

**§ 95.639 Maximum transmitter power.**

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(h) No MURS unit, under any condition of modulation, shall exceed 2 Watts transmitter power output.

17. Section 95.655 is amended by adding paragraph (d) to read as follows:

**§ 95.655 Frequency capability.**

\* \* \* \* \*

(d) No transmitter will be certificated for use in MURS if it is equipped with a frequency capability not listed in § 95.632.

18. Section 95.1307 is revised to read as follows:

**§ 95.1307 Permissible communications.**

(a) MURS stations may transmit voice or data signals as permitted in this subpart.

(b) A MURS station may transmit any emission type listed in § 95.631(j) of this chapter.

(c) MURS frequencies may be used for remote control and telemetering functions. MURS transmitters may not be operated in the continuous carrier transmit mode.

(d) MURS users shall take reasonable precautions to avoid causing harmful interference. This includes monitoring the transmitting frequency for communications in progress and such other measures as may be necessary to minimize the potential for causing interference.

19. Section 95.1311 is added to read as follows:

**§ 95.1311 Repeater operations and signal boosters prohibited.**

MURS stations are prohibited from operating as a repeater station or as a signal booster. This prohibition includes store-and-forward packet operation.

20. Section 95.1313 is added to read as follows:

**§ 95.1313 Interconnection prohibited.**

MURS stations are prohibited from interconnection with the public switched network. *Interconnection Defined.* Connection through automatic or manual means of multi-use radio stations with the facilities of the public switched telephone network to permit the transmission of messages or signals between points in the wireline or radio network of a public telephone company and persons served by multi-use radio stations. Wireline or radio circuits or links furnished by common carriers, which are used by licensees or other authorized persons for transmitter control (including dial-up transmitter control circuits) or as an integral part of an authorized, private, internal system of communication or as an integral part

of dispatch point circuits in a multi-use radio station are not considered to be interconnection for purposes of this rule part.

21. Section 95.1315 is added to read as follows:

**§ 95.1315 Antenna height restriction.**

The highest point of any MURS antenna must not be more than 18.3 meters (60 feet) above the ground or 6.10 meters (20 feet) above the highest point of the structure on which it is mounted.

22. Section 93.1317 is added to read as follows:

**§ 95.1317 Grandfathered MURS Stations.**

Stations that were licensed under Part 90 of the Commission's Rules to operate on MURS frequencies as of November 13, 2000, are granted a license by rule that authorizes continued operations under the terms of such nullified part 90 authorizations, including any rule waivers.

[FR Doc. 02-25396 Filed 10-10-02; 8:45 am]

BILLING CODE 6712-01-P

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Parts 15 and 73

[MM Docket 00-39; FCC 02-230]

### Conversion to Digital Television

AGENCY: Federal Communications Commission.

ACTION: Final rule.

**SUMMARY:** This document amends the Commission's rules to require that new broadcast television receiving equipment include the capability to receive digital television (DTV) signals and to reference the most recent version of the Advanced Television System Committee's (ATSC) DTV standard. It also refrains at this time from adopting labeling requirements for TV receivers that are not able to receive over-the-air digital broadcast signals and denies a petition for reconsideration requesting that the Commission consider imposing minimum performance thresholds for DTV receivers if manufacturers do not promptly implement performance standards on their own.

**DATES:** This rule is effective November 12, 2002. The incorporation by reference of certain publications in this rule is approved by the Director of the Federal Register as of November 12, 2002.

**FOR FURTHER INFORMATION CONTACT:**

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**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's *Second Report and Order and Second Memorandum Opinion and Order* in MM Docket 00-39, FCC 02-230, adopted August 8, 2002 and released August 9, 2002. The full text of this document is available for inspection and copying during regular business hours in the FCC Reference Center (Room CY-A257), 445 12th Street, SW., Washington, DC 20554. It is also available on the Commission's internet site at <http://www.fcc.gov>. The complete text of this document also may be purchased from the Commission's duplication contractor Qualex International, (202) 863-2893 voice, (202) 863-2898 Fax, [qualexint@aol.com](mailto:qualexint@aol.com) email, Portals II, 445 12th Street, SW., Room CY-B402, Washington, DC 20554.

### Summary of Second Report and Order and Second Memorandum Opinion and Order

1. DTV Reception Capability. In the *Report and Order and Further Notice of Proposed Rule Making (Report and Order/Further NPRM)*, 66 FR 65122, January 18, 2001, the Commission recognized the arguments of broadcasters that DTV receivers are not yet available in the market in large quantities, and certainly not in sufficient volume to support a rapid transition to an all-digital broadcast television service. It therefore requested comment on whether it should require that new TV receivers have the capability to demodulate and decode over-the-air DTV signals, and if so, on how to implement such a requirement. The Commission recognized that it would not be economically feasible at this point to require that DTV reception capability in smaller screen receivers. It stated that it intended to consider an approach that would minimize the cost of a DTV reception capability requirement by phasing it in over time. The Commission indicated that it believed this approach would allow manufacturers to take advantage of the declining costs associated with increasing manufacturing volumes.

2. Based on analysis of the record, the Commission concludes that consumer electronics manufacturers are not voluntarily incorporating DTV reception capability into new receivers on a schedule that will enable the transition to proceed towards the December 31, 2006, target completion date set forth in the Communications Act by Congress (47 U.S.C. 309(j)(14)). It therefore is amending its rules to require that new

broadcast television receiving equipment include the capability to receive DTV signals. The Commission stated that this requirement will be phased in over time to avoid imposing undue costs on manufacturers or consumers and to minimize any disruption of the TV receiver market. In this regard, the Commission stated that the implementation plan it is adopting reflect and account for the facts that: (1) Including DTV reception capability in new television receivers will require the redesign of product lines, (2) the cost of including that capability in receivers will initially result in an incremental price increase on the order of approximately \$200, and perhaps more, per unit, and (3) prices will decline significantly as economies of scale are achieved with increasing volumes of production and production efficiencies that are introduced over time. It stated that this plan will ensure that consumers are provided the capability to receive broadcasters' DTV signals so that the transition of the broadcast television service from analog to digital transmission technology can progress rapidly.

3. The new rules will require that a party responsible for television receiving equipment ("responsible party") under the Commission's rules, generally the manufacturer or importer, include DTV tuners in a certain percentage of that party's entire production or importation of receivers in specific categories. Responsible parties will be required to equip new television receiving equipment that manufactured is shipped in interstate commerce or manufactured in the United States and for which they are responsible with the capability to tune and decode over-the-air DTV signals on all of the channels allocated for TV service in accordance with the following schedule:

- Receivers with screen sizes 36" and above – 50% of a responsible party's units must include DTV tuners effective July 1, 2004; 100% of such units must include DTV tuners effective July 1, 2005;
- Receivers with screen sizes 25" to 36" – 50% of a responsible party's units must include DTV tuners effective July 1, 2005; 100% of such units must include DTV tuners effective July 1, 2006;
- Receivers with screen sizes 13" to 24" – 100% of all such units must include DTV tuners effective July 1, 2007.
- Other Devices (videocassette recorders (VCRs), digital video disk and digital versatile disk (DVD) players/recorders, etc.) that receive

television signals-100% of all such units must include DTV tuners effective July 1, 2007.

4. For purposes of these requirements, screen sizes are to be measured diagonally across the picture viewing area. The rules will also allow responsible parties to include combinations of DTV monitors and set-top DTV tuners in meeting the required percentages of units with a DTV tuner if such combinations are marketed together with a single price. Where set-top boxes and DTV monitors are sold as a combination, the screen size of the DTV monitor will determine the receiver size category towards which the combination may be counted.

5. *Update of the DTV Transmission Standard.* In comments responding to the *Notice of Proposed Rule Making (NPRM)*, 65 FR 15600, March 23, 2000, in this proceeding, ATSC indicated that it has made a number of changes to its "ATSC Digital Television Standard (A/53)," since 1996, when that standard was adopted by the Commission as the standard for terrestrial DTV broadcast service. ATSC indicated that these changes include removing constraints associated with the "program paradigm," updating references to the underlying MPEG standards, replacing references to obsolete ATSC standards for Electronic Program Guide and System Information with a reference to the subsequently developed "ATSC Program and System Information Protocol (PSIP) Standard, A/65," and requiring a signal to identify colorimetry. It further noted that it was considering an increase in the maximum allowable audio bit rate. ATSC requested that the Commission revise its rules to reference the latest version of the ATSC DTV Standard A/53. In the *Report and Order/Further NPRM*, the Commission sought comment on whether it should revise its rules to include reference the latest version of the standard as requested by ATSC.

6. The Commission found that it is desirable and appropriate to revise the rules to update its DTV rules to specify the August 7, 2001, version of ATSC DTV Standard A/53B in place of the September 16, 1995, version originally adopted. It stated that updating the rules to reflect improvements in the standard will benefit both the public and broadcasters by allowing broadcasters to make technical improvements in their service that will enhance the quality of DTV services they provide. Accordingly, the Commission is revising § 73.682(d) of its rules to specify ATSC Doc A/53B (ATSC Digital Television Standard, 7

Aug 01), except for Section 5.1.2 ("Compression format constraints") of Annex A ("Video Systems Characteristics") and the phrase "see Table 3" in Section 5.1.1 Table 2 and Section 5.1.2 Table 4. These exceptions are as provided in the current § 73.682(d) and were set forth in the Commission's decision adopting the ATSC standards for DTV service in *Fourth Report and Order* in the DTV proceeding.

7. In its comments responding to the *NPRM*, ATSC also requested that the Commission require use of the ATSC PSIP Standard as part of the DTV transmission standard. In responding to this request in the *Report and Order/Further NPRM*, the Commission stated that it believes that an industry approach is generally the most appropriate means for managing the implementation of a PSIP system. However, the Commission recognized that the transport stream identifiers (TSIDs) used with the PSIP system must be unique to each individual television station and that there is a need to coordinate TSID assignments for stations in the border areas with our neighbors in Canada and Mexico. The Commission therefore agreed that TSID assignments should be made part of its process for broadcast television stations and stated that it will begin the process to incorporate this function into that process in the near future.

8. In *Second Report and Order* and *Second Memorandum Opinion and Order*, the Commission stated that it recognizes the benefits for broadcasters and consumers of the service features offered by the ATSC PSIP specification. It stated that in view of the of the broadcast and consumer electronics industries' support for incorporation of this specification in the rules, it will address the possible adoption of the ATSC PSIP specification into the rules in the *Notice of Proposed Rule Making* in our forthcoming *Second Review* of our policies for the DTV transition. The Commission further stated that in the interim, it will include a reference to the ATSC PSIP Standard in § 73.682(d) of the rules as a document that licensees may consult for guidance.

9. *Other Issues.* The Commission also refrained at this time from adopting its proposal to require that TV receivers that are not able to receive over-the-air digital broadcast signals be labeled that they are not able to receive such signals. The Commission indicated at that at this point, it does not know when—or if—such products will become commercially available or how they will be marketed. It stated that it will continue to monitor the state of the

marketplace and will take additional steps if necessary to protect consumers' interests.

### Final Regulatory Flexibility Analysis

11. As required by the Regulatory Flexibility Act (RFA),<sup>1</sup> an Initial Regulatory Flexibility Analysis (IRFA) was incorporated in the *Report and Order and Further Notice of Proposed Rule Making* in MM Docket No. 00-39 (*Report and Order/Further NPRM*).<sup>2</sup> The Commission sought written public comment on several issues concerning the transition to digital television (DTV), including comment on the IRFA. This Final Regulatory Flexibility Analysis (FRFA) conforms to the RFA.<sup>3</sup>

#### A. Need For, and Objectives of, the Report and Order

12. Beginning in 1987, the Commission undertook to bring the most up-to-date technology to broadcast television. That resulted in several Commission decisions including those adopting a digital television (DTV) standard, DTV service rules, and a Table of DTV Allotments. The Table of DTV Allotments provides each existing television broadcaster with a second channel on which to operate a DTV station for the transition period after which one of its channels will revert to the government for use in other services. The transition deadline established by Congress is December 31, 2006. The Commission is permitted to extend that deadline on a market-by-market basis if more than 15 percent of viewers will be left without service from (1) a digital television receiver; (2) an analog television receiver equipped with a digital/analog converter; or (3) a multi-channel video provider that carries local broadcast stations.

13. The Commission has determined that a requirement to include DTV reception capability in new television sets is necessary due to the lack of progress by the market in including DTV reception capability in new television receivers. In particular, the Commission is concerned that continued marketing of analog-only TV sets can only serve to delay the transition. In order for the DTV transition to move forward towards the year 2006 target completion date established by Congress, or thereafter as

close to that date as possible, receivers with DTV capability need to be on the market in quantity and at reasonable prices very soon. Since it was adopted by the Commission in 1996, the DTV transmission standard has been updated by its developers to include new features and to improve several aspects of its performance. The rules need to be revised to allow television stations to implement these new features and improvements.

#### B. Summary of Significant Issues Raised by Public Comments in Response to the IRFA

14. No comments were filed in response to the IRFA.

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

15. 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.<sup>4</sup> The RFA defines the term "small entity" as having the same meaning as the terms "small business," "small organization," and "small governmental jurisdiction."<sup>5</sup> In addition, the term "small business" has the same meaning as the term "small business concern" under section 3 of the Small Business Act.<sup>6</sup> 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.<sup>7</sup>

16. Pursuant to 5 U.S.C. 601(3), the statutory definition of a small business applies "unless an agency, after consultation with the Office of Advocacy of the [SBA] and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the **Federal Register**." A "small organization" is generally "any not-for-profit enterprise which is independently owned and operated and is not dominant in its field."<sup>8</sup> Nationwide, as of 1992, there were approximately 275,801 small organizations.<sup>9</sup> "Small governmental jurisdiction" generally means "governments of cities, counties, towns, townships, villages, school districts, or

special districts with a population of less than 50,000."<sup>10</sup> As of 1992, there were approximately 85,006 local governments in the United States.<sup>11</sup> This number includes 38,978 counties, cities, and towns; of these, 37,566, or 96 percent, have populations of fewer than 50,000.<sup>12</sup> The Census Bureau estimates that this ratio is approximately accurate for all governmental entities. Thus, of the 85,006 governmental entities, we estimate that 81,600 (91 percent) are small entities.

17. Rules adopted in this proceeding will apply to manufacturers of television transmitting and receiving equipment and to television stations. The SBA has established a small business size standard for Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing. Under this standard, business firms are considered small if they have 750 or fewer employees.<sup>13</sup> Census data for 1997 indicate that, for that year, there were a total of 1,215 establishments<sup>14</sup> in this category.<sup>15</sup> Of those, there were 1150 that had employment under 500, and an additional 37 that had employment of 500 to 999. The percentage of broadcast equipment manufacturers to others in this category is approximately 22%,<sup>16</sup> so we estimate that the number of broadcast equipment manufacturers with employment under 500 was actually closer to 253, with an additional 8 establishments having employment of between 500 and 999. Television manufacturers alone (*i.e.*, without radio) accounted for yet smaller numbers. Given the above, we estimate that the great majority of television broadcasting equipment manufacturers are small.

18. The SBA has also established a small business size standard for Audio

<sup>10</sup> 5 U.S.C. 601(5).

<sup>11</sup> U.S. Dept. of Commerce, Bureau of the Census, "1992 Census of Governments."

<sup>12</sup> *Id.*

<sup>13</sup> 13 CFR 121.201, NAICS code 334220.

<sup>14</sup> The number of "establishments" is a less helpful indicator of small business prevalence in this context than would be the number of "firms" or "companies," because the latter take into account the concept of common ownership or control. Any single physical location for an entity is an establishment, even though that location may be owned by a different establishment. Thus, the numbers given may reflect inflated numbers of businesses in this category, including the numbers of small businesses. In this category, the census breaks-out data for firms or companies only to give the total number of such entities for 1997, which was 1,089.

<sup>15</sup> U.S. Census Bureau, 1997 Economic Census, Industry Series: Manufacturing, "Industry Statistics by Employment Size," Table 4, NAICS code 334220 (issued Aug. 1999).

<sup>16</sup> *Id.* Table 5, "Industry Statistics by Industry and Primary Product Class Specialization: 1997."

<sup>1</sup> See 5 U.S.C. 603. The RFA, *see* 5 U.S.C. 601 *et seq.*, has been amended by the Contract with America Advancement Act of 1996, Public Law No. 104-121, 110 Stat. 847 (1996) (CWAAA). Title II of the CWAAA is the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA).

<sup>2</sup> *Report and Order and Further Notice of Proposed Rule Making* in MM Docket No. 00-39, 16 FCC Rcd 5946 (2001).

<sup>3</sup> See 5 U.S.C. 604.

<sup>4</sup> 5 U.S.C. 603(b)(3).

<sup>5</sup> *Id.* 601(6).

<sup>6</sup> *Id.* 601(3).

<sup>7</sup> 15 U.S.C. 632.

<sup>8</sup> 5 U.S.C. 601(4).

<sup>9</sup> 1992 Economic Census, U.S. Bureau of the Census, Table 6 (special tabulation of data under contract to Office of Advocacy of the U.S. Small Business Administration).

and Video Manufacturing, which includes the manufacturing of television sets. Under this standard, business firms are considered small if they have 750 or fewer employees.<sup>17</sup> Census data for 1997 indicate that, for that year, there were a total of 554 establishments in this category.<sup>18</sup> Of those, there were 542 that had employment under 500, and an additional 9 that had employment of 500 to 999.<sup>19</sup> The percentage of television set manufacturers to others in this category is approximately 6.3%, [FN H] so we estimate that the number of broadcast equipment manufacturers with employment under 500 was actually closer to 34, with an additional zero or one establishment having employment of between 500 and 999. Given the above, we estimate that virtually all television set manufacturers are small.

19. The SBA defines small television broadcasting stations as television broadcasting stations with \$10.5 million or less in annual receipts.<sup>20</sup> According to Commission staff review of the BIA Publications, Inc., Master Access Television Analyzer Database, fewer than 800 commercial TV broadcast stations (65%) subject to our proposal have revenues of less than \$10.5 million dollars. We note, however, that under SBA's definition, revenues of affiliates that are not television stations should be aggregated with the television station revenues in determining whether a concern is small. Therefore, our estimate may overstate the number of small entities since the revenue figure on which it is based does not include or aggregate revenues from non-television affiliated companies. It would appear that there will be no more than 800 entities affected.

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

20. The actions taken in the Second Report and Order and Second Memorandum Opinion and Order impose no reporting or recordkeeping requirements on television broadcast stations, large or small, or on manufacturers of television transmitting or receiving equipment, large or small. The only compliance burden adopted in this Second Report and Order and

Second Memorandum Opinion and Order is the requirement that new television receivers be capable of tuning over-the-air DTV signals, which is described in Section E, *infra*.<sup>21</sup>

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

21. The RFA requires an agency to describe any significant 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 or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities.<sup>22</sup>

22. The Commission recognizes that requiring DTV reception capability in new television receivers that action will pose new burdens on consumer electronics manufacturers, especially in the initial period when production volumes are relatively low. It further recognizes that the cost considerations associated with DTV reception capability are such that it would not be economically feasible at this point in time to include DTV capability in smaller screen receivers. However, as production increases, the price and size of the components needed for DTV reception will decline substantially, so that the incremental cost of including that capability in TV receivers will eventually become low.

23. The plan for implementing the DTV tuner requirement adopted in the Second Report and Order and Second Memorandum Opinion and Order is designed to be as simple and inexpensive to manufacturers as possible, including any small entities. This plan will minimize the impact on receiver manufacturers by phasing the requirement in over time. By applying the requirement first to large screen receivers, some models of which now already include an integrated DTV tuner, the plan will provide time for manufacturers to develop the economic efficiencies needed to produce TV sets with DTV tuners at lower cost. Over time the percentage of units that will have to have DTV reception capability will increase and the requirement

would also be extended to smaller screen units in the same incremental manner. To minimize the impact on costs to manufacturers, receivers will only be required to have the capability to receive and decode over-the-air DTV signals. Thus, TV sets subject to the requirement will only have to provide useable picture and sound commensurate with their video and sound capabilities when receiving any of the recognized ATSC video formats; there is no requirement for full HDTV capability.

24. While extending the phase in period beyond July 1, 2007,<sup>23</sup> would have provided additional time for manufacturers to develop cost reductions, the Commission found that imposing the requirement on all receivers by this date was necessary in order to be consistent with the statutory specification of this date as the target for completing the DTV transition. The Commission also chose not to adopt an alternative that would have based the measure of compliance on the percentage of models that a manufacturer produces with DTV tuners. The plan adopted bases the measure of compliance on a manufacturer's total production of TV receivers. However, the Commission did allow manufacturers to include set-top DTV tuners marketed together with a DTV-ready receiver in the number of units that count towards meeting this requirement.

25. The Commission's action to update the DTV transmission standard to reflect the most recent version that has been issued by the Advanced Television Systems Committee is expected to have no adverse on any small entity. In this regard, the changes in the most recent version are all backwards compatible with the specifications of the version of the standard that was previously adopted and thereby with the capabilities of existing DTV transmission and receiving equipment.

26. As noted, we received comments asking, *inter alia*, that requirements we adopt be phased in more quickly,<sup>24</sup> and we chose instead to adopt the phase in schedule described. We believe that rejecting the alternative of a quicker transition will assist those manufacturers that are also small entities.

<sup>23</sup> See para. 3, *supra*, describing the implementation schedule for the DTV tuner requirement.

<sup>24</sup> See paras. 11 and 13, *supra*.

<sup>17</sup> 13 CFR 121.201, NAICS code 334310.

<sup>18</sup> U.S. Census Bureau, 1997 Economic Census, Industry Series: Manufacturing, "Industry Statistics by Employment Size: 1997," Table 4, NAICS code 334310 (issued Aug. 1999). In this category, the census breaks-out data for firms or companies only to give the total number of such entities for 1997, which was 524.

<sup>19</sup> *Id.* Table 5, "Industry Statistics by Industry and Primary Product Class Specialization: 1997."

<sup>20</sup> 13 CFR 121.201 (NAICS Code 513120).

<sup>21</sup> See also para. 2, *supra*, describing receiver cost/price increases.

<sup>22</sup> 5 U.S.C. 603(c).

### F. Report to Congress

27. The Commission shall send a copy of the Second Report and Order and Second Memorandum Opinion and Order in MM Docket No. 00–39, including this FRFA, in a report to be sent to Congress pursuant to the Congressional Review Act, *see* 5 U.S.C. 801(a)(1)(A). In addition, the Commission shall send a copy of the Second Report and Order and Second Memorandum Opinion and Order in MM Docket No. 00–39, including the FRFA, to the Chief Counsel for Advocacy of the SBA. A copy of the Second Report and Order and Second Memorandum Opinion and Order in MM Docket No. 00–39 and FRFA (or summaries thereof) will also be published in the **Federal Register**, *see* 5 U.S.C. 604(b).

### List of Subjects in 47 CFR Parts 15 and 73

Digital television broadcasting, Incorporation by reference, Radio, and television.

Federal Communications Commission.

**William F. Caton,**

*Deputy Secretary.*

### Rule Changes

For the reasons set forth in the preamble, the Federal Communications Commission amends 47 CFR parts 15 and 73 as follows:

### PART 15—RADIO FREQUENCY DEVICES

1. The authority citation for part 15 continues to read as follows:

**Authority:** 47 U.S.C. 154, 303, 303, 304, 307, and 554A.

2. Section 15.117 is amended by revising paragraph (a); redesignating paragraph (h) as paragraph (j); and adding new paragraphs (h) and (i) to read as follows:

#### § 15.117 TV broadcast receivers.

(a) All TV broadcast receivers shipped in interstate commerce or imported into the United States, for sale or resale to the public, shall comply with the provisions of this section, except that paragraphs (f) and (g) of this section shall not apply to the features of such sets that provide for reception of digital television signals. The reference in this section to TV broadcast receivers also includes devices, such as TV interface devices and set-top devices that are intended to provide audio-video signals to a video monitor, that incorporate the tuner portion of a TV broadcast receiver and that are equipped with an antenna or antenna terminals that can be used

for off-the-air reception of TV broadcast signals, as authorized under part 73 of this chapter.

\* \* \* \* \*

(h) *Digital television reception capability.* TV broadcast receivers are required only to provide useable picture and sound commensurate with their video and audio capabilities when receiving digital television signals.

(i) *Digital television reception capability implementation schedule.* (1) Responsible parties, as defined in § 2.909 of this chapter, are required to equip new TV broadcast receivers that are shipped in interstate commerce or imported from any foreign country into the United States and for which they are responsible to comply with the provisions of this section in accordance with the following schedule:

—Receivers with screen sizes 36" and above—50% of all of a responsible party's units must include DTV tuners effective July 1, 2004; 100% of such units must include DTV tuners effective July 1, 2005

—Receivers with screen sizes 25" to 36"—50% of all of a responsible party's units must include DTV tuners effective July 1, 2005; 100% of such units must include DTV tuners effective July 1, 2006

—Receivers with screen sizes 13" to 24"—100% of all such units must include DTV tuners effective July 1, 2007

—Other devices (videocassette recorders (VCRs), digital video disk and digital versatile disk (DVD) players/ recorders, etc.) that receive television signals—100% of all such units must include DTV tuners effective July 1, 2007.

(2) For purposes of this implementation schedule, screen sizes are to be measured diagonally across the picture viewing area. The requirement for equipping new TV broadcast receivers with DTV reception capability does not apply to units with integrated tuners/displays that have screen sizes measuring less than 7.8 inches vertically, *i.e.*, the vertical measurement of a screen in the 4:3 aspect ratio that measures 13" diagonally across the picture viewing area.

(3) Responsible parties may include combinations of DTV monitors and set-top DTV tuners in meeting the required percentages of units with a DTV tuner if such combinations are marketed together with a single price.

\* \* \* \* \*

### PART 73—RADIO BROADCAST SERVICES

3. The authority citation for part 73 continues to read as follows:

**Authority:** 47 U.S.C. 154, 303, 334, 336.

4. Section 73.682(d) is revised to read as follows:

#### § 73.682 TV transmission standards.

\* \* \* \* \*

(d) *Digital broadcast television transmission standard.* Transmission of digital broadcast television (DTV) signals shall comply with the standards for such transmissions set forth in Advanced Television Systems Committee (ATSC) Doc. A/52, ATSC Standard Digital Audio Compression (AC–3), December 20, 1995 and ATSC Doc. A/53B, Revision B, with Amendment 1, ATSC Digital Television Standard, August 7, 2001, except for Section 5.1.2 ("Compression format constraints") of Annex A ("Video Systems Characteristics") and the phrase "see Table 3" in Section 5.1.1 Table 2 and Section 5.1.2 Table 4. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be inspected at the Federal Communications Commission, 445 12th St., SW, Washington, DC 20554 or at the Office of the Federal Register, 800 N. Capitol St., NW, Suite 700, Washington, DC. Copies of ATSC A/52, A/53, A/54, and A/65 can be obtained from the Commission's contract copier or from the Advanced Television Systems Committee, 1750 K St., NW, Washington, DC 20006. They are also available in their entirety on the Internet at <http://www.atsc.org>. Although not incorporated by reference, licensees may also consult ATSC Doc. A/54, Guide to Use of the ATSC Digital Television Standard, October 4, 1995, and ATSC Doc. A/65A, Program System and Information Protocol (PSIP) for Terrestrial Broadcast and Cable, December 23, 1997 for guidance.

[FR Doc. 02–25767 Filed 10–10–02; 8:45 am]

BILLING CODE 6712–01–P