



Federal Communications Commission  
Washington, D.C. 20554

January 30, 2007

DA 07- 410

John R. Feore, Jr.  
Christina H. Burrow  
Jason E. Rademacher  
Dow, Lohnes & Albertson, PLLC  
Suite 800  
Washington, DC 20036

RE: Roberts-Roberts & Associates, L.L.C.  
Payment for Personal Communications Services F Block License KNLG255

Dear Counsel:

This responds to your request filed on behalf of Roberts-Roberts & Associates, L.L.C. (“Debtor”) dated October 24, 2003 (“Request”)<sup>1</sup> seeking “reconsideration of the Commission’s September 24, 2003 Notice of Amount Due and Demand for Payment” regarding Personal Communications Service F Block license KNLG255.<sup>2</sup> The request seeks the tolling of any collection activities by the Commission pending resolution of the petitions for reconsideration of the Commission’s “*Default Clarification Order*”<sup>3</sup> and, “only if the petitions are denied, should the Commission consider collection activities.”<sup>4</sup> For the reasons discussed below, we are returning your Request without action.

On February 4, 2004, the Commission issued the *Third Reconsideration Order* denying the petitions for reconsideration<sup>5</sup> of the *Default Clarification Order*.<sup>6</sup> The *Third*

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<sup>1</sup> Petition for Reconsideration filed on behalf of Roberts-Roberts & Associates, L.L.C. by John R. Feore, Jr., Christina H. Burrow and Jason E. Rademacher, Dow, Lohnes & Albertson, PLLC, 1200 New Hampshire Ave., N.W., Suite 800, Washington, D.C. 20036, dated October 24, 2003. (“Request”)

<sup>2</sup> Letter from Mark Reger, Chief Financial Officer, Office of the Managing Director, Federal Communications Commission to Roberts-Roberts & Associates, L.L.C., dated September 24, 2003 (“Demand Letter”). The Demand Letter was a courtesy notice that under the terms of the note, an Event of Default occurred and maturity date had been accelerated.

<sup>3</sup> Amendment of Part 1 of the Commission’s Rules – Competitive Bidding Procedures, WT Docket 97-82, Order on Reconsideration of the Third Report and Order, Fifth Report and Order, and Fourth Further Notice of Proposed Rule Making, 15 FCC Rcd. 15,293 (2000) (“*Default Clarification Order*”).

<sup>4</sup> Request at 8.

<sup>5</sup> Petitions for reconsideration of the *Default Clarification Order* filed by MetroPCS, Inc.; Nextwave Telecom, Inc.; and a group comprising TeleCorp PCS, Inc., Tritel Communications, Inc., Poplar PCS, LLC and Summit Wireless, LLC.

*Reconsideration Order* resolved the basis for your Request and any ancillary request to defer collection action on the debt. Under the terms of the note,<sup>7</sup> because an event of default occurred, the maturity date accelerated. Under 31 U.S.C. § 3711, however, while your Request was pending, the Commission temporarily suspended collection action on your debt. Suspension of collection activity, which is within the Commission's statutory authority for debts of \$100,000 or less,<sup>8</sup> is a temporary legal procedure that does not alter the debt, the terms of the note, or the consequences of an event of default. The full amount, plus accrued and unpaid interest and administrative charges, is due unless some compromise of the debt has been authorized.

A request for debt compromise must conform to statutory authority and implementing rules,<sup>9</sup> and it should be made to the Commission's Office of the Managing Director. You should know that a request to compromise a debt must be "submitted in writing with full justification of the offer and addressing the bases for compromise at [31 C.F.R. §] 902.2."<sup>10</sup> Debtor must comply with the regulatory requirements<sup>11</sup> to provide both verified information to establish that Debtor is unable to pay more than the amount offered and a full justification for compromise that includes a discussion of the bases for compromise set out at 31 C.F.R. § 902.2(a). Debtor must also include in the discussion and justification the factors at § 902.2(b), e.g.: age and health of Debtor; present and potential income; inheritance prospects; the possibility that assets have been concealed or improperly transferred by the Debtor; and the availability of assets or income that may be realized by enforced collection proceedings.

If Debtor fails to provide the requested information, or if the justification and supporting financial information is insufficient, the Commission may reject the request and pursue enforced collection. Because an event of default occurred, the full amount plus unpaid interest and other administrative charges is payable immediately without a demand, and if not paid, the debt is delinquent. If we reject the offer of compromise, and Debtor fails to make payment, we may immediately refer the delinquent debt to the Department of Justice for enforced collection.<sup>12</sup>

**Because the Request is returned without action, collection action is no longer suspended and the full amount, \$39,311.98, plus unpaid interest and administrative charges that accrued from the date of the event of default,<sup>13</sup> is due and immediately payable, but not later than 15 days from the date of this letter ("Second Demand Date").** If Debtor does not submit payment on or before that date, Debtor may be subject to sanctions, including, but not limited to, the initiation of proceedings to recover the outstanding debt, together with any applicable administrative charges, penalties, and interest pursuant to the provisions of the Debt

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<sup>6</sup> See Amendment of Part 1 of the Commission's Rules – Competitive Bidding Procedures, WT Docket 97-82, *Third Order on Reconsideration of the Third Report and Order*, 19 FCC Rcd. 2551 (2004) ("*Third Reconsideration Order*").

<sup>7</sup> See Demand Letter.

<sup>8</sup> See 31 U.S.C. § 3711; 31 C.F.R. § 903.2; 47 C.F.R. § 1.1916.

<sup>9</sup> 31 U.S.C. § 3711; 47 C.F.R. § 1.1915; 31 C.F.R. § 902.2.

<sup>10</sup> 47 C.F.R. § 1.1915.

<sup>11</sup> 47 C.F.R. § 1.1915; 31 C.F.R. § 902.2.

<sup>12</sup> 47 C.F.R. § 1.1917.

<sup>13</sup> Contact the Commission's Office of the Managing Director to obtain a payoff amount.

Collection Act of 1982 (Public Law 97-365) and the Debt Collection Improvement Act of 1996, (Public Law 104-134) as amended (the DCIA), as set forth below.

Under the DCIA, the Commission will transfer the full amount of the outstanding debt to the United States Department of Treasury ("Treasury") or to the United States Department of Justice for debt collection. Furthermore, we are required by the DCIA to impose from the date of notice, interest, administrative costs of processing and handling a delinquent claim as set by the Treasury (currently 18% of the debt), and an additional penalty of 6 percent a year for any part of the debt that is more than 90 days past due. Interest on the outstanding debt (DCIA Interest) will be assessed at the published investment rate for the Treasury tax and loan accounts (Treasury Current Value of Funds Rate). However, if Debtor pays the full amount of the outstanding debt within 30 days of the Second Demand Date, the DCIA Interest will be waived. These requirements are set out at 31 U.S.C. § 3717.

Sincerely,

Rita Cookmeyer  
Financial Policy Analyst  
Auctions and Spectrum Access Division  
Wireless Telecommunications Bureau