

EX PARTE PRESENTATION

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June 7, 1996

RECEIVED

JUN 7 1996

Federal Communications Commission
Office of Secretary



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William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

DUPLICATE FILE COPY ORIGINAL

Re: **Notice of Written Ex Parte Presentation**
WT Docket No. 96-59
GN Docket No. 90-314

Dear Mr. Caton:

On behalf of the Coalition of New York Rural Telephone Companies ("Coalition"), this notice is submitted in accordance with Section 1.1206(a)(1) of the Commission's Rules, with the original and one copy submitted to the Commission's Secretary.

On June 7, 1996, the Coalition, at the direction of Larry S. Roadman, President of Margaretville Telephone Co., Inc., provided to Rudolfo M. Baca, Legal Advisor to Commissioner James H. Quello, a copy of the attached letters concerning the above-referenced dockets. The letters were addressed to The Honorable Reed E. Hundt, Chairman of the Commission, from The Honorable Gerald B.H. Solomon (dated June 5, 1996), and The Honorable John McHugh (dated June 6, 1996). Written comments were previously filed by the Coalition in this proceeding.

Very truly yours,

David L. Nace

cc: Rudolfo M. Baca (by hand-delivery)

GERALD B.H. SOLOMON

MEMBER OF CONGRESS
120 BENTLEY NEW YORK
ROOM 2906 RAYBURN BUILDING
WASHINGTON, DC 20515-3122
1997-1998

MEMBER
HOUSE TASK FORCE ON AMERICAN
PRISONERS OF WAR AND
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RULES COMMITTEE

CHAIRMAN

MEMBER
HOUSE TASK FORCE ON
CHILD CARE, DRUGS,
EDUCATION AND THE ELDERLY

Congress of the United States
House of Representatives
Washington, DC 20515-3222

June 5, 1996

The Honorable Reed E. Hundt
Chairman
Federal Communications Comm.
1919 M Street, N.W.
Room 814
Washington, D.C. 20554

Dear Mr. Chairman:

It is my understanding that the FCC is in the process of establishing eligibility rules for the Personal Communications Service (PCS) 10MHz spectrum auction. I am concerned that the express intent of Congress, that small businesses be afforded realistic opportunities to obtain PCS licenses, has not, and will not be realized in the PCS spectrum auction.

The reservations for "entrepreneurs" of the C (30Mhz) and F (10Mhz) block auctions was the FCC's attempt to meet the Congressional small business mandate. Analyses of the recently completed C-block auction show that small businesses did not fare well, unless they were the "control group" in new business ventures with large companies having virtually unlimited sources of bid financing.

I urge you to modify the eligibility rules for the F-block auction to ensure that small businesses be allowed to apply for and hold these licenses. Rural areas like the district I represent rely on small businesses to provide service, and will not be helped if all the spectrum is granted to small businesses that are aligned with large conglomerates.

I appreciate your consideration of this important matter.

Sincerely,


GERALD B. SOLOMON
Member of Congress

GBS:mcj

JOHN M. McHUGH

26TH DISTRICT, NEW YORK

COMMITTEE ON NATIONAL SECURITY

PANEL ON MILITARY MORALE, WELFARE AND RECREATION
CHAIRMAN

SUBCOMMITTEE ON MILITARY INSTALLATIONS
AND FACILITIES

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**COMMITTEE ON GOVERNMENT REFORM
AND OVERSIGHT**

SUBCOMMITTEE ON THE POSTAL SERVICE
CHAIRMAN

SUBCOMMITTEE ON NATIONAL ECONOMIC GROWTH,
NATURAL RESOURCES AND REGULATORY AFFAIRS

SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA



Congress of the United States

House of Representatives

416 Cannon House Office Building

Washington, DC 20515-3224

ARMY CAUCUS

Co-Chairman

CONGRESSIONAL STUDY GROUP ON CANADA

Co-Chairman

U.S. MILITARY ACADEMY, BOARD OF VISITORS
NATIONAL POSTAL MUSEUM ADVISORY COMMISSION

CONGRESSIONAL RURAL CAUCUS

GREAT LAKES TASK FORCE

OLDER AMERICANS CAUCUS

SPORTSMEN'S CAUCUS

NORTHEAST AGRICULTURE CAUCUS

TASK FORCE ON AGRICULTURE

FIRE SERVICES CAUCUS

RURAL HEALTH CARE COALITION

FORESTRY 2000 TASK FORCE

NATIONAL SECURITY CAUCUS

NORTHERN BORDER CAUCUS

REGULATORY REFORM CAUCUS

June 6, 1996

The Honorable Reed E. Hundt
Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Dear Mr. Chairman:

I understand that the Commission will soon establish eligibility rules for the Personal Communications Service (PCS) 10 Mhz spectrum auction. I am concerned that small businesses may not be afforded realistic opportunities to obtain PCS licenses during this process.

I base these concerns on information provided to me by small telephone companies located in Northern New York, whose officials tell me that an analysis of the earlier C-block auction shows that small businesses did not generally fare well. It would, indeed, be unfortunate if the remaining portion of the PSC spectrum auctions (the D, E and F-block auctions) suffers the same fate.

I urge the Commission to modify the eligibility rules for the F-block auction to ensure that a substantive licensing opportunity be provided to small, rural businesses, perhaps along the lines of the terms afforded to the C-block winners. It is only through such action that Congressional intent will be preserved and timely build-out of rural PCS systems will be realized.

Thank you for your consideration of this important matter.

Sincerely yours,

John M. McHugh
Member of Congress

JMM/jmb