

§ 101.537

consider requests for partial assignment of licenses that propose combinations of partitioning and disaggregation.

(c) *License term.* The license term for a partitioned license area and for disaggregated spectrum shall be the remainder of the original licensee's license term as provided for in § 101.526.

(d) *Construction requirements.* Applications requesting approval for partitioning or disaggregation must include a certification by each party stating that one or both parties will satisfy the construction requirement set forth in § 101.529. Failure by a party to meet its respective construction requirement will result in the automatic cancellation of its license without further Commission action.

[65 FR 59361, Oct. 5, 2000, as amended at 67 FR 46379, July 9, 2002]

§ 101.537 24 GHz band subject to competitive bidding.

Mutually exclusive initial applications for 24 GHz band licenses are subject to competitive bidding. The general competitive bidding procedures set forth in part 1, subpart Q of this chapter will apply unless otherwise provided in this subpart.

[67 FR 46379, July 9, 2002]

§ 101.538 Designated entities.

(a) *Eligibility for small business provisions.* (1) A very small business is an entity that, together with its controlling interests and affiliates, has average gross revenues not exceeding \$3 million for the preceding three years.

(2) A small business is an entity that, together with its controlling interests and affiliates, has average gross revenues not exceeding \$15 million for the preceding three years.

(3) An entrepreneur is an entity that, together with its controlling interests and affiliates, has average gross revenues not exceeding \$40 million for the preceding three years.

(b) *Bidding credits.* A winning bidder that qualifies as a very small business, as defined in this section, or a consortium of very small businesses may use the bidding credit specified in § 1.2110(f)(2)(i) of this chapter. A winning bidder that qualifies as a small

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business, as defined in this section, or a consortium of small businesses may use the bidding credit specified in § 1.2110(f)(2)(ii) of this chapter. A winning bidder that qualifies as an entrepreneur, as defined in this section, or a consortium of entrepreneurs may use the bidding credit specified in § 1.2110(f)(2)(iii) of this chapter.

[65 FR 59361, Oct. 5, 2000, as amended at 67 FR 46379, July 9, 2002; 68 FR 43002, July 21, 2003]

Subpart H—Private Operational Fixed Point-to-Point Microwave Service

§ 101.601 Eligibility.

Any person, or any governmental entity or agency, eligible for licensing in a radio service or pool under part 80, 87, or 90 of this chapter or any person proposing to provide communications service to such persons, governmental entities or agencies is eligible to hold a license under this subpart. This subpart shall not apply to stations offering MVDDS in the 12.2–12.7 GHz band.

[62 FR 18936, Apr. 17, 1997, as amended at 67 FR 43040, June 26, 2002]

§ 101.603 Permissible communications.

(a) Except as provided in paragraph (b) of this section, stations in this radio service may transmit communications as follows:

(1) On frequencies below 21,200 MHz, licensees may transmit their own communications, including the transmission of their products and information services, to their customers except that the distribution of video entertainment material to customers is permitted only as indicated in § 101.101 and paragraph (a)(2) of this section.

(2) In the frequency bands 6425–6525 MHz, 18,142–18,580 MHz and on frequencies above 21,200 MHz, licensees may deliver any of their own products and services to any receiving location;

(3) Licensees may transmit the communications of their parent corporation, or of another subsidiary of the same parent, or their own subsidiary where the party to be served is regularly engaged in any of the activities that constitute the basis for eligibility to use the frequencies assigned;

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(4) Licensees may transmit the communications of other parties in accordance with §101.135;

(5) Licensees may transmit emergency communications unrelated to their activities in accordance with §101.205;

(6) Licensees may transmit communications on a commercial basis to eligible users, among different premises of a single eligible user, or from one eligible user to another as part of transmissions by Digital Electronic Message Service systems on the frequencies provided for this purpose;

(7) Licensees may transmit program material from one location to another, provided that the frequencies do not serve as the final RF link in the chain of distribution of the program material to broadcast stations;

(b) Stations licensed in this radio service shall not:

(1) Render a common carrier service of any kind. However, licensees are allowed to lease excess capacity to common carriers. In addition, Specialized Mobile Radio (SMR) licensees reclassified by the Commission as Commercial Mobile Radio Services (CMRS), that were formerly private land mobile radio service providers, may continue to utilize private operational fixed microwave systems licensed prior to April 1, 2003 for their land mobile connecting facilities.

(2) Transmit program material for use in connection with broadcasting, except as provided in paragraphs (a)(2), and (a)(7)) of this section; and/or

(3) Be used to provide the final RF link in the chain of transmission of program material to cable television systems, multipoint distribution systems or master antenna TV systems, except in the frequency bands 6425-6525 and 18,142-18,580 MHz and on frequencies above 21,200 MHz.

[61 FR 26677, May 28, 1996, as amended at 68 FR 4961, Jan. 31, 2003]

Subpart I—Common Carrier Fixed Point-to-Point Microwave Service

§ 101.701 Eligibility.

(a) Authorizations for stations in this service will be issued to existing and proposed common carriers. Applica-

tions will be granted only in cases in which it is shown that:

(1) The applicant is legally, technically, financially and otherwise qualified to render the proposed service;

(2) There are frequencies available to enable the applicant to render a satisfactory service; and

(3) The public interest, convenience, and necessity would be served by a grant thereof.

(b) If the content is originated, selected, controlled, or otherwise substantively influenced by the applicant, licensee, or a closely affiliated entity, no station or radio frequency in this service will be authorized, or may be utilized, to transmit any closed circuit television signals or television signals other than broadcast television signals, unless:

(1) Such service is otherwise permitted for a specific length of time by grant of an acceptable petition for waiver of this rule; or

(2) Such service is otherwise permitted by a condition in the applicable instrument of authorization; or

(3) Such service is provided pursuant to applicable FCC tariff and is temporary and occasional intra-company television communication for management, network supervision, or other internal carrier functions. For purposes of this paragraph, an entity will be considered to be "closely affiliated" with an applicant if it is in a parent-subsidiary relationship, or both are commonly controlled, or they have any common officers or management employees.

(c) Applications for stations or frequencies that will be used primarily to relay broadcast television signals must include a certification that at least fifty percent of the customers (or points of service) on the microwave system involved, including those served through an interconnecting carrier(s), receiving applicant's service, will not be related or affiliated in any degree with the applicant, and that the proposed usage by such customers, in terms of hours of use and channels delivered, must constitute at least fifty percent of the usage of the applicant's microwave service. Applications that