

§ 101.1319

§ 101.1319 Competitive bidding provisions.

For the purpose of establishing eligibility requirements and bidding credits for competitive bidding for MAS licenses, pursuant to § 1.2110 of this chapter, the following definitions apply:

(a) *Eligibility for small business provisions.* (1) A small business is an entity that, together with its affiliates and persons or entities that hold interests in such entity and their affiliates, has average gross revenues for the preceding three years not to exceed \$15 million, as determined pursuant to § 1.2110 of this chapter.

(2) A very small business is an entity that, together with its affiliates and persons or entities that hold interests in such entity and their affiliates, has average gross revenues for the preceding three years not to exceed \$3 million, as determined pursuant to § 1.2110 of this chapter.

(b) *Bidding credits.* A winning bidder that qualifies as a small 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 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.

[65 FR 17450, Apr. 3, 2000, as amended at 67 FR 46380, July 9, 2002]

§ 101.1321 License transfers.

(a) An MAS system license acquired through competitive bidding procedures (including licenses obtained in cases of no mutual exclusivity), together with all appurtenances may be transferred, assigned, sold, or given away only in accordance with the provisions and procedures set forth in § 1.2111 of this chapter.

(b) An MAS system license obtained through site-based licensing procedures, together with all appurtenances may be transferred, assigned, sold, or given away, to any other entity in accordance with the provisions and procedures set forth in § 1.948 of this chapter.

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§ 101.1323 Spectrum aggregation, disaggregation, and partitioning.

(a) *Eligibility.* (1) Parties seeking approval for partitioning and disaggregation shall request from the Commission an authorization for partial assignment of license. Geographic area licensees may participate in aggregation, disaggregation, and partitioning within the bands licensed on a geographic area basis. Site-based licensees may aggregate spectrum in any MAS bands, but may not disaggregate their licensed spectrum or partition their licensed sites.

(2) Eligible MAS licensees may apply to the Commission to partition their licensed geographic service areas to eligible entities and are free to determine the portion of their service areas to be partitioned. Eligible MAS licensees may aggregate or disaggregate their licensed spectrum at any time following the grant of a license.

(b) *Technical standards—(1) Aggregation.* (i) There is no limitation on the amount of spectrum that an MAS licensee may aggregate.

(ii) Spectrum licensed to MAS licensees does not count toward the CMRS spectrum cap discussed in § 20.6 of this chapter.

(2) *Disaggregation.* Spectrum may be disaggregated in any amount. A licensee need not retain a minimum amount of spectrum.

(3) *Partitioning.* In the case of partitioning, applicants and licensees must file FCC Form 603 pursuant to § 1.948 of this chapter and list the partitioned service area on a schedule to the application. The geographic coordinates must be specified in degrees, minutes, and seconds to the nearest second of latitude and longitude, and must be based upon the 1983 North American Datum (NAD83).

(4) *Combined partitioning and disaggregation.* The Commission will consider requests from geographic area licensees for partial assignment of licenses that propose combinations of partitioning and disaggregation.

(c) *Construction requirements—(1) Disaggregation.* Partial assignors and assignees for license disaggregation have two options to meet construction requirements. Under the first option, the disaggregator and disaggregatee

would certify that they each will share responsibility for meeting the applicable construction requirements set forth in §101.1325 for the geographic service area. If parties choose this option and either party fails to meet the applicable construction requirements, both licenses would be subject to forfeiture at renewal. The second option allows the parties to agree that either the disaggregator or disaggregatee would be responsible for meeting the requirements in §101.1325 for the geographic service area. If parties choose this option, and the party responsible for meeting the construction requirement fails to do so, only the license of the non-performing party would be subject to forfeiture at renewal.

(2) *Partitioning.* Partial assignors and assignees for license partitioning have two options to meet construction requirements. Under the first option, the partitionor and partitionee would each certify that they will independently satisfy the applicable construction requirements set forth in §101.1325 for their respective partitioned areas. If either licensee fails to meet its requirement in §101.1325, only the non-performing licensee's renewal application would be subject to dismissal. Under the second option, the partitionor certifies that it has met or will meet the requirement in §101.1325 for the entire market. If the partitionor fails to meet the requirement in §101.1325, however, only its license would be subject to forfeiture at renewal.

(3) All applications requesting partial assignments of license for partitioning or disaggregation must certify in the appropriate portion of the application which construction option is selected.

(4) Responsible parties must submit supporting documents showing compliance with the respective construction requirements within the appropriate construction benchmarks set forth in §101.1325.

(d) *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 §101.1313.

[65 FR 17450, Apr. 3, 2000, as amended at 67 FR 45380, July 9, 2002]

SYSTEM REQUIREMENTS

§ 101.1325 Construction requirements.

(a) Incumbent and site-based licenses are subject to the construction requirements set forth in §101.63.

(b) Each MAS EA licensee must provide service to at least one-fifth of the population in its service area or "substantial service" within five years of the license grant. In addition, MAS EA licensees must make a showing of continued "substantial service" within ten years of the license grant. Licensees must file maps and other supporting documents showing compliance with the respective construction requirements within the appropriate five- and ten-year benchmarks of the date of their initial licenses.

(c) Failure by any licensee to meet these requirements will result in forfeiture or non-renewal of the initial license, and the licensee will be ineligible to regain it.

[65 FR 17450, Apr. 3, 2000, as amended at 68 FR 4961, Jan. 31, 2003]

§ 101.1327 Renewal expectancy for EA licensees.

(a) A renewal applicant shall receive a renewal expectancy at the end of the license period as long as the applicant:

(1) Demonstrates that the licensee has provided continued "substantial service," *i.e.*, service which is sound, favorable, and substantially above a level of mediocre service which just might minimally warrant renewal, during its past license term;

(2) Demonstrates that the licensee has substantially complied with applicable Commission Rules, policies, and the Communications Act of 1934, as amended;

(3) Provides an explanation of the licensee's record of expansion, including a timetable of the construction of new facilities to meet changes in demand for services provided by the licensee; and (4) Provides a description of investments made by the licensee in its system.

(b) In determining whether a renewal applicant has complied with the "substantial service" requirement by the end of the ten-year initial license term, the Commission may consider factors such as: