

authorizations from among applications filed for operations in the 220–222 MHz band after May 24, 1991 are referred to in this subpart as “Phase II” assignments, operations, stations, and systems, respectively.

(d) The rules in this subpart apply to both Phase I and Phase II licensees, applicants, assignments, operations, stations, and systems, unless otherwise specified.

[62 FR 15993, Apr. 3, 1997, as amended at 63 FR 68971, Dec. 14, 1998]

#### § 90.703 Eligibility.

The following persons are eligible for licensing in the 220–222 MHz band.

(a) Any person eligible for licensing under subparts B or C of this part.

(b) Any person proposing to provide communications service to any person eligible for licensing under subparts B or C of this part, on a not-for-profit, cost-shared basis.

(c) Any person eligible under this part proposing to provide on a commercial basis, station and ancillary facilities for the use of individuals, federal government agencies and persons eligible for licensing under subparts B or C of this part.

[56 FR 19603, Apr. 29, 1991, as amended at 60 FR 15495, Mar. 24, 1995; 62 FR 18935, Apr. 17, 1997]

#### § 90.705 Forms to be used.

Phase II applications for EA, Regional, or Nationwide radio facilities under this subpart must be prepared in accordance with §§ 1.2105 and 1.2107 of this chapter. Phase II applications for radio facilities operating on public safety/mutual aid channels (Channels 161 through 170) or emergency medical channels (Channels 181 through 185) under this subpart must be prepared on FCC Form 601 and submitted or filed in accordance with § 1.913 of this chapter.

[63 FR 68971, Dec. 14, 1998, as amended at 67 FR 45375, July 9, 2002]

#### § 90.709 Special limitations on amendment of applications and on assignment or transfer of authorizations licensed under this subpart.

(a) Except as indicated in paragraph (b) of this section, the Commission will not consent to the following:

(1) Any request to amend an application so as to substitute a new entity as the applicant;

(2) Any application to assign or transfer a license for a Phase I, non-nationwide system prior to the completion of construction of facilities; or

(3) Any application to transfer or assign a license for a Phase I nationwide system before the licensee has constructed at least 40 percent of the proposed system pursuant to the provisions of § 90.725(a) or § 90.725(h), as applicable.

(b) The Commission will grant the applications described in paragraph (a) of this section if:

(1) the request to amend an application or to transfer or assign a license does not involve a substantial change in the ownership or control of the applicant; or

(2) The changes in the ownership or control of the applicant are involuntary due to the original applicant's insolvency, bankruptcy, incapacity, or death.

(c) The assignee or transferee of a Phase I nationwide system is subject to the construction benchmarks and reporting requirements of § 90.725. The assignee or transferee of a Phase I nationwide system is not subject to the entry criteria described in § 90.713.

(d) A licensee may partially assign any authorization in accordance with § 90.1019.

(e) The assignee or transferee of a Phase II system is subject to the provisions of §§ 90.1017 and 1.2111(a) of this chapter.

[56 FR 19603, Apr. 29, 1991, as amended at 57 FR 32449, July 22, 1992; 62 FR 15993, Apr. 3, 1997; 63 FR 49295, Sept. 15, 1998]

#### § 90.711 Processing of Phase II applications.

(a) Phase II applications for authorizations on Channels 166 through 170 and Channels 181 through 185 will be processed on a first-come, first-served basis. When multiple applications are filed on the same day for these frequencies in the same geographic area, and insufficient frequencies are available to grant all applications (i.e., if all applications were granted, violation of the station separation provisions of § 90.723(k) of this part would result),

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these applications will be considered mutually exclusive.

(1) All applications will first be considered to determine whether they are substantially complete and acceptable for filing. If so, they will be assigned a file number and put in pending status. If not, they will be dismissed.

(2) Except as otherwise provided in this section, all applications in pending status will be processed in the order in which they are received, determined by the date on which the application was received by the Commission in its Gettysburg, Pennsylvania office (or the address set forth at § 1.1102 of this chapter for applications requiring the fees established by part 1, subpart G of this chapter).

(3) Each application that is accepted for filing will then be reviewed to determine whether it can be granted. Frequencies will be assigned by the Commission pursuant to the provisions of § 90.723.

(4) An application which is dismissed will lose its place in the processing line.

(b) All applications for Channels 161 through 165 that comply with the applicable rules of this part shall be granted. Licensees operating on such channels shall cooperate in the selection and use of frequencies and resolve any instances of interference in accordance with the provisions of § 90.173.

(c) Phase II applications for authorization on all non-Government channels other than Channels 161 through 170 and 181 through 185 shall be processed in accordance with the provisions of subpart W of this part.

[62 FR 15993, Apr. 3, 1997, as amended at 63 FR 32590, June 12, 1998; 63 FR 68971, Dec. 14, 1998]

### § 90.713 Entry criteria.

(a) As set forth in § 90.717, four 5-channel blocks are available for nationwide, commercial use to non-Government, Phase I applicants. Applicants for these nationwide channel blocks must comply with paragraphs (b), (c), and (d) of this section.

(b)(1) An applicant must include certification that, within ten years of receiving a license, it will construct a minimum of one base station in at least 70 different geographic areas des-

ignated in the application; that base stations will be located in a minimum of 28 of the 100 urban areas listed in § 90.741; and that each base station will have all five assigned nationwide channels constructed and placed in operation (regularly interacting with mobile and/or portable units).

(2) An applicant must include certification that it will meet the construction requirements set forth in § 90.725.

(3) An applicant must include a ten-year schedule detailing plans for construction of the proposed system.

(4) An applicant must include an itemized estimate of the cost of constructing 40 percent of the system and operating the system during the first four years of the license term.

(5) An applicant must include proof that the applicant has sufficient financial resources to construct 40 percent of the system and operate the proposed land mobile system for the first four years of the license term; *i.e.*, that the applicant has net current assets sufficient to cover estimated costs or a firm financial commitment sufficient to cover estimated costs.

(c) An applicant relying on personal or internal resources for the showing required in paragraph (b) of this section must submit independently audited financial statements certified within one year of the date of the application showing net current assets sufficient to meet estimated construction and operating costs. An applicant must also submit an unaudited balance sheet, current within 60 days of the date of submission, that clearly shows the continued availability of sufficient net current assets to construct and operate the proposed system, and a certification by the applicant or an officer of the applicant organization attesting to the validity of the balance sheet.

(d) An applicant submitting evidence of a firm financial commitment for the showing required in paragraph (b) of this section must obtain the commitment from a bona fide commercially acceptable source, *e.g.*, a state or federally chartered bank or savings and loan institution, other recognized financial institution, the financial arm of a capital equipment supplier, or an investment banking house. If the lender is not a state or federally chartered bank