

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
US Connect, LLC)	File Nos.: EB-SED-14-00013387; EB-
)	SED-15-00018156
)	
)	Acct. No.: 201432100013
)	
)	FRN: 0021051461

ORDER

Adopted: March 12, 2015

Released: March 13, 2015

By the Deputy Chief, Enforcement Bureau:

1. The Enforcement Bureau (Bureau) of the Federal Communications Commission has entered into a Consent Decree to resolve its investigations into whether US Connect, LLC (US Connect) failed to timely file its 2012 and 2013 annual hearing aid compatibility status reports by the applicable deadlines. These reports are necessary to provide consumers with valuable information concerning the technical testing and commercial availability of certain digital wireless handset models and enable the Commission to evaluate whether US Connect met its hearing aid compatibility obligations. To settle these matters, US Connect admits that it failed to timely file its 2012 and 2013 annual hearing aid compatibility status reports, will implement a compliance plan designed to deter future violations of the hearing aid compatible rules, and will pay a \$6,000 civil penalty.

2. After reviewing the terms of the Consent Decree and evaluating the facts before us, we find that the public interest would be served by adopting the Consent Decree, terminating the referenced investigations and resolving the Notice of Apparent Liability for Forfeiture (NAL) regarding US Connect's compliance with Section 20.19(i)(1) of the Commission's rules.¹

3. In the absence of material new evidence relating to this matter, we conclude that our investigations raise no substantial or material questions of fact as to whether US Connect possesses the basic qualifications, including those related to character, to hold or obtain any Commission license or authorization.

4. Accordingly, **IT IS ORDERED** that, pursuant to Sections 4(i) and 503(b) of the Communications Act of 1934, as amended (Act),² and the authority delegated by Sections 0.111 and 0.311 of the Rules,³ the attached Consent Decree **IS ADOPTED** and its terms incorporated by reference.

5. **IT IS FURTHER ORDERED** that the above-captioned matters **ARE TERMINATED** and the NAL **IS CANCELED**.

¹ 47 C.F.R. § 20.19(i)(1); *US Connect, LLC*, Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 1695 (Enf. Bur. 2014).

² 47 U.S.C. §§ 154(i), 503(b).

³ 47 C.F.R §§ 0.111, 0.311.

6. **IT IS FURTHER ORDERED** that a copy of this Order and Consent Decree shall be sent by first class mail and certified mail, return receipt requested, to K. Paul LaPier, President and Chief Financial Officer, US Connect, LLC, 11029 Harry Hines Boulevard, Suite B117, Dallas, TX 75229, and to Mark Foster, FosterLaw, counsel for US Connect, LLC, 707 West Tenth Street, Austin, TX, 78701.

FEDERAL COMMUNICATIONS COMMISSION

William Davenport
Deputy Chief
Enforcement Bureau

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CONSENT DECREE

1. The Enforcement Bureau of the Federal Communications Commission and US Connect, LLC (US Connect), by their authorized representatives, hereby enter into this Consent Decree for the purpose of terminating the Enforcement Bureau's investigation into whether US Connect violated Section 20.19(i)(1) of the Commission's rules by failing to file its digital wireless handset hearing aid compatibility status report by the applicable deadlines.

I. DEFINITIONS

2. For the purposes of this Consent Decree, the following definitions shall apply:
- (a) "Act" means the Communications Act of 1934, as amended.¹
 - (b) "Adopting Order" means an order of the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
 - (c) "Bureau" means the Enforcement Bureau of the Federal Communications Commission.
 - (d) "Commission" and "FCC" mean the Federal Communications Commission and all of its bureaus and offices.
 - (e) "Communications Laws" means collectively, the Act, the Rules, and the published and promulgated orders and decisions of the Commission to which US Connect is subject by virtue of its business activities, including but not limited to the Hearing Aid Compatibility Rules.
 - (f) "Compliance Plan" means the compliance obligations, program, and procedures described in this Consent Decree at paragraph 13.
 - (g) "Covered Employees" means all employees and agents of US Connect who perform, or supervise, oversee, or manage the performance of, duties that relate to US Connect's responsibilities under the Communications Laws, including the Hearing Aid Compatibility Rules.
 - (h) "Effective Date" means the date by which the Bureau and US Connect have signed the Consent Decree.
 - (i) "Hearing Aid Compatibility Rules" means Section 20.19 of the Rules and other Communications Laws governing digital wireless hearing aid compatibility, such as

¹ 47 U.S.C. § 151 *et seq.*

the Rules governing the design, selection, or acquisition of digital wireless handsets and the marketing or distribution of such handsets to consumers in the United States.

- (j) “Investigation” means the inquiry commenced by the Bureau in File No. EB-SED-14-00013387 and in File No. EB-SED-15-00018156 regarding whether US Connect violated the Hearing Aid Compatibility Rules.
- (k) “NAL” means *US Connect, LLC*, Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 1695 (Enf. Bur. 2014).
- (l) “Operating Procedures” means the standard internal operating procedures and compliance policies established by US Connect to implement the Compliance Plan.
- (m) “Parties” mean US Connect and the Bureau, each of which is a “Party.”
- (n) “Rules” mean the Commission’s regulations found in Title 47 of the Code of Federal Regulations.
- (o) “US Connect” means US Connect, LLC and its affiliates, subsidiaries, predecessors-in-interest, and successors-in-interest.

II. BACKGROUND

3. In the 2003 *Hearing Aid Compatibility Order*, the Commission adopted several measures to enhance the ability of consumers with hearing loss to access digital wireless telecommunications.² The Commission established technical standards for radio frequency interference (the M rating) and inductive coupling (the T rating) that digital wireless handsets must meet to be considered compatible with hearing aids operating in acoustic coupling and inductive coupling (telecoil) modes, respectively.³ For each of these standards, the Commission further established deadlines by which manufacturers and service providers were required to offer specified numbers or percentages of digital wireless handsets per air interface⁴ that are compliant with the relevant standard.⁵ In February 2008, as part of a comprehensive reconsideration of the effectiveness of the Hearing Aid Compatibility Rules, the Commission released an

² The Commission adopted these requirements for digital wireless telephones under the authority of the Hearing Aid Compatibility Act of 1988, Pub. L. No. 100-394, 102 Stat. 976 (codified at 47 U.S.C. §§ 609 note, 610, 610 note). *See Section 68.4(a) of the Commission’s Rules Governing Hearing Aid-Compatible Telephones*, Report and Order, 18 FCC Rcd 16753, 16787, para. 89 (2003), Erratum, 18 FCC Rcd 18047 (2003) (*Hearing Aid Compatibility Order*); Order on Reconsideration and Further Notice of Proposed Rulemaking, 20 FCC Rcd 11221 (2005).

³ As subsequently amended, Section 20.19(b)(1) of the Rules provided that, beginning January 1, 2010, a newly certified handset had to meet at least an M3 rating under American National Standards Institute (ANSI) C63.19-2007 to be considered hearing aid-compatible for radio frequency interference. 47 C.F.R. § 20.19(b)(1). Section 20.19(b)(2) provided that, beginning January 1, 2010, it was deemed hearing aid-compatible for inductive coupling if it met at least a T3 rating under ANSI C63.19-2007. 47 C.F.R. § 20.19(b)(2). A further amendment to Section 20.19(b) of the Rules permits manufacturers to test handsets for hearing aid compatibility using the 2011 version of the ANSI standard, ANSI C63.19-2011, as an alternative to ANSI C63.19-2007. *Id.*; *see Amendment of the Commission’s Rules Governing Hearing Aid-Compatible Mobile Handsets*, Third Report and Order, 27 FCC Rcd 3732 (WTB/OET 2012).

⁴ The term “air interface” refers to the technical protocol that ensures compatibility between mobile radio service equipment, such as handsets, and the service provider’s base stations.

⁵ *See Hearing Aid Compatibility Order*, 18 FCC Rcd at 16780, para. 65; 47 C.F.R. § 20.19(c)–(d).

order that, among other things, adopted new hearing aid-compatible handset deployment benchmarks that became effective beginning in 2008.⁶

4. The Commission also adopted reporting requirements to ensure that it could monitor the availability of hearing aid-compatible handsets and provide valuable information to the public concerning the technical testing and commercial availability of these handsets.⁷ The Commission initially required manufacturers and digital wireless service providers to report every six months on efforts toward compliance with the hearing aid compatibility requirements for the first three years of implementation, and then annually thereafter through the fifth year of implementation.⁸ In its 2008 *Hearing Aid Compatibility First Report and Order*, the Commission extended these reporting requirements with certain modifications on an open-ended basis.⁹

5. US Connect failed to timely file its hearing aid compatibility status report for the period January 1, 2012 through December 31, 2012 (2012 Status Report), which was due by January 15, 2013.¹⁰ US Connect filed its 2012 Status Report on March 20, 2013.¹¹ On February 18, 2014 the Bureau issued the *NAL* for six thousand dollars (\$6,000) against US Connect for this apparent violation of Section 20.19(i)(1) of the Rules.¹² US Connect subsequently failed to timely file its hearing aid compatibility status report for the period January 1, 2013 through December 31, 2013 (2013 Status Report), which was due by January 15, 2014. US Connect filed its 2013 Status Report on March 18, 2014.¹³

6. The Bureau and US Connect agree to the following terms and conditions of settlement and hereby enter into this Consent Decree as provided below.

⁶ See *Amendment of the Commission's Rules Governing Hearing Aid-Compatible Mobile Handsets*, First Report and Order, 23 FCC Rcd 3406 (2008) (*Hearing Aid Compatibility First Report and Order*), Order on Reconsideration and Erratum, 23 FCC Rcd 7249 (2008).

⁷ See *id.* at 3443–44, paras. 91–97; see also 47 C.F.R. § 20.19(i).

⁸ See *Hearing Aid Compatibility Order*, 18 FCC Rcd at 16787, para. 89; see also *Wireless Telecommunications Bureau Announces Hearing Aid Compatibility Reporting Dates for Wireless Carriers and Handset Manufacturers*, Public Notice, 19 FCC Rcd 4097 (WTB 2004).

⁹ See *Hearing Aid Compatibility First Report and Order*, 23 FCC Rcd at 3444–46, paras. 97–99, 101. The extensions of these reporting requirements became effective on December 13, 2011. See *Amendment of the Commission's Rules Governing Hearing Aid-Compatible Mobile Handsets*, 76 Fed. Reg. 77,415 (Dec. 13, 2011). The Commission also made clear that these reporting requirements apply to manufacturers and service providers that meet the *de minimis* exception. See *Hearing Compatibility First Report and Order*, 23 FCC Rcd at 3446, para. 99.

¹⁰ Service providers are required to file their hearing aid compatibility status reports on January 15th of each year. See 47 C.F.R. § 20.19(i)(1); see also *Hearing Aid Compatibility Status Reporting*, available at <http://wireless.fcc.gov/hac>.

¹¹ See US Connect 2012 Hearing Aid Compatibility Report (Mar. 20, 2013), available at http://wireless.fcc.gov/hac_documents/130411/7444146_321.PDF (last visited Feb. 4, 2015).

¹² 47 C.F.R. § 20.19(i)(1).

¹³ See US Connect 2013 Hearing Aid Compatibility Report (Mar. 18, 2014), available at http://wireless.fcc.gov/hac_documents/140430/8203278_336.PDF (last visited Feb. 4, 2015).

III. TERMS OF AGREEMENT

7. **Adopting Order.** The provisions of this Consent Decree shall be incorporated by the Bureau in an Adopting Order without change, addition, deletion, or modification.

8. **Jurisdiction.** US Connect agrees that the Bureau has jurisdiction over it and the matters contained in this Consent Decree and has the authority to enter into and adopt this Consent Decree.

9. **Effective Date; Violations.** The Parties agree that this Consent Decree shall become effective on the Effective Date as defined herein. As of the Effective Date, the Parties agree that this Consent Decree shall have the same force and effect as any other order of the Commission.

10. **Termination of Investigation.** In express reliance on the covenants and representations in this Consent Decree and to avoid further expenditure of public resources, the Bureau agrees to terminate the Investigation. In consideration for the termination of the Investigation, US Connect agrees to the terms, conditions, and procedures contained herein. The Bureau further agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against US Connect concerning the matters that were the subject of the Investigation. The Bureau also agrees that, in the absence of new material evidence, it will not use the facts developed in the Investigation through the Effective Date, or the existence of this Consent Decree, to institute on its own motion any proceeding, formal or informal, or take any action on its own motion against US Connect with respect to its basic qualifications, including its character qualifications, to be a Commission licensee or hold Commission licenses or authorizations.

11. **Admission of Liability.** US Connect admits for the purpose of this Consent Decree and for Commission civil enforcement purposes, and in express reliance on the provisions of paragraph 10 herein, that its actions with respect to the untimely filing of its 2012 Status Report and 2013 Status Report violated the Commission's Hearing Aid Compatibility Rules.

12. **Compliance Officer.** Within thirty (30) calendar days after the Effective Date, US Connect shall designate a senior corporate manager with the requisite corporate and organizational authority to serve as Compliance Officer and to discharge the duties set forth below. The person designated as the Compliance Officer shall be responsible for developing, implementing, and administering the Compliance Plan and ensuring that US Connect complies with the terms and conditions of the Compliance Plan and this Consent Decree. In addition to the general knowledge of the Communications Laws necessary to discharge his or her duties under this Consent Decree, the Compliance Officer shall have specific knowledge of the Hearing Aid Compatibility Rules prior to assuming his or her duties.

13. **Compliance Plan.** For purposes of settling the matters set forth herein, US Connect agrees that it shall, within sixty (60) calendar days after the Effective Date, develop and implement a Compliance Plan designed to ensure future compliance with the Communications Laws and with the terms and conditions of this Consent Decree. With respect to the Hearing Aid Compatibility Rules, US Connect shall implement, at a minimum, the following procedures:

- (a) **Operating Procedures.** Within sixty (60) calendar days after the Effective Date, US Connect shall establish Operating Procedures that all Covered Employees must follow to help ensure US Connect's compliance with the Hearing Aid Compatibility Rules, including the timely filing of annual hearing aid compatibility status reports. US Connect's Operating Procedures shall include internal procedures and policies specifically designed to ensure that US Connect offers the requisite number or percentage of hearing aid-compatible digital wireless handset models to consumers as required by the Hearing Aid Compatibility Rules, and accurately reports its handset offerings in timely submitted annual hearing aid compatibility status reports. US Connect shall also develop a Compliance Checklist that describes the steps that a

Covered Employee must follow to ensure compliance with the Hearing Aid Compatibility Rules.

- (b) **Compliance Manual**. Within sixty (60) calendar days after the Effective Date, the Compliance Officer shall develop and distribute a Compliance Manual to all Covered Employees. The Compliance Manual shall explain the Hearing Aid Compatibility Rules and set forth the Operating Procedures that Covered Employees shall follow to help ensure US Connect's compliance with the Hearing Aid Compatibility Rules, and shall set forth procedures for timely submittal of hearing aid compatibility status reports. US Connect shall periodically review and revise the Compliance Manual as necessary to ensure that the information set forth therein remains current and accurate. US Connect shall distribute any revisions to the Compliance Manual promptly to all Covered Employees.
- (c) **Compliance Training Program**. US Connect shall establish and implement a Compliance Training Program on compliance with the Hearing Aid Compatibility Rules and the Operating Procedures. As part of the Compliance Training Program, Covered Employees shall be advised of US Connect's obligation to report any noncompliance with the Hearing Aid Compatibility Rules under paragraph 14 of this Consent Decree and shall be instructed on how to disclose noncompliance to the Compliance Officer. All Covered Employees shall be trained pursuant to the Compliance Training Program within sixty (60) calendar days after the Effective Date, except that any person who becomes a Covered Employee at any time after the initial Compliance Training Program shall be trained within thirty (30) calendar days after the date such person becomes a Covered Employee. US Connect shall repeat the compliance training on an annual basis, and shall periodically review and revise the Compliance Training Program as necessary to ensure that it remains current and complete and to enhance its effectiveness.

14. **Reporting Noncompliance**. US Connect shall report any noncompliance with the Hearing Aid Compatibility Rules and with the terms and conditions of this Consent Decree within fifteen (15) calendar days after discovery of such noncompliance. Such reports shall include a detailed explanation of (i) each instance of noncompliance; (ii) the steps that US Connect has taken or will take to remedy such noncompliance; (iii) the schedule on which such remedial actions will be taken; and (iv) the steps that US Connect has taken or will take to prevent the recurrence of any such noncompliance. All reports of noncompliance shall be submitted to the Chief, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission, Room 3-C366, 445 12th Street, S.W., Washington, DC 20554, with a copy submitted electronically to Kevin Pittman at Kevin.Pittman@fcc.gov and to Pamela Hairston at Pamela.Hairston@fcc.gov.

15. **Compliance Reports**. US Connect shall file Compliance Reports with the Commission ninety (90) calendar days after the Effective Date, twelve (12) months after the Effective Date, twenty-four (24) months after the Effective Date, and thirty-six (36) months after the Effective Date.

- (a) Each Compliance Report shall include a detailed description of US Connect's efforts during the relevant period to comply with the terms and conditions of this Consent Decree and the Hearing Aid Compatibility Rules. In addition, each Compliance Report shall include a certification by the Compliance Officer, as an agent of and on behalf of US Connect, stating that the Compliance Officer has personal knowledge that US Connect: (i) has established and implemented the Compliance Plan; (ii) has utilized the Operating Procedures since the implementation of the Compliance Plan; (iii) has timely filed any required annual hearing aid compatibility status report due since the last Compliance Report; and (iv) is not aware of any instances of

noncompliance with the terms and conditions of this Consent Decree, including the reporting obligations set forth in paragraph 14 of this Consent Decree.

- (b) The Compliance Officer's certification shall be accompanied by a statement explaining the basis for such certification and must comply with Section 1.16 of the Rules¹⁴ and be subscribed to as true under penalty of perjury in substantially the form set forth therein.
- (c) If the Compliance Officer cannot provide the requisite certification, the Compliance Officer, as an agent of and on behalf of US Connect, shall provide the Commission with a detailed explanation of the reason(s) why and describe fully (i) each instance of noncompliance; (ii) the steps that US Connect has taken or will take to remedy such noncompliance, including the schedule on which proposed remedial actions will be taken; and (iii) the steps that US Connect has taken or will take to prevent the recurrence of any such noncompliance, including the schedule on which such preventive action will be taken.
- (d) All Compliance Reports shall be submitted on paper to the Chief, Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, DC 20554, with a copy submitted electronically to Kevin Pittman at Kevin.Pittman@fcc.gov and to Pamela Hairston at Pamela.Hairston@fcc.gov.

16. **Termination Date.** Unless stated otherwise, the requirements set forth in paragraphs 12 through 15 of this Consent Decree shall expire thirty-six (36) months after the Effective Date.

17. **Civil Penalty.** US Connect will pay a civil penalty to the United States Treasury in the amount of six thousand dollars (\$6,000) within thirty (30) calendar days of the Effective Date. US Connect shall send electronic notification of payment to Kevin Pittman at Kevin.Pittman@fcc.gov, Pamela Hairston at Pamela.Hairston@fcc.gov, and Samantha Peoples at Sam.Peoples@fcc.gov on the date said payment is made. The payment must be made by check or similar instrument, wire transfer, or credit card, and must include the NAL/Account Number and FRN referenced above. Regardless of the form of payment, a completed FCC Form 159 (Remittance Advice) must be submitted.¹⁵ When completing the FCC Form 159, enter the Account Number in block number 23A (call sign/other ID) and enter the letters "FORF" in block number 24A (payment type code). Below are additional instructions that US Connect should follow based on the form of payment it selects:

- Payment by check or money order must be made payable to the order of the Federal Communications Commission. Such payments (along with the completed Form 159) must be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.
- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. To complete the wire transfer and ensure appropriate crediting of the wired funds, a completed Form 159 must be faxed to U.S. Bank at (314) 418-4232 on the same business day the wire transfer is initiated.
- Payment by credit card must be made by providing the required credit card information on FCC Form 159 and signing and dating the Form 159 to authorize the credit card payment.

¹⁴ 47 C.F.R. § 1.16.

¹⁵ An FCC Form 159 and detailed instructions for completing the form may be obtained at <http://www.fcc.gov/Forms/Form159/159.pdf>.

The completed Form 159 must then be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.

Questions regarding payment procedures should be addressed to the Financial Operations Group Help Desk by phone, 1-877-480-3201, or by e-mail, ARINQUIRIES@fcc.gov.

18. **Waivers.** As of the Effective Date, US Connect waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal, or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Adopting Order. US Connect shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Consent Decree or Adopting Order, neither US Connect nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and US Connect shall waive any statutory right to a trial *de novo*. US Connect hereby agrees to waive any claims it may have under the Equal Access to Justice Act¹⁶ relating to the matters addressed in this Consent Decree.

19. **Severability.** The Parties agree that if any of the provisions of the Consent Decree shall be held unenforceable by any court of competent jurisdiction, such unenforceability shall not render unenforceable the entire Consent Decree, but rather the entire Consent Decree shall be construed as if not containing the particular unenforceable provision or provisions, and the rights and obligations of the Parties shall be construed and enforced accordingly.

20. **Invalidity.** In the event that this Consent Decree in its entirety is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

21. **Subsequent Rule or Order.** The Parties agree that if any provision of the Consent Decree conflicts with any subsequent Rule or Order adopted by the Commission (except an Order specifically intended to revise the terms of this Consent Decree to which US Connect does not expressly consent) that provision will be superseded by such Rule or Order.

22. **Successors and Assigns.** US Connect agrees that the provisions of this Consent Decree shall be binding on its successors, assigns, and transferees.

23. **Final Settlement.** The Parties agree and acknowledge that this Consent Decree shall constitute a final settlement between the Parties with respect to the Investigation.

24. **Modifications.** This Consent Decree cannot be modified without the advance written consent of both Parties.

25. **Paragraph Headings.** The headings of the paragraphs in this Consent Decree are inserted for convenience only and are not intended to affect the meaning or interpretation of this Consent Decree.

26. **Authorized Representative.** Each Party represents and warrants to the other that it has full power and authority to enter into this Consent Decree. Each person signing this Consent Decree on behalf of a Party hereby represents that he or she is fully authorized by the Party to execute this Consent Decree and to bind the Party to its terms and conditions.

¹⁶ See 5 U.S.C. § 504; 47 C.F.R. §§ 1.1501–1.1530.

27. **Counterparts.** This Consent Decree may be signed in counterpart (including electronically or by facsimile). Each counterpart, when executed and delivered, shall be an original, and all of the counterparts together shall constitute one and the same fully executed instrument.

William Davenport
Deputy Chief
Enforcement Bureau

Date

K. Paul LaPier
President and Chief Financial Officer
US Connect, LLC

Date