service or unlicensed PCS devices that might be particularly disruptive, or whether the Commission should seek to implement rules for coordination of Amateur/PCS use.

2402-2417 MHz

3. Both the Amateur service and Part 15 devices operating at 2402–2417 MHz continue to be governed in accordance with current applicable technical and operational rules. However, the Commission seeks comment on whether any changes should be made to the Commission's rules to facilitate use of this band by the Amateur service and Part 15 devices.

4660-4685 MHz

A. Service Rules

4. The Notice proposes to create the General Wireless Communications Service (GWCS), a new service for licensing of the 4660–4685 MHz band, which would allow a licensee to provide any Fixed or Mobile service, consistent with the allocation of this band and the Commission's proposed rules described below. The Notice also seeks comment on the possibility of better accommodating the needs of users by prescribing rules that provide for utilization of the 4660–4685 MHz frequency band only by specific services.

B. Use of Spectrum

5. The Notice tentatively concludes that the principal use of this spectrum under the proposed General Wireless Communications Service will involve or is reasonably likely to involve the receipt by the licensee of compensation from subscribers in return for enabling those subscribers to receive or transmit communications signals, thus enabling the Commission to propose competitive bidding as the assignment method for this spectrum. To help the Commission make an accurate determination regarding the extent to which this spectrum will be used for subscriberbased services, the Notice requests that commenters describe their spectrum needs and provide an indication of the degree of competition expected within a particular geographic service area, because the likelihood of subscriber use may vary among geographic areas.

C. Assignment Methods

6. Sections 309(j)(1) and 309(j)(2) of the Communications Act permit auctions where mutually exclusive applications for initial licenses or construction permits are accepted for filing by the Commission and where the principal use of the spectrum will involve or is reasonably likely to

involve the receipt by the licensee of compensation from subscribers in return for enabling those subscribers to receive or transmit communications signals. As described in the preceding section, the Commission believes that the principal use of this spectrum will meet these requirements. In order to comply with Section 309(j)(2)(b) of the Communications Act, the Notice also tentatively concludes that the use of competitive bidding to assign licenses in the 4660-4685 MHz band bill promote the objectives described in Sections 1 and 309(j)(3) of the Communications Act. Thus, the Commission tentatively concludes that competitive bidding should be used to award licenses in the 4660-4685 MHz band in the new General Wireless Communications Service if mutually exclusive applications are filed.

7. Although the Notice proposes the use of a system of competitive bidding to assign licenses for the General Wireless Communications Service in the 4660–4685 MHz band, the Commission also seeks comment regarding whether the Commission should utilize a different assignment method.

8. One important aspect of any assignment method is determining whether applications are mutually exclusive. The Notice proposes to use a 30-day filing window or other application cut-off method to allow for competing initial applications. The Notice seeks comment on this proposal, particularly whether some other type of filing group would be more appropriate for determining whether initial applications are mutually exclusive.

D. Channelization; Aggregation

9. The Notice proposes that the 4660-4685 MHz band be licensed in five blocks, each of which would be 5 megahertz wide. Based on available information about the likely services to be provided in this band, the Commission tentatively concludes that no licensee would need more than 15 megahertz in a single market area. Therefore, the Notice proposes to limit a single entity from obtaining more than three of these blocks in a single geographic licensing area. The Commission also proposes that, regardless of the specific service to be provided, this spectrum will not count against the 45 MHz spectrum cap that applies to certain commercial mobile radio service (CMRS) licensees.

E. License Area

10. The Notice proposes that all licenses issued in the GWCS be based on Major Trading Areas (MTA). The Commission does not propose to restrict

the number of MTAs in which a party may obtain a license. Because an MTA may be too large for some licensees, the Notice proposes to permit licensees to lease the rights to operate a general wireless communication system within portions of their authorized geographic service area or transfer a portion of their license to geographically partition their service area, allowing another party to be licensed in the partitioned area.

a mix of subscriber, non-subscriber, and private-based services is likely in the 4660–4685 MHz band, the Commission may issue licenses based on different geographic regions for different portions of the bands or for different areas of the Nation. Commenters that seek spectrum for non-subscriber based services should address the issue of whether the Commission should allow licensees to sell or lease their excess capacity and specify under what circumstances such transfer or lease would be allowed.

F. Eligibility

12. If the Commission determines that it is reasonably likely that the services to be provided will be commercial services, the Notice proposes no restrictions on eligibility to apply for licenses in this band other than those foreign ownership restrictions that apply to CMRS and common carrier fixed system licensees, and the restriction on foreign governments or their representatives related to the holding of private service licenses.

G. Competitive Bidding Issues

13. The Notice proposed that, to the extent that the Commission determines that it is reasonably likely that some or all of the 4660-4685 MHz band will be used for services that meet the criteria for issuing licenses pursuant to auctions, the Commission will use auctions to issue licenses. The Commission believes that simultaneous multiple round bidding should be the preferred method for licensing of the proposed 5 MHz-wide MTA spectrum blocks. The Notice tentatively concludes that simultaneous multiple round bidding is most likely to award MTA licenses to bidders who value them the most highly and who are most likely to deploy new technologies and services rapidly. The Notice asks commenters to address this tentative conclusion and whether any other competitive bidding designs might be more appropriate for the licensing of this spectrum.

14. In addition, the Notice also seeks comments on which blocks should be auctioned together, the intervals between rounds in each auction, and the sequencing of each auction. The