

Congress. The IPDI is also cited monthly in the "Survey of Current Business," a periodical available in most regional, university, and local government depository libraries. The intended effect is to ensure that fees accurately reflect fair market value as required by regulation.

DATE: Comments must be received on or before July 7, 1989.

ADDRESS: Send written comments to Director (340), Room 3660, Main Interior Building, Bureau of Land Management, 1800 C Street, NW., Washington, DC 20240.

FOR FURTHER INFORMATION CONTACT: Gary G. Marsh, Recreation and Cultural Resources Branch, (202) 343-9353.

SUPPLEMENTARY INFORMATION: In 1984 (49 FR 5300 and 49 FR 34332), the BLM announced its final regulations and policy concerning special recreation permits for individuals or organizations conducting commercial, competitive, and other uses on the Public Lands and related waters. On September 9, 1987, the BLM incorporated its commercial fee and permit policy in the BLM 8372 Manual and Handbook (H-8372-1, Special Recreation Permits for Commercial Use). As a part of this policy, the BLM established a new system for determining the annual administrative cost to issue permits and provide a fair return to the government for the privilege of conducting commercial recreation activities on the Public Lands and related waters. The fee system bases fees on either a minimum annual fee or 3 percent of the commercial permittee's gross revenue derived from the activity (allowing certain discounts for lodging and transportation), whichever is greater. Office of Management and Budget Circular A-25 specifies that, "Where federally owned resources or property are leased or sold, a fair market value should be obtained." Fees based on revenue and charges to the customer are self-adjusting.

When the fee system was adopted in 1984, the minimum annual fee for a permit was established as \$100. It was reduced to \$50 on September 9, 1987, to be consistent with the Forest Service (FS) and encourage one-stop shopping (either agency, FS or BLM, can issue the permit) for commercial outfitters who use adjacent BLM/FS lands and waters. The BLM established a site reservation fee of \$100 on September 9, 1987, with the issuance of the commercial permit Manual and Handbook. Since 1984, inflation has devalued these fixed fee amounts. Therefore, it is necessary to adjust the minimum and site reservation fees.

The BLM is proposing, along with the FS, that these fees be increased based on the change in the IPDI. Beginning with fees due after March 1990, adjustments will be made in this manner every 3 years using 1984 as a base year. It is proposed that fees will be rounded to the nearest \$10.

Because of many areas of adjacent jurisdiction, the BLM and FS coordinate their policies for managing outfitting and guiding and other activities of their recreation service partners. The FS has published its proposal at 54 FR 11962, dated March 23, 1989.

The BLM and FS periodically meet with representatives of the National Forest Recreation Association, North American Outfitters Association, and the Western River Guides Association to discuss outfitting and guiding policy and management. These proposed fee increases were presented at a meeting with representatives of these associations in November 1988.

These changes in the minimum fee and charge for a reserved use of a site would be issued as an amendment to the BLM 8372 Manual and Handbook H-8372-1, Special Recreation Permits For Commercial Use.

Date: May 15, 1989.

Robert F. Burford,

Director.

[FR Doc. 89-12576 Filed 5-26-89; 8:45 am]

BILLING CODE 4310-04-M

LEGAL SERVICES CORPORATION

45 CFR Part 1633

Competitive Bidding for Grants

AGENCY: Legal Services Corporation.

ACTION: Advance notice of proposed rulemaking and request for comment.

SUMMARY: The Legal Services Corporation (LSC or Corporation) is considering establishing a system of competitive grant awards with which to provide legal assistance to eligible clients in civil cases. LSC's current appropriations act, Pub. L. 100-459, 102 Stat. 2227 (1988), mandates that a Board of Directors, appointed by the President of the United States and confirmed by the Senate, develop and implement a competitive grant award system to take effect after September 30, 1989. In order to facilitate timely compliance with the mandate by Congress, after a Board of Directors is appointed and confirmed, LSC is publishing for discussion a draft proposed regulation that would govern the implementation of the competitive award system.

The Corporation hopes to widen the field of potential legal services providers in order to ensure that economic and effective legal assistance is available to needy clients.

DATES: Comments should be received by June 9, 1989, in order to be considered at a June 12-13 meeting of the LSC Board's Committee for the Provision of the Delivery of Legal Services. Any comments received after June 9 will also be considered by the Corporation, but will not be addressed at the June 12-13 meeting in Chicago.

ADDRESS: Comments should be addressed to Timothy B. Shea, General Counsel, Legal Services Corporation, 400 Virginia Avenue, SW., Washington, DC 20024-2751.

The meeting of the Committee for the Provision of the Delivery of Legal Services will be held at the Hyatt Regency Woodfield, 1800 East Golf Road, Schaumburg, Illinois.

FOR FURTHER INFORMATION CONTACT: Charles Moses, Office of Field Services, 202-863-1837.

SUPPLEMENTARY INFORMATION: The Legal Services Corporation is issuing this Advance Notice of Proposed Rulemaking in order to obtain comments on a draft regulation governing the competitive award system.

The draft regulation, published for preliminary comment, could be used to implement a competitive award system when a Board of Directors has been appointed by the President and confirmed by the Senate. The Corporation proposes a three-year funding cycle that would be implemented over a three-year transition period. In order to ensure continuous coverage of all existing service areas, a transition grant would be made to all current providers. Grants from 3 to 39 months would be made to current services providers in order to effect a smooth transition to the competitive system. The duration of grants to or contracts with current grantees or contractors would depend on the date LSC chooses to implement the competitive award system in each particular service area.

As the competitive award system is implemented in a particular service area, the Corporation will issue a solicitation for applications to provide legal services in that area. All applicable selection criteria will appear in the solicitation. At a minimum, selection criteria will include caseload, specific objectives, project design, management structure, organizational capability, and reasonable budget. Based on the applications and the peer

review process, two or more applicants may be awarded grants or contracts to provide services within a given service area. Available funding for that service area would be apportioned among the successful applicants.

For the past five years, LSC has successfully used a peer review process to make funding recommendations to the LSC President in connection with law school clinic grants. In the draft regulation, LSC also proposes a peer review process to consider all applications under the competitive award system for grants or contracts made pursuant to section 1006(a) of the LSC Act. At the conclusion of the peer review process, LSC staff would negotiate grants or contracts with one or more applicants receiving the highest summary ratings from the applicable peer review panel. The final funding decision would be made by the President of LSC.

LSC has scheduled a public hearing at the Hyatt Regency Woodfield, Regency Ballroom, 1800 East Golf Road, Schaumburg, Illinois, on June 12-13, 1989, to receive comments on this proposal. Anyone wishing to offer public comment at the hearing should contact Maureen Bozell, Corporation Secretary, at (202) 963-1839.

For the reasons set out above, 45 C.F.R. Chapter XVI is proposed to be amended by adding Part 1633 as follows:

List of Subjects in 45 CFR Part 1633

Grants programs—law.

PART 1633—COMPETITION AND PEER REVIEW PROCEDURES

Subpart A—Competition

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1633.18 Negotiation.
1633.19 Final review.

Authority: 42 U.S.C. 2996 et seq.; Public Law 100-459.

Subpart A—Competition

§ 1633.1 Purpose and applicability.

(a) The Legal Services Corporation Act charges the Corporation with the responsibility to provide financial support for legal assistance to eligible clients in civil cases. 42 U.S.C. 2996b (a); 42 U.S.C. 2996a (3), (5).

(b) This regulation governs the selection of grantees or contractors under the provision of Public Law 100-459 that required a system of competitive awards for Corporation funds. Private attorneys, including law firms that are professional corporations, professional associations, or nonprofit corporations, are eligible to apply for grants or contracts to provide legal services under the competitive award system.

(c) This subpart governs all grants, contracts, cooperative agreements, and other arrangements for the provision of legal assistance under sections 1006(a)(1) or 1006(a)(3) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(1) or 42 U.S.C. 2996e (a)(3)) that are approved for funding by the Corporation's president.

§ 1633.2 Definitions.

The following definitions shall apply to this part:

(a) "Applicant" means an entity or individual who prepares and forwards to the Corporation an application in response to a competitive solicitation. An applicant must be responsible and responsible in order to be considered for the award of a competitive grant or contract.

(b) "Peer review" means an evaluation by a group of experts of the technical and programmatic merit of an application for a grant or contract to provide legal assistance to eligible poor individuals. This review is based on selection criteria established under Subpart A of this Part.

(c) "Project" means a grant or contract for the provision of legal assistance to eligible clients within a particular service area.

(d) "Provider" means an applicant who is awarded a grant or contract to deliver civil legal services to eligible clients within a service area.

(e) "Responsive" means that an applicant that files an application in response to a competitive solicitation has addressed all the requirements stated in the solicitation. As stated in § 1633.6(f), an applicant filing an application needing minor or technical correction will be given an opportunity to make appropriate corrections.

(f) "Responsible" means that an applicant can demonstrate that it has, or

reasonably can be expected to acquire, the financial, managerial, and staff resources to support the economic and effective delivery of legal services to eligible clients.

(g) "Service area" means a geographic area that has been determined by the Corporation to be an appropriate area for the award of a grant or contract under this Part.

(h) "Solicitation" means a notice of a project announcement or request for proposals issued by the Corporation stating that funding for a service area is available for competitive award to responsible and responsive applicants.

§ 1633.3 Funding of recipients.

(a) *Funding cycle.* After the initial transition period, contracts or grants made pursuant to section 1006(a)(1) or 1006(a)(3) of the Legal Services Corporation Act (42 U.S.C. 2996e(a)(1) or 42 U.S.C. 2996e(a)(3)) will be made for a period of three years. Approximately one-third of the Corporation's service areas shall be subject to competition each year. The competitive funding cycle shall be repeated every three years and each service area shall again be subject to competition as part of the next competitive funding cycle.

(b) *Equalized funding of service areas.* After the results of the 1990 census have been reported, funding of service areas shall be equalized based on the per capita poverty population in each service area.

(c) *Multiple awards within a service area.* Two or more providers may be awarded a grant to provide legal assistance within a service area. After the peer review process has been completed, the Corporation may decide to fund more than one provider in a given service area. If the Corporation decides to fund more than one provider, the funds available for that service area shall be apportioned among the successful applicants.

(d) *Revision of service areas.* In the course of the implementation of the competitive award system, current service areas may be revised in order to facilitate the economic and effective delivery of legal assistance. Revisions of current service areas may be accomplished through the subdivision of a service area or the consolidation, in whole or in part, of two or more service areas.

§ 1633.4 Transition to the competitive grant award system.

(a) A provider of legal services receiving financial assistance under sections 1006(a)(1) or 1006(a)(3) of the Legal Services Corporation Act shall

continue to receive funding under the present system until a competitive award system is implemented in the provider's service area.

(b) During the first year in which grants and contracts for the provision of legal services are awarded competitively, the corporation intends to make available approximately one-third of its service areas for the competitive award of grants and contracts. The Corporation plans to make twelve groups of competitive grant awards each year, with one group of awards made each month. To ensure continuous coverage of each service area, the Corporation shall make one grant to each existing provider at the outset of the competitive cycle, which may be extended to the date on which the winner or winners of the competition to provide service in that service area will begin operation.

(c) Three-year grants shall be awarded after the conclusion of the competition for each service area. Funding for such grants beyond the then current fiscal year shall be subject to the availability of Federal funds.

(d) The order of competition of service areas shall be published prior to the implementation of the competitive award system. The geographic size, amount of funding, and poverty population of a given service area shall be published in connection with the competition for the selection of the provider(s) of legal services in that service area.

§ 1633.5 Selection criteria.

(a) All applications made in response to a solicitation for a competitive award under this part shall, at a minimum, be subject to review based on the extent to which they meet the following general selection criteria:

(1) The types of cases to be handled by the provider are clearly stated and are appropriate cases to be undertaken by a legal services provider;

(2) The objectives of the proposed project are clearly defined and specify a realistic number of cases that may be handled during the term of the contract or grant;

(3) The project design is sound in that it contains programmatic elements linked directly to the provision of legal assistance to eligible clients;

(4) The project management structure is adequate to perform the tasks stipulated in the solicitation;

(5) Organizational capability is demonstrated at a level sufficient to successfully support the project; and

(6) Budgeted costs are reasonable in comparison to the activities proposed to

be undertaken, particularly personnel and administrative costs.

(b) The general selection criteria set forth under subsection (a) may be supplemented for each announced competitive project by specific selection criteria applicable to the particular project. Such announcements may also modify the general selection criteria to provide greater specificity or otherwise tailor the general selection criteria to a given project. The relative weight (point value) of each selection criterion shall be specified in the solicitation.

§ 1633.6 Additional competitive application requirements and procedures.

(a) *Applications for grants.* Any applicant seeking financial assistance must submit on or before the submission deadline established in the solicitation, an application containing information in accordance with the forms and instructions prescribed in the solicitation. The application shall be executed by the applicant or an official or representative of the applicant duly authorized to make the application and to assume on behalf of the applicant the obligations imposed by law, applicable regulations, and any additional terms and conditions stipulated in the solicitation. The Corporation may require any applicant to submit a preliminary proposal for review and approval prior to the acceptance of an application. See § 1633.9(a).

(b) *Cooperative arrangements.* (1) Eligible parties seeking financial assistance may enter into cooperative arrangements with other eligible parties, including those in another State, to apply for financial assistance.

(2) A joint application made by two or more applicants for financial assistance under this subpart may have separate budgets corresponding to the projects, services, and activities to be performed by each of the joint applicants or may have a combined budget. If joint applications present separate budgets, the Corporation may make separate awards, or may award a single assistance grant or contract authorizing separate amounts for each of the joint applicants.

(c) *Evaluation of applications submitted for competitive award of grant or contract.* All applications received under this subpart shall be evaluated by the President through officers, employees, and/or such experts or consultants engaged for this purpose. The solicitation shall clearly state the review procedures to be used in connection with any competitive awards to be made in response to a competitive solicitation.

(d) *Applicant's performance on prior award.* If the applicant has previously received an award from LSC or a Federal agency, the applicant's compliance or noncompliance with the requirements of such prior award, as reflected in past written evaluation reports and memoranda on performance or other evidence, and the completeness of application in connection with such award may be considered.

(e) *Applicants' conferences.* Approximately 21 days prior to the final date for submission of applications, the Corporation hold a conference for prospective applicants. The conference may be held in a major urban area within the service area.

(f) *Technical or minor noncompliance with requirements in applications.* In the event that an application substantially conforms to the requirements stated in § 1633.5, but reflects a minor or technical discrepancy, the applicant may be advised of such discrepancy and be given seven (7) days to amend the application. If the applicant does not file an amended application within seven days of the applicant's receipt of notice, the application may be rejected.

(g) *Disposition of applications.* On the basis of the competitive review procedures carried out under this part, the President may—

(1) Approve the application for funding, in whole or in part, subject to such conditions as the President deems necessary or desirable for the completion of the approved project;

(2) Determine that although the application is of acceptable quality for funding, in that it meets minimum criteria, the application should be disapproved for funding because it does not rank sufficiently high, in relation to other applications approved for funding, to qualify for an award based on the level of funding allocated to the Legal Services Corporation, or

(3) Reject the application for failure to meet the applicable selection criteria at a sufficiently high level to justify an award of funds, or for any other reason that the President determines adversely impacts upon the applicant's capability to successfully carry out the tasks stipulated in the competitive solicitation.

(h) *Notification of disposition.* The President shall notify the applicant in writing as to the disposition of the application. A signed Grant/Contract form shall be issued to notify the applicant of the approval of a project application.

(i) *Effective date of approved grant.* Financial assistance made under the LSC Act is normally available only to pay obligations incurred subsequent to

the effective date of a grant award. The effective date of the grant award shall be set forth in the Grant/Contract form. Recipients may be reimbursed for costs resulting from obligations incurred before the effective date of the grant award if such costs are authorized by the President in the notification of grant award, or subsequently in writing, and may otherwise be allowable as costs of the grant award under applicable guidelines, regulations, and grant terms and conditions.

Subpart B—Peer Review and Negotiation

§ 1633.7 Purpose and applicability.

Peer reviewers shall determine and select the applications that merit negotiation. LSC staff may negotiate the final details with the selected applicants and make recommendations to the President. Funding decisions rest solely with the President.

§ 1633.8 Peer review procedures.

The LSC peer review process is set forth in the LSC Competition Manual. [This Manual is currently under development. In addition to specifying substantive and procedural matters related to the peer review process, the Manual addresses such issues as standards of conduct, conflict of interest, and compensation of peer reviewers.] The peer review process shall be used in formulating recommendations for making grant awards subject to this subpart and shall be implemented in a manner consistent with this subpart.

§ 1633.9 Use of peer review.

(a) Each solicitation shall identify the peer review procedures and selection criteria to be followed with regard to each competitive solicitation. In instances in which a large number of applications are expected, preliminary proposals may be required at the President's option. Preliminary proposals may be reviewed by qualified LSC staff to eliminate those preapplications that fail to meet minimum project requirements, as specified in the solicitation, or clearly lack sufficient merit to qualify for consideration as potential candidates for funding. Where appropriate, the President may subject both preliminary proposals and formal applications to the peer review process.

(b) When applications are required in response to a solicitation, an initial review may be conducted by qualified LSC staff, in order to eliminate from the peer review process those applications that do not meet minimum project

requirements. All such minimum requirements shall be specified in the solicitation. Applicants determined to be qualified and eligible for further consideration shall then be subject to the peer review process. See § 1633.6(f).

(c) All grant applications that go through a particular peer review process shall receive numerical scores, which are derived from a compilation of points assigned by individual peer reviewers. Points assigned are based on evaluations of the applications, which are made using the selection criteria. The numerical scores are then used as a basis for assignment to a summary rating category. Within the summary rating category, the applications receive a ranking based on the numerical scores.

(d) Peer review recommendations in conjunction with the results of internal review and any necessary supplementary review, shall be considered by the President in evaluating competing applications and the selection of applicants for funding.

(e) Comments on applications may also be requested from appropriate specialists and consultants.

(f) Peer review recommendations are advisory only. While the President shall give due weight to Peer Review Panel recommendations, the final decision to award a grant is within the discretion of the President. However, should the President determine to fund an applicant that has not been assigned to the highest category of the summary ratings, the President shall prepare a written justification of his decision.

§ 1633.10 Peer review methods.

(a) Peer review may be conducted at meetings of peer reviewers held under LSC oversight, through reviews conducted by mail, or a combination of the two. Where appropriate, site visits may also be employed. The primary method of peer review anticipated for each announced competitive project, including all evaluation criteria to be used by peer reviewers, shall be specified in each competitive solicitation. Peer review recommendations may consist of written comments provided in response to the general selection criteria established under Subpart A of this part and any project specific selection criteria stipulated in the competitive solicitation, together with the assignment of a summary rating containing numerical values that establish relative rankings among applications.

(b) For peer review conducted through meetings, peer review panelists shall receive instruction (including review of the LSC Manual) from the LSC program

manager, who may then oversee the conduct of individual and group review sessions, as appropriate. When time, cost, or other factors preclude the convening of a peer review panel, reviews may be conducted by mail. For competitive projects, mail reviews will be used only when the President makes a written determination of necessity.

§ 1633.11 Number of peer reviewers.

The number of peer reviewers may vary from project to project (as affected by the volume of applications anticipated or received). LSC shall select a minimum of three peer reviewers for each project review in order to insure a diversity of backgrounds and perspectives. In no case shall applications be reviewed by fewer than three peer reviewers.

§ 1633.12 Use of Legal Services Corporation staff.

LSC may use qualified LSC staff as technical and internal reviewers. Technical reviewers shall determine applicant compliance with basic programmatic and statutory requirements and responsiveness to the solicitation. Internal reviewers shall review the results of peer reviews and provide overall project evaluation and recommendations to the President.

§ 1633.13 Selection of reviewers.

The President shall make the final selection of both peer reviewers and internal reviewers. The selection process for peer reviewers shall be set forth in the LSC Competition Manual.

§ 1633.13 Qualifications of peer reviewers.

The general criteria to be used by the President in the selection of qualified peer reviewers are:

- (a) a generalized knowledge of the practice of law or related fields, or
- (b) specialized knowledge in areas or fields addressed by the applicants to be reviewed in connection with a particular grant award.

Additional details shall be set forth in the LSC Competition Manual.

§ 1633.15 Management of peer reviews.

A technical support contractor may assist the LSC program manager in managing the peer review process.

§ 1633.16 Compensation.

All peer reviewers shall be eligible to be paid an appropriate consulting fee. Detailed information shall be provided in the LSC Competition Manual.

§ 1633.17 Delegation of authority.

The President may delegate all of the authority to select peer reviewers to the

President's designee but may not delegate authority to select the successful applicant for award of a grant or contract. Authority to select peer reviewers may be further delegated by the President's designee, with the President's approval.

§ 1633.18 Negotiation.

At the conclusion of the peer review process, the President shall be advised of the applicants that have received the highest scores. After the President's review, LSC staff shall be directed to enter into negotiation with these applicants. Among the negotiable items are the number and types of tasks to be performed under the grant or contract. Compliance with the provisions of the LSC Act and the LSC regulations is not subject to negotiation.

§ 1633.19 Final review.

After negotiation, the LSC staff shall recommend the award of a grant or contract to an applicant. The proposed grant or contract shall be presented to the President for his final approval.

Date: May 22, 1989.

Timothy B. Shea,

General Counsel.

[FR Doc. 89-12565 Filed 5-25-89; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[BC Docket No. 78-309]

Television Broadcast Stations; Network Representation Rules

AGENCY: Federal Communications Commission.

ACTION: Proposed rule; petition for reconsideration.

SUMMARY: This Order addresses a Petition for Reconsideration filed by Seven Hills Television Co. (Seven Hills), licensee of Station KTVW-TV, Phoenix, Arizona. The Order finds that in light of a contract signed by Seven Hills to sell its assets to Hallmark Acquisitions, Inc., KTVW-TV will become an "owned and operated" network affiliate, not subject to the prohibitions of the network representation rule contained in 47 CFR 74.658(i). Therefore, subject to final Commission approval of Seven Hills'

assignment application and consummation of the proposed assignment to Hallmark Acquisitions, Inc., the Petition for Reconsideration is dismissed.

EFFECTIVE DATE: May 26, 1989.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Tatsu Kondo, Policy and Rules Division, (202) 632-6302.

SUPPLEMENTARY INFORMATION: By the Chief, Mass Media Bureau:

1. On May 27, 1988, Seven Hills Television Co. (Seven Hills), licensee of Station KTVW-TV, Phoenix, Arizona, filed a Petition for Reconsideration of the *Further Notice of Proposed Rule Making* in BC Docket No. 78-309, 3 FCC Rcd 2746 (1988) ("*Further Notice*"). In its petition, Seven Hills requests reconsideration of that part of the Commission's actions that excludes Station KTVW-TV from the grant to all other Univision, Inc. (Univision) affiliates of an exemption from the "network representation rule" during the pendency of the above-captioned rule making proceeding.

2. This proceeding was originally commenced to explore possible changes in the Commission's television network representation rule.¹ This rule prohibits television stations, other than those "owned and operated" by a television network, from being represented by their network in the non-network (spot) sales market. At that time, the Commission granted a "temporary" waiver of the network representation rule to affiliates of the Spanish International Network (now known as Univision) pending resolution of the proceeding.

3. Subsequently, the Commission initiated a *Further Notice* to consider, *inter alia*, whether additional options should be considered in light of recent developments. In issuing the *Further Notice*, it found that the temporary waivers relating to the television stations licensed to Spanish International Communications Corporation (SICC) and Bahia de San Francisco Television Co. (Bahia) had become moot because these stations were now "owned and operated" network affiliates of Univision, which had been purchased by Hallmark Cards.

¹ See § 73.658(i) of the Commission's Rules.

Inc. (Hallmark) and thus, no longer subject to the network representation rule.² With respect to Seven Hills' waiver status, the Commission stated that final disposition of this matter would be taken in the context of any adjudicatory appeals to the Commission.³

4. On May 1, 1989, an order was issued by the General Counsel terminating the adjudicatory proceedings in MM Docket Nos. 83-657 and 84-835 relating to Seven Hills' renewal applications in light of a contract signed by Seven Hills to sell its assets to Hallmark and an application for FCC consent to assignment of KTVW-TV to Hallmark Acquisitions, Inc., a subsidiary of Hallmark.⁴ As a consequence, like the other Univision television stations noted above KTVW-TV will become, subject to final Commission approval, an "owned and operated" network affiliate. Therefore, in view of the foregoing and consistent with our previous action in the *Further Notice*, we likewise find that KTVW-TV, subject to final approval of its alignment application and consummation of the proposed assignment of Seven Hills' assets to Hallmark, should also be exempt from the provisions of the network representation provisions of § 73.658(i).

5. Accordingly, it is ordered, That, subject to final Commission approval of Seven Hills' assignment application and consummation of the proposed assignment of Seven Hills' assets to Hallmark Acquisitions, Inc., a subsidiary of Hallmark Cards, Inc., the Petition for Reconsideration filed by Seven Hills is hereby dismissed. This action is taken pursuant to authority granted under section 4(i), 303(r) of the Communications Act of 1934, as amended, and § 0.283 of the Commission's Rules.

Federal Communications Commission.

Alex D. Felker,

Chief, Mass Media Bureau.

[FR Doc. 89-12583 Filed 5-25-89; 8:45 am]

BILLING CODE 6712-01-M

² *Further Notice*, 3 FCC Rcd at 2755 n.47.

³ *Id.* at 2757 n.77. The Commission noted that Seven Hills was not one of the original stations granted a waiver and had been required by a Review Board decision to cease operating as if it had a waiver for its station. *Id.* at 2755 n.37.

⁴ See Order in MM Docket Nos. 83-657 and 84-835, FCC 891-32 (released May 1, 1989).