

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of )
)
LDC Telecommunications, Inc. ) File No.: ITC-214-20080523-00238
) FRN: 0003757390

ORDER TO PAY OR TO SHOW CAUSE

Adopted: July 1, 2016

Released: July 1, 2016

By the Chief, Telecommunications Consumers Division, Enforcement Bureau; Chief, Telecommunications and Analysis Division, International Bureau; and Chief, Competition Policy Division, Wireline Competition Bureau:

I. INTRODUCTION

1. By this Order to Pay or to Show Cause, we initiate a proceeding to revoke authorizations currently held by LDC Telecommunications, Inc. (LDC) for failure to pay delinquent regulatory fees owed to the Federal Communications Commission (FCC or Commission). On December 18, 2008, LDC was granted the above-captioned authorization to provide facilities-based and resold international telecommunications services. For the reasons set forth below, we direct LDC to pay the overdue regulatory fees, including any associated penalties and charges of collection, including interest and penalties described in the Commission’s demand letter dated October 28, 2014 (Demand Letter) and earlier, or show cause why the payment demanded is inapplicable or should otherwise be waived or deferred.

II. DISCUSSION

2. Under Section 9 of the Communications Act of 1934, as amended (Act), and the Commission’s implementing rules, we are required to “assess and collect regulatory fees” to recover the costs of certain Commission’s regulatory activities, and when the required payment is received late or it is incomplete, to assess a penalty equal to “25 percent of the amount of the fee which was not paid in a timely manner.” For fiscal year (FY) 2014, the deadline for paying regulatory fees was September 23, 2014, and for FY 2012, the deadline for paying regulatory fees was September 13, 2012. After those

1 International Authorizations Granted, ITC-214-20080523-00238, Public Notice, DA 09-2, 24 FCC Rcd 16 (IB 2009). LDC, like all telecommunications carriers, has blanket Section 214 domestic authority. In 1999, the Commission granted all telecommunications carriers blanket authority under Section 214 to provide domestic interstate services and to construct or operate any domestic transmission line. Implementation of Section 402(b)(2)(A) of the Telecomm. Act of 1996, Report and Order in CC Docket No. 97-11, Second Memorandum Opinion and Order in AAD File No. 98-43, 14 FCC Rcd 11364, 11365–66, para. 2 (1999); 47 CFR § 63.01.

2 47 U.S.C. § 159(c)(3).

3 47 U.S.C. § 159(a)(1); 47 CFR § 1.1151.

4 47 U.S.C. § 159(c)(1); 47 CFR §§ 1.1157(c)(1), 1.1164.

5 See FY 2014 Regulatory Fees Due No Later Than September 23, 2014, 11:59 pm Eastern Time (ET), Public Notice, 29 FCC Rcd 10414 (OMD 2014).

6 Reminder That FY 2012 Regulatory Fees Are Due No Later Than September 13, 2012, Eastern Time (ET), Public Notice, 27 FCC Rcd 10297 (OMD 2012); Payment Methods and Procedures For Fiscal Year 2012 Regulatory Fees, Public Notice, 27 FCC Rcd 9204 (OMD 2012) (“The Commission’s automated filing and payment system (‘Fee Filer’) is now available for filing and payment of FY 2012 regulatory fees. Regulatory fee payments must be

(continued...)

dates, the Commission assessed charges that included the statutory late payment penalty required by Section 9(c)(1)<sup>7</sup> of the Act and 47 CFR §§ 1.1157(c)(1) and 1.1164, and additional charges of interest, penalties, and charges of collection required by 31 U.S.C. § 3717 and 47 CFR § 1.1940. The Commission's records show that LDC currently has unpaid regulatory fees of \$711.40 for FY 2014 and \$3,025.34 for FY 2012. Additional charges continue to accrue on those debts. Pertaining to the delinquent FY 2014 regulatory fees, a Demand Letter was sent to LDC on October 28, 2014.<sup>8</sup> LDC did not respond, and thereafter, as required by 31 U.S.C. § 3711(g), 31 CFR §§ 285.12(c) & 901.1, and 47 CFR § 1.1917, the delinquent debt for the FY 2014 regulatory fees was transferred to the Secretary of Treasury for collection. In addition to financial penalties, Section 9(c)(3) of the Act,<sup>9</sup> and Section 1.1164(f) of the Commission's rules (Rules)<sup>10</sup> grant the FCC the authority to revoke authorizations for failure to pay regulatory fees in a timely fashion.

3. Accordingly, we require LDC to file with the Enforcement, International, and Wireline Competition Bureaus documented evidence within sixty (60) calendar days of the date of this Order that full payment of all outstanding regulatory fees has been made, plus any associated penalties as calculated by the Secretary of Treasury in accordance with Section 1.1164(a) of the Rules,<sup>11</sup> or show cause why the payment is inapplicable or should be waived or deferred. Failure to provide such evidence of payment or show cause within the time specified may result in revocation of LDC's above-captioned international 214 authorization and LDC's domestic 214 authorization.

4. Any response to this Order to Pay or to Show Cause does not relieve LDC of its duty to respond to demands by the Department of Treasury (Treasury) or to pay directly to Treasury any delinquent debts.<sup>12</sup> Moreover, nothing in this Order to Pay or to Show Cause withdraws from Treasury its authority under the law to collect the referred debts. Under 47 CFR § 1.1164(f)(1), an adjudicatory hearing will not be designated unless LDC presents a substantial and material question of fact related to the debt. Accordingly, disposition of any adjudicatory hearing shall be based upon written evidence only,<sup>13</sup> and LDC will bear the burden to introduce evidence and to provide proof in any such hearing.

5. We note that LDC may have been or continues as a respondent in other administrative proceedings. Action in this proceeding is without prejudice to action in those proceedings, and the existence of those proceedings and matters raised therein are not considered by the Commission in this proceeding.

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RECEIVED by the Commission no later than 11:59 PM, ET, on September 13, 2012.”); *FY 2012 Regulatory Fees Due No Later Than September 13, 2012, Eastern Time (ET)*, Public Notice, 27 FCC Rcd 9210 (OMD 2012); *Fee Filer Mandatory For FY 2012 Regulatory Fees*, Public Notice, 27 FCC Rcd 9811 (OMD 2012) (“It is the responsibility of the licensee to determine the fullest extent of their regulatory fee obligation. Although regulatory fee bills will no longer be mailed to the regulatee, the bills can be viewed by logging onto Fee Filer at ([www.fcc.gov/feefiler](http://www.fcc.gov/feefiler)), or from the FCC Fees page, by clicking on the link (<http://www.fcc.gov/fees>). ... Payments received after 11:59 p.m. ET on September 13, 2012 will be assessed a 25% late payment penalty, along with interest and other fees.”).

<sup>7</sup> 47 U.S.C. § 159(c)(1).

<sup>8</sup> Demand Letter, FCC, to Sean Connors, LDC Telecommunications, Inc. (Oct. 28, 2014).

<sup>9</sup> 47 U.S.C. § 159(c)(3).

<sup>10</sup> 47 CFR § 1.1164(f).

<sup>11</sup> 47 CFR § 1.1164(a).

<sup>12</sup> We note, for example, that the Commission transferred to the Secretary of Treasury for collection delinquent debt by LDC for unpaid required contributions to the Telecommunications Relay Service (TRS) Fund, which currently total \$4,117.32.

<sup>13</sup> 47 U.S.C. § 159(c)(3); 47 CFR § 1.1164(f)(2).

**III. ORDERING CLAUSES**

6. Accordingly, **IT IS ORDERED** that, pursuant to Section 9(c)(3) of the Act and Sections 0.51, 0.91, 0.111, 0.261, 0.291, 0.311, and 1.1164(f) of the Rules,<sup>14</sup> LDC Telecommunications, Inc. is hereby **ORDERED TO PAY TO THE SECRETARY OF THE TREASURY** (and provide the Commission with proof of payment in the amount calculated by the Secretary of Treasury) within sixty (60) calendar days of the date of this Order the outstanding regulatory fees **OR SHOW CAUSE** to the Commission (with a copy furnished to Treasury) within sixty (60) calendar days of the date of this Order why the outstanding regulatory fees are inapplicable or should otherwise be waived or deferred.

7. **IT IS FURTHER ORDERED** that a copy of this Order shall be sent by first class mail and certified mail, return receipt requested, to Sean Connors, Acting President, LDC Telecommunications, Inc., 3350 Buschwood Park Dr., Suite 26, Tampa, FL 33618.

FEDERAL COMMUNICATIONS COMMISSION

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<sup>14</sup> 47 U.S.C. § 159(c)(3); 47 CFR §§ 0.51, 0.91, 0.111, 0.261, 0.291, 0.311, 1.1164(f).