Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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> DA 17-500 May 23, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF SECURUS TECHNOLOGIES, INC., T-NETIX, INC., AND T-NETIX TELECOMMUNICATIONS SERVICES, INC. TO SCRS ACQUISITION CORPORATION

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-126

Comments Due: June 6, 2017

Reply Comments Due: June 13, 2017

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Securus Investment Holdings, LLC (Securus Holdings), Securus Technologies, Inc. (Securus), T-NETIX, Inc. (TNI), T-NETIX Telecommunications Services, Inc. (TNTS, and together with Securus and TNI, Licensees), and SCRS Acquisition Corporation (SCRS) (collectively Applicants), pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.03 of the Commission's rules, requesting approval to transfer indirect ownership and control of Licensees to SCRS.¹

Securus Holdings is a Delaware holding company that does not itself provide telecommunication services and indirectly owns Licensees. Securus provides intrastate and interstate services in connection with the inmate calling services and public payphone services that it provides to confinement facilities in the District of Columbia and every state except Delaware, Hawaii, Rhode Island, and Vermont. TNI, a Delaware holding company, does not itself provide telecommunications services, and its wholly owned subsidiary, TNTS, a Texas corporation, provides interstate services in connection with the inmate calling services and public payphone services that it provides in Florida. Licensees are wholly owned indirect subsidiaries of Connection Acquisition Corp., a Delaware corporation, and wholly owned direct subsidiary of Securus Holdings.

SCRS, a Delaware corporation, is a holding company created for purposes of the proposed transaction and is ultimately wholly owned by SCRS Holding Corporation (SCRS Parent), a Delaware corporation. SCRS Parent is a holding company in which certain private equity investment vehicles

¹ See 47 U.S.C. § 214; 47 CFR § 63.03. Applicants state that they are also filing applications for the transfer of authorizations associated with international and wireless services. Any action on this domestic Section 214 application is without prejudice to Commission action on other related, pending applications.

sponsored by Platinum Equity, LLC (together with its affiliates, Platinum Equity) will contribute their equity investments in connection with the proposed transaction. Platinum Equity Capital Partners IV, L.P., a Delaware limited partnership, will be the majority owner of SCRS Parent. The membership interests of Platinum Equity are ultimately held in trust by the Gores Trust, with Tom Gores and Holly Gores, both U.S. citizens, as trustees. Applicants state that no other person, directly or indirectly, owns or controls a 10 percent or greater interest in SCRS. All entities are U.S.-based. Applicants further state that Platinum Equity does not have any telecommunications carriers in its current investment portfolio.

Pursuant to the terms of stock purchase agreement between Securus Holdings, Connect, and SCRS, SCRS will acquire all of the stock of Connect from Securus Holdings. As a result, Connect will become a wholly owned, direct subsidiary of SCRS, and Licensees will become wholly owned, indirect subsidiaries of SCRS (and its parent companies). Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under Section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.²

Domestic Section 214 Application Filed for the Transfer of Control of Securus Technologies, Inc., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc. to SCRS Acquisition Corporation, WC Docket No. 17-126 (filed May 12, 2017).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to Section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before June 6, 2017**, and reply comments **on or before June 13, 2017**. Pursuant to Section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to Section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents using the Commission's Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov;
- 4) David Krech, International Bureau, david.krech@fcc.gov; and

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² 47 CFR § 63.03(b)(2)(i).

5) Sumita Mukhoty, International Bureau, <u>sumita.mukhoty@fcc.gov</u>.

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Jodie May at (202) 418-0913.