

FCC to Collect Regulatory Fees from Companies That Manage Multiple Toll Free Numbers, Due September 24, 2015

September 2, 2015

On September 2, 2015, the FCC opened its Fee Filer system for payment of **Fiscal Year 2015 (FY 2015) Regulatory Fees which will be due by 11:59 PM on Thursday September 24, 2015.** For the first time, the FCC will begin collecting FCC Regulatory Fees from a new class of contributors – "Responsible Organizations" or "RespOrgs."

Carrier-affiliated RespOrgs already are subject to FCC regulation, but for those RespOrgs that are not carriers (including large enterprise customers that manage their own numbers), these fees represent a new obligation to a new entity (the FCC). The FCC announced this policy last year, effective for fiscal year 2015 (October 1, 2014 through September 30, 2015). On September 2, 2015, the FCC released its [Assessment of Regulatory Fees for Fiscal Year 2015 Order](#) (2015 Order) adopting the final regulatory fees, and in the next few weeks, the Commission is poised to collect these new Resp Org fees (and all other annual regulatory fees) which will be due by 11:59 PM on Thursday, September 24, 2015.

The FCC's Regulatory Fee Regime

Regulatory fees are authorized by Congress to recover much of the cost of the FCC's operations from the entities it regulates. Congress sets the amount the FCC must collect, and the FCC allocates that amount among its operations and regulated entities, according to a formula it adopts each year. On August 29, 2014, the FCC adopted a [Regulatory Fee Report and Order](#) that created a new category of payor, RespOrgs to cover entities that control or manage [toll free numbers](#).

Previously, the Commission did not assess regulatory fees on toll free numbers because the entities controlling these numbers were usually wireline or wireless carriers who were already paying regulatory fees to the Commission based on the companies' revenue or subscribers. The Commission decided to impose a fee on all RespOrgs – including non-carrier RespOrgs – in order to ensure equal treatment in the market. The FCC announced that its new category would be effective with fiscal year 2015 (October 1, 2014 through September 30, 2015) and, under the 2015 Order, the FCC will impose a fee of 12 cents per toll free number. The FCC noted that the fees assessed for toll free numbers will reduce the total regulatory assessment – and therefore regulatory fees – for the Interstate Telecommunications Service Provider (ITSP) fee category currently paid by most carriers. RespOrgs, like all other entities subject to Regulatory Fees, must pay these regulatory fees by Thursday, September 24, 2015.

What RespOrgs Should Do

We urge RespOrgs to register for a Federal Registration Number ("FRN") (necessary for any payments to the FCC) from the FCC as soon as possible and keep a careful eye on their Fee Filer account. Even if a RespOrg does not secure an FRN, it will still be responsible for paying the FCC's new toll free number regulatory fee by the due date or be subject to the late fee. For carrier RespOrgs, the new fee should appear in the payor's Fee Filer account, once the total fee amount is calculated.

RespOrgs who are already registered for an FRN can log on to <http://fccfees.com> to view their fees. It is important to note that, although an invoice will appear in the database, RespOrgs will not receive any form of notification that the invoice is ready or that the regulatory fee needs to be paid. Further, by statute, unpaid fees are subject to a mandatory late fee of 25% of the amount owed. The FCC does not waive this late fee. Therefore, it is important that RespOrgs take the steps necessary to be ready to pay this fee when due.

Due to previously scheduled maintenance, the FCC's Fee Filer system will not be available until Tuesday, September 8, 2015.