. The Commission proposes to extend the separations freeze for another six years and invites comment on this proposal. Several factors—recent changes to the composition of the Joint Board, the complex nature of the work required to develop comprehensive recommendations for separations reform, and the fact that the current freeze expires at the end of this calendar year—have combined to leave limited and insufficient time within which to develop and advance recommended decisions. Moreover, allowing the freeze to expire without further extension

would force rate-of-return carriers to engage in unnecessary, costly and burdensome cost studies based on outdated rules and assumptions that bear little relationship to the marketplace today. Accordingly, after weighing the likely benefits of extending the current freeze against the likely costs of allowing it to expire, the Commission proposes to extend the separations freeze until December 31, 2030. The Commission seeks comment on this proposal as well as whether it should change any aspect of the separations freeze should the Commission extend the freeze as proposed.

11. *Process Considerations.* The proposal to extend the freeze through December 31, 2030, would allow the Joint Board to consider next steps in addressing separations reform. This Joint Board has quite recently seated several new members who are just beginning their opportunity to delve into the complicated issues they need to grapple with in considering reform measures. For example, in 2018, the Commission referred a couple of discrete issues to the Joint Board, but the Joint Board has not been able to issue a recommended decision on them. In short the new Board will need time to develop a meaningful recommendation. The combination of these recent changes and the procedural process necessary for any recommendation render it unlikely that the Joint Board could issue a recommended decision on comprehensive reform and that the Commission could consider that recommendation, and then act upon it before the current freeze expires. Even if the Joint Board could develop a recommendation for consideration, the Commission would likely seek comment on that recommendation before issuing an order revising the rules. Section 410(c) contemplates a Joint Board recommendation before the Commission moves forward on comprehensive separations reform. Therefore, as a practical matter, the Commission is limited at this point to either extending the separations freeze or allowing the long-fallow and outdated separations rules to take effect on January 1, 2025.

12. *Benefits Outweigh the Costs.* The Commission seeks comment on the limited options it has under the current circumstances. The Commission has consistently found that letting the freeze expire would impose significant burdens on rate-of-return carriers, particularly smaller rural carriers, and create undue instability. In extending the most recent freeze in 2018, the Commission explained that lifting the

freeze and reinstating the separations rules after an absence of more than two decades, would make it extremely difficult, if not impossible, for most carriers to perform all of the studies needed to remain in full compliance. This would require substantial training and investment by rural incumbent LECs, and could cause significant disruptions to regulated rates, cost recovery, and other operating conditions when applying the outdated separations rules to today’s operations. Indeed, the Commission has found that requiring carriers to reinstate their separations systems “would be unduly burdensome when there is a significant likelihood that there would be no lasting benefit to doing so.” 82 FR 25535–01. The Commission has thus previously concluded that the benefits that will result from granting a further extension of the freeze far exceed any possible harms. These prior conclusions are also compelling and remain relevant today. The Commission proposes to find that an additional extension of the freeze far outweighs any potential harms, and the Commission seeks comment on this proposal.

13. In extending the separations freeze, the Commission also proposes to direct rate-of-return incumbent LECs to continue to use the same frozen category relationships and jurisdictional allocation factors. When the Commission allowed a one-time unfreeze of category relationships in 2018, only three carriers capitalized on this opportunity. The Commission seeks comment on whether it should reintroduce the option to unfreeze category relationships at this time. The Commission also seeks comment on the comparative costs and benefits of maintaining the separations freeze without offering an option to unfreeze category relationships.

14. *Length of the Freeze Extension.* The Commission proposes an extension period of up to six years. Under this proposal, the freeze would be extended until December 31, 2030 or until comprehensive reform of the part 36 rules is achieved, whichever occurs earlier. The Commission seeks comment on this proposal. In 2018, given the difficulty of achieving reform up to that point, the Commission initially proposed a 15 year freeze because short-term extensions adopted in the past would “not provide the Joint Board, the Commission, and interested stakeholders sufficient time” to revise its rules. After considering comments submitted in response to that proposal, including from the State members of the Joint Board, the Commission found that

an extension of up to six years was more appropriate.

15. When the Commission extended the freeze for six years in 2018, it concluded that this time period best “balances the competing considerations” of enabling the Joint Board to focus on solving the complex issues versus the Commission’s experience in granting a series of short-term separations extensions in the past when attempts at separations reform stalled. Does this assessment continue to weigh in favor of the Commission granting another six-year freeze extension? Have any circumstances changed that would lead to a different assessment, or do parties have other views on the length of an extension? Should the freeze be extended for a longer period of time than six years? Repeated short-term freeze extensions necessarily consume Commission, State, and industry resources. Alternatively, should the Commission permanently extend the separations freeze, as some commenters have suggested in the past?

16. The Commission asks commenters to discuss the advantages and disadvantages of a temporally defined extension period versus an unlimited extension until comprehensive reform is achieved, and seeks comment on the specific reasons in support of recommended timeframes. In this regard, the Commission recognizes that the Federal and State members of the Joint Board have not issued a recommended decision on comprehensive separations reform in the more than two decades since the Commission originally proposed such reform. Commenters supporting shorter extension periods than the proposed six years should also take into account the time necessary for the Commission and the industry to adopt and implement revised separations rules and procedures.

17. The Commission also invites comment on what effect, if any, particular extension periods would have on rates and ratepayers. Would a relatively long or permanent extension be inconsistent with section 201(b) of the Act’s prohibition on unjust and unreasonable charges? For example, in the past, some commenters have supported extending the freeze for 15 years, while others expressed concern that such a long freeze would result in unjust and unreasonable rates because of the frozen allocation of the underlying costs to the interstate and intrastate jurisdictions.

#### IV. Procedural Matters

18. *Ex Parte Requirements*. This proceeding shall be treated as a “permit-

but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. 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.

19. *Regulatory Flexibility Act*. The Regulatory Flexibility Act of 1980, as amended (RFA), requires that an agency prepare a regulatory flexibility analysis for notice and comment rulemakings, unless the agency certifies that “the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.” Accordingly, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) in appendix B of the Further Notice and set forth below concerning the possible/potential impact of the rule and policy changes contained in this Further Notice. Written public comments are requested on the IRFA. Comments must be

identified as responses to the IRFA and must be filed by the deadlines for comment on this Further Notice. Comments must have a separate and distinct heading designating them as responses to the IRFA.

20. *Paperwork Reduction Act*. This document does not contain proposed information collection requirements subject to the Paperwork Reduction Act of 1995, 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.

21. *Providing Accountability Through Transparency Act*. The Providing Accountability Through Transparency Act requires each agency, in providing notice of a rulemaking, to post online a brief plain-language summary of the proposed rule. Accordingly, the Commission will publish the required summary of this Further Notice on <https://www.fcc.gov/proposed-rulemakings>.

#### V. Initial Regulatory Flexibility Analysis

22. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on a substantial number of small entities by the policies and rules imposed in the Further Notice of Proposed Rulemaking (Further Notice). Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments specified in the Further Notice. The Commission will send a copy of the Further Notice, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA).

##### A. Need for, and Objectives of, the Proposed Rules

23. The Commission’s part 36 rules regarding jurisdictional separations category relationships and cost allocation factors (separations rules) originated more than 35 years ago when the Commission and its State counterparts used costs to set rates, and the rules were designed to help prevent local exchange carriers (LECs) from recovering the same costs from both the interstate and intrastate jurisdictions. In 1997, the Commission initiated a proceeding to comprehensively reform those rules in light of the statutory, technological, and marketplace changes that had affected the

telecommunications industry. In 2001, the Commission, pursuant to a recommendation by the Federal-State Joint Board on Jurisdictional Separations (Joint Board), froze the part 36 separations rules for a five-year period beginning July 1, 2001, or until the Commission completed comprehensive separations reform, whichever came first. The Commission has extended the freeze eight times, with the most recent extension set to expire on December 31, 2024.

24. In repeatedly extending the freeze, the Commission has explained that the freeze would stabilize and simplify the separations process while the Joint Board and the Commission continued to work on separations reform. This Joint Board has quite recently seated several new members who are just beginning their opportunity to delve into the complicated issues they need to grapple with in considering reform measures. In short, the new Joint Board will need time to develop a meaningful recommendation. The combination of these recent changes and the procedural process necessary for any recommendation render it unlikely that the Joint Board could issue a recommended decision on comprehensive reform and that the Commission could consider that recommendation, and then act upon it before the current freeze expires. Section 410(c) of the Communications Act of 1934, as amended, contemplates a Joint Board recommendation before the Commission moves forward on comprehensive separations reform. Therefore, as a practical matter, the Commission is limited at this point to either extending the separations freeze or allowing the outdated separations rules to take effect on January 1, 2025.

25. The Commission expects that permitting the freeze to expire would impose significant burdens on rate-of-return carriers, many of which include small carriers, that would far exceed the benefits, if any, of requiring those carriers to comply with rules that they have not implemented since 2001. As a result, the Further Notice proposes to extend for up to six years the freeze of part 36 category relationships and jurisdictional cost allocation factors to enable the Joint Board to address the complex nature of the work involved in developing comprehensive recommendations for separations reform. Under this proposal, this extension would continue until the earlier of December 31, 2030, or the completion of comprehensive reform of the part 36 jurisdictional separations rules. The Commission invites comments on this proposal.

#### B. Legal Basis

26. The proposed action is authorized pursuant to sections 1, 4(i) and (j), 205, 220, 221(c), 254, 303(r), 403, and 410 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i) and (j), 205, 220, 221(c), 254, 303(r), 403, 410, and section 706 of the Telecommunications Act of 1996, as amended, 47 U.S.C. 1302.

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

27. 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 proposed rules, if adopted. 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 SBA.

28. *Small Businesses, Small Organizations, Small Governmental Jurisdictions.* The Commission’s actions, over time, may affect small entities that are not easily categorized at present. The Commission therefore describes, at the outset, three broad groups of small entities that could be directly affected herein. First, while there are industry specific size standards for small businesses that are used in the regulatory flexibility analysis, according to data from the Small Business Administration’s Office of Advocacy, in general a small business is an independent business having fewer than 500 employees. These types of small businesses represent 99.9% of all businesses in the United States, which translates to 33.2 million businesses.

29. Next, the type of small entity described as a “small organization” is generally “any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.” The Internal Revenue Service (IRS) uses a revenue benchmark of \$50,000 or less to delineate its annual electronic filing requirements for small exempt organizations. Nationwide, for tax year 2022, there were approximately 530,109 small exempt organizations in the U.S. reporting revenues of \$50,000 or less according to the registration and tax data for exempt organizations available from the IRS.

30. Finally, the small entity described as a “small governmental jurisdiction” is defined generally as “governments of cities, counties, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.” U.S. Census Bureau data from the 2022 Census of Governments indicate there were 90,837 local governmental jurisdictions consisting of general purpose governments and special purpose governments in the United States. Of this number, there were 36,845 general purpose governments (county, municipal, and town or township) with populations of less than 50,000 and 11,879 special purpose governments (independent school districts) with enrollment populations of less than 50,000. Accordingly, based on the 2022 U.S. Census of Governments data, we estimate that at least 48,724 entities fall into the category of “small governmental jurisdictions.”

31. *Wired Telecommunications Carriers.* The U.S. Census Bureau defines this industry as establishments primarily engaged in operating and/or providing access to transmission facilities and infrastructure that they own and/or lease for the transmission of voice, data, text, sound, and video using wired communications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including VoIP services, wired (cable) audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry. Wired Telecommunications Carriers are also referred to as wireline carriers or fixed local service providers.

32. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms that operated in this industry for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 4,590 providers that reported they were engaged in the provision of fixed local services. Of these providers, the Commission estimates that 4,146 providers have

1,500 or fewer employees. Consequently, using the SBA's small business size standard, most of these providers can be considered small entities.

33. *Incumbent Local Exchange Carriers (Incumbent LECs)*. Neither the Commission nor the SBA has developed a small business size standard specifically for incumbent local exchange carriers. Wired Telecommunications Carriers is the closest industry with an SBA small business size standard. The SBA small business size standard for Wired Telecommunications Carriers classifies firms having 1,500 or fewer employees as small. U.S. Census Bureau data for 2017 show that there were 3,054 firms in this industry that operated for the entire year. Of this number, 2,964 firms operated with fewer than 250 employees. Additionally, based on Commission data in the 2022 Universal Service Monitoring Report, as of December 31, 2021, there were 1,212 providers that reported they were incumbent local exchange service providers. Of these providers, the Commission estimates that 916 providers have 1,500 or fewer employees. Consequently, using the SBA's small business size standard, the Commission estimates that the majority of incumbent local exchange carriers can be considered small entities.

34. The Commission has included small incumbent LECs in this 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." 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. Because the Commission's proposal to freeze the part 36 rules will affect incumbent LECs, some entities employing 1,500 or fewer employees may be affected by the rule changes proposed in the Further Notice. The Commission has therefore included small incumbent LECs in this RFA analysis, although this RFA action has no effect on the Commission's analyses and determinations in other, non-RFA contexts.

#### *D. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities*

35. The proposed rules, if adopted, would not impose any new or additional requirements on small or other entities. The Further Notice

proposes to extend an existing freeze, and the Commission does not anticipate small entities will incur additional compliance costs, or be required to hire professionals to comply with the rule proposals, if adopted.

#### *E. Steps Taken To Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered*

36. The RFA requires an agency to describe any significant, specifically small business, alternatives that it has considered in reaching its proposed 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 and reporting requirements under the rule for such small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or part thereof, for such small entities.

37. The Commission's proposed rules to extend the separations freeze is not expected to have a significant economic impact on a substantial number of small entities. To the contrary, an extension of the separations freeze constitutes an essential step towards reducing unnecessary and burdensome costs to small entities when compared to the alternative of not doing so. For example, if the freeze was allowed to expire and was not extended, the outmoded separations rules would be reinstated. The Commission has consistently over the years found that such a result would impose new significant economic burdens on rate-of-return carriers, particularly smaller rural carriers, and create undue instability for those carriers. Indeed, if the separations rules were reinstated after an absence of more than two decades, most affected carriers would find it extremely difficult, if not impossible, to perform all of the studies needed to remain in full compliance. This would require substantial training and investment by affected rural incumbent LECs, and could cause significant disruptions in regulated rates, cost recovery, and other operating conditions when applying the outdated separations rules to today's operations.

38. In addition, the jurisdictional freeze has eliminated the need for many rate-of-return incumbent LECs that still perform cost studies, including incumbent LECs with 1,500 employees or fewer, to complete certain annual separations studies that otherwise would be required by the Commission's

part 36 jurisdictional separations rules. Thus, an extension of this freeze would avoid increasing the administrative burden of regulatory compliance for these carriers, including small incumbent LECs.

39. The Commission has thus previously concluded that the benefits that will result from an additional extension of the freeze far exceed any possible harms and anticipates that those prior conclusions are compelling and remain relevant today. The Commission therefore proposes to extend the separations freeze to permit rate-of-return incumbent LECs to continue to use the same frozen category relationships and jurisdictional allocation factors. The Commission invites comment on this proposal and on the relative costs and benefits of continuing the separations freeze.

40. When the Commission granted a six-year freeze in 2018, it concluded that this time period best "balances the competing considerations" of enabling the Joint Board to focus on solving the complex issues versus the Commission's experience in granting a series of short-term separations extensions in the past when attempts at separations reform stalled. The Commission seeks comment on whether this assessment continues to weigh in favor of the Commission granting another six-year freeze extension, whether any circumstances changed that would lead to a different assessment, and whether parties have other views on the length of an extension.

#### *F. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules*

41. None.

#### **VI. Ordering Clauses**

42. Accordingly, *it is ordered*, pursuant to sections 1, 4(i) and (j), 205, 220, 221(c), 254, 303(r), 403, and 410 of the Communication Act of 1934, as amended, 47 U.S.C. 151, 154(i) and (j), 205, 220, 221(c), 254, 303(r), 403, 410, and section 706 of the Telecommunications Act of 1996, as amended, 47 U.S.C. 1302, that this Further Notice of Proposed Rulemaking and *is adopted*.

43. *It is further ordered*, pursuant to section 220(i) of the Communications Act, 47 U.S.C. 220(i), that notice be given to each State commission of the above rulemaking proceeding, and that the Secretary *shall serve* a copy of this Further Notice of Proposed Rulemaking on each State commission.

44. *It is further ordered* that the Commission's Office of the Secretary *shall send* a copy of this Further Notice

of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis and Final Regulatory Flexibility Certification, to the Chief Counsel for Advocacy of the Small Business Administration.

#### List of Subjects in 47 CFR Part 36

Communications common carriers, Reporting and recordkeeping requirements, Telephone.

Federal Communications Commission.

**Katura Jackson,**

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

#### Proposed Rules

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR part 36 as follows:

#### **PART 36—JURISDICTIONAL SEPARATIONS PROCEDURES; STANDARD PROCEDURES FOR SEPARATING TELECOMMUNICATIONS PROPERTY COSTS, REVENUES, EXPENSES, TAXES AND RESERVES FOR TELECOMMUNICATIONS COMPANIES**

- 1. The authority citation for part 36 continues to read as follows:

**Authority:** 47 U.S.C. 151, 152, 154(i) and (j), 201, 205, 220, 221(c), 254, 303(r), 403, 410, and 1302 unless otherwise noted.

**§§ 36.3, 36.123, 36.124, 36.125, 36.126, 36.141, 36.142, 36.152, 36.154, 36.155, 36.156, 36.157, 36.191, 36.212, 36.214, 36.372, 36.374, 36.375, 36.377, 36.378, 36.379, 36.380, 36.381, and 36.382**  
[Amended]

- 2. In 47 CFR part 36 remove the date “December 31, 2024” in the following places wherever it appears and add, in its place, the date “December 31, 2030”.
  - a. Section 36.3(a) through (c), (d) introductory text, and (e);
  - b. Section 36.123(a)(5) and (6);
  - c. Section 36.124(c) and (d);
  - d. Section 36.125(h) and (i);
  - e. Section 36.126(b)(5) and (6), (c)(4), (e)(4), and (f)(2);
  - f. Section 36.141(c);
  - g. Section 36.142(c);
  - h. Section 36.152(d);
  - i. Section 36.154(g);
  - j. Section 36.155(b);
  - k. Section 36.156(c);
  - l. Section 36.157(b);
  - m. Section 36.191(d);
  - n. Section 36.212(c);
  - o. Section 36.214(a);
  - p. Section 36.372;
  - q. Section 36.374(b) and (d);
  - r. Section 36.375(b)(4) and (5);
  - s. Section 36.377(a) introductory text, (a)(1)(ix), (a)(2)(vii), (a)(3)(vii), (a)(4)(vii); (a)(5)(vii), and (a)(6)(vii);

- t. Section 36.378(b)(1);
- u. Section 36.379(b)(1) and (2);
- v. Section 36.380(d) and (e);
- w. Section 36.381(c) and (d); and
- x. Section 36.382(a).

[FR Doc. 2024–15567 Filed 7–18–24; 8:45 am]

**BILLING CODE 6712–01–P**

#### **DEPARTMENT OF COMMERCE**

#### **National Oceanic and Atmospheric Administration**

#### **50 CFR Part 300**

[Docket No 240703–0185]

RIN 0648–BM70

#### **International Fisheries; Pacific Tuna Fisheries; Fish Aggregating Device Design and Reporting Requirements in the Eastern Pacific Ocean**

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Proposed rule; request for comments.

**SUMMARY:** NMFS proposes regulations under the Tuna Conventions Act of 1950 (TCA), as amended, to implement two resolutions adopted at the 101st meeting of the Inter-American Tropical Tuna Commission (IATTC) in August 2023. These resolutions include Resolution C–23–03 (“Amendment to Resolution C–99–07 on Fish Aggregating Devices”) and Resolution C–23–04 (“On the Design and Biodegradability of Drifting Fish Aggregating Devices (DFADs) in the IATTC Area of Competence”). The proposed rule would modify regulations for the design of fish aggregating devices (FADs) in the eastern Pacific Ocean (EPO) to require non-entangling and biodegradable materials. Furthermore, the proposed rule would require that data related to the recovery of FADs for the purpose of final disposal or recycling in the EPO be collected by vessel owners and operators, and submitted to the IATTC, unless that information is already collected and submitted to the IATTC by an observer.

**DATES:** Comments on the proposed rule and supporting documents must be submitted in writing by August 19, 2024.

**ADDRESSES:** A plain language summary of this proposed rule is available at <https://www.regulations.gov/docket/NOAA-NMFS-2023-0147>. You may submit comments on this document, identified by NOAA–NMFS–2023–0147, by any of the following methods:

- **Electronic Submission:** Submit all electronic public comments via the Federal e-Rulemaking Portal. Visit <https://www.regulations.gov> and enter “NOAA–NMFS–2023–0147” in the Search box. Click on the “Comment” icon, complete the required fields, and enter or attach your comments.

- **Mail:** Submit written comments to Tyler Lawson, NMFS West Coast Region Portland Office, 1201 NE Lloyd Blvd., Suite 1100, Portland, OR 97232. Include the identifier “NOAA–NMFS–2023–0147” in the comments.

**Instructions:** Comments sent by any other method, to any other address or individual, or received after the end of the comment period, may not be considered by NMFS. All comments received are a part of the public record and will generally be posted for public viewing on <https://www.regulations.gov> without change. All personal identifying information (e.g., name, address, etc.), confidential business information, or otherwise sensitive information submitted voluntarily by the sender will be publicly accessible. NMFS will accept anonymous comments (enter “N/A” in the required fields if you wish to remain anonymous).

Copies of supporting documents that were prepared for this proposed rule, including the regulatory impact review are available via the Federal e-Rulemaking Portal: <https://www.regulations.gov>, docket NOAA–NMFS–2023–0147, or by contacting Tyler Lawson (see address above, and other contact information in **FOR FURTHER INFORMATION CONTACT**).

Send comments on aspects of the collection of information to Tyler Lawson (address above), by email to [OIRA\\_Submission@omb.eop.gov](mailto:OIRA_Submission@omb.eop.gov), or by fax to (202) 395–5806.

**FOR FURTHER INFORMATION CONTACT:** Tyler Lawson, NMFS West Coast Region, (503) 230–5421, [tyler.lawson@noaa.gov](mailto:tyler.lawson@noaa.gov).

#### **SUPPLEMENTARY INFORMATION:**

##### **Background on the IATTC**

The United States is a member of the IATTC, which was established under the 1949 Convention for the Establishment of an Inter-American Tropical Tuna Commission (1949 Convention). In 2003, the IATTC updated the 1949 Convention through the adoption of the Convention for the Strengthening of the IATTC Established by the 1949 Convention between the United States of America and the Republic of Costa Rica (Antigua Convention). The Antigua Convention entered into force in 2010. The United States acceded to the Antigua