



# PUBLIC NOTICE

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**OFFICE OF MANAGING DIRECTOR ANNOUNCES REVISED DEBT COLLECTION  
PROCESS FOR DELINQUENT CONTRIBUTORS TO THE UNIVERSAL SERVICE FUND,  
THE TELECOMMUNICATIONS RELAY SERVICES FUND AND THE NORTH AMERICAN  
NUMBERING PLAN**

**WC DOCKET NOS. 05-196, 06-122, 10-191; CC DOCKET NO. 92-237;  
CG DOCKET NO. 03-123**

Under the Debt Collection Improvement Act of 1996 (DCIA),<sup>1</sup> the Federal Communications Commission (the Commission) and its reporting components<sup>2</sup> – including the Universal Service Fund (USF), the Telecommunications Relay Services Fund (TRS Fund) and the North American Numbering Plan (NANP) (collectively, the Funds)<sup>3</sup> – are required to transfer debts owed to the Commission to the Financial Management Service (FMS) of the U.S. Department of Treasury for further collection efforts.<sup>4</sup> The administrators of the Funds assess interest, penalties, and administrative charges for collection on delinquent contributions,<sup>5</sup> and they apply DCIA procedures.<sup>6</sup>

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<sup>1</sup> Pub.L. 104-134, 110 Stat. 1321, 1358 (Apr. 26, 1996), as amended, and codified at 31 U.S.C. §§ 3711, 3716, 3717; 31 C.F.R. § 285.12, 31 C.F.R. §§ 900 – 904; and 47 C.F.R. § 1.1901, *et seq.*

<sup>2</sup> 47 C.F.R. § 1.1901(b).

<sup>3</sup> The Commission has delegated the administration of the collection of contributions for the Universal Service Fund (USF), the Telecommunications Relay Service Fund (TRS Fund) and the North American Numbering Plan (NANP) to outside administrators (collectively, the Funds). The Universal Service Administrative Company (USAC) administers the USF. *See* Changes to the Board of Directors of the National Exchange Carrier Association, Inc., and Federal-State Board on Universal Service, CC Docket Nos. 97-21 and 96-45, 12 FCC Rcd 18400, *Report and Order and Second Order on Reconsideration* (1997); Changes to the Board of Directors of the National Exchange Carrier Association, Inc., and Federal-State Board on Universal Service, 13 FCC Rcd 25058, *Third Report and Order* in CC Docket No. 97-21, *Fourth Order on Reconsideration* in CC Docket 97-21 and *Eighth Order on Reconsideration* in CC Docket No. 96-45 (1998). Welch LLP is the billing and collection agent for the NANP. *Federal Communications Commission Selects Welch & Company LLP As the Next North American Numbering Plan Billing and Collection Agent*, CC Docket Nos. 92-237, 99-200, News Release (April 12, 2004). Rolka Loube Saltzer & Associates (RLSA) began administering the Interstate Telecommunications Relay Services (TRS) Fund under contract at the start of the 2011-2012 TRS Fund year. *FCC Names New Administrator of Interstate TRS Fund*, News Release (April 6, 2011).

<sup>4</sup> 31 U.S.C. §§ 3711, 3716, 3717; 31 C.F.R. § 285.12, 31 C.F.R. §§ 900 – 904; and 47 C.F.R. § 1.1901, *et seq.*

<sup>5</sup> *See* 31 U.S.C. § 3717(e); 47 C.F.R. §§ 1.1940, 1.1941; 54.711(a), 54.713, 54.713(b).

<sup>6</sup> 31 U.S.C. §§ 3701-02; 3711-20; 31 C.F.R. § 285.12.

Previously, the Commission provided a courtesy notice to each delinquent debtor before transferring to FMS delinquent debts for collection. The Commission no longer provides that notice; rather, each Fund administrator furnishes notification reminding contributors of the consequences of failing to pay the full amount due. This change to the process will result in a more efficient and effective method for the collection of debts owed to the Commission. Furthermore, the new process will allow for the transfer of delinquent debts to FMS in a more timely manner. Accordingly, each administrator will directly transfer legally enforceable delinquent debts<sup>7</sup> directly to FMS at any time after such notification, but must transfer the debt that has been delinquent 180 days.<sup>8</sup> The FMS will assess additional administrative charges for collection.<sup>9</sup>

For further information, please contact Cheryl Collins, Chief, Revenue and Receivable Operations Group, Financial Operations, Office of the Managing Director, at 202-418-1995.

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<sup>7</sup> A debt is legally enforceable if there has been a final agency determination that the debt, in the amount stated, is due and there are no legal bars to collection action. Where, for example, a debt is the subject of a pending administrative review process required by statute or regulation and collection action during the review process is prohibited, the debt is not considered legally enforceable for purposes of mandatory transfer to FMS and is not to be transferred even if the debt is more than 180 days past due. 31 C.F.R. § 285.12(c)(3)(i).

<sup>8</sup> 31 C.F.R. § 285.12(f). The administrator must transfer any legally enforceable debt that is more than 180 days past due. 31 C.F.R. § 285.12(c)(1).

<sup>9</sup> 31 C.F.R. § 285.12(f), (j).