

FCC Takes Enforcement Action in USF, Telemarketing and "Junk Fax" Cases

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Last week brought new actions in three of the FCC's most common enforcement areas: Failure to pay USF contributions, "robocall" telemarketing violations and "junk fax" solicitations. One action also is an example of anti-spoofing enforcement by the Commission. The Commission's actions are briefly described below.

USF Enforcement. The Enforcement Bureau entered into a consent decree with Allegiance Communications, LLC, a cable TV provider in Shawnee, Oklahoma. The Bureau's investigation concerned failures to pay Universal Service, TRS, NANPA and LNP fees, all of which are billed based on the FCC Form 499-A. The action is a settlement, so we do not know all of the facts. Nevertheless, it is clear that at one time Allegiance Communications had not paid these contributions, but "as of March 25, 2011," Allegiance had made its past due payments and submitted all required filings. In stark contrast to other USF actions where the Commission imposed substantial fines for such activities, here, the Enforcement Bureau agreed to a fine of \$20,000, payable in two installments. Allegiance Communications is very fortunate, indeed.

"Robocall" Telemarketing Violations. In Security First of Alabama, the FCC proposed a \$342,000 Notice of Apparent Liability for violations of the Telephone Consumer Protection Act of 1991 (TCPA). This case involved 43 unsolicited pre-recorded advertising messages ("robocalls") delivered to 33 consumers. For 16 of the calls, the FCC proposes its standard fine of \$4,500 per call. However, it also concludes that Security First "spoofed" its caller ID display, which the FCC concluded was an egregious violation worthy of a \$10,000 fine per call.

"Junk Fax" Forfeitures. The FCC continues to clear its decks of allegations that entities were engaging in unsolicited facsimile advertising ("junk" faxing). In two forfeiture orders released last week, the FCC fined Mexico Marketing and Travelcomm for sending unsolicited faxes to consumers. In Mexico Marketing, the Commission issued a fine of \$1.6 million for 89 violations. In Travelcomm, the Commission issued a fine of \$72,000 for 15 violations. These orders were resolutions of several Notices of Apparent Liability issued in 2007 and 2008 against the companies.