



PUBLIC NOTICE

Federal Communications Commission
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Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>

DA 21-1202
September 24, 2021

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF COMBINED PUBLIC COMMUNICATIONS, LLC TO EMPLOYEE STOCK OWNERSHIP TRUST

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 21-360

Comments Due: October 8, 2021
Reply Comment Due: October 15, 2021

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by CPC Engle Holdings, Inc. (CPC Engle) and the Combined Public Communications Employee Stock Ownership Trust (CPC ESOP Trust) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent to transfer control of Combined Public Communications, LLC (Combined Public) from CPC Engle to the CPC ESOP Trust.¹

Combined Public, a Delaware limited liability company, provides inmate calling services (ICS) in over 300 small and medium sized county jails in multiple states.² Combined Public is not affiliated with any other inmate calling or telecommunications services provider and is ultimately owned by Cathleen Engle, a U.S. citizen.

According to Applicants, the CPC ESOP Trust, a Kentucky trust, is the legal entity through which the Combined Public Communications Employee Stock Ownership Plan (CPC ESOP Plan, and collectively with the CPC ESOP Trust, CPC ESOP) will implement the indirect transfer of ownership of Combined Public from CPC Engle to the CPC ESOP Trust. The CPC ESOP Trust is beneficially owned by the eligible employees of Combined Public as participants in the CPC ESOP. As the Trustee of the CPC ESOP Trust, Michael S. Miller, a U.S. citizen, "exercises independent discretionary judgment consistent with the requirements of ERISA [the Employee Retirement Income Security Act of 1974, as amended] in connection with the proposed acquisition and, thereafter, with respect to the custody and disposition of CPC ESOP Trust assets post-

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application for Consent to Transfer Control of Combined Public Communications, LLC Pursuant to Section 214 of the Communications Act of 1934, As Amended, WC Docket No. 21-360 (filed Sept. 10, 2021) (Application). Applicants filed a supplement to their Application on September 20, 2021. Letter from Cathleen Engle, President, CPC Engle Holdings, Inc. and Michael S. Miller, Trustee, Apex Fiduciary Services, LLC to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-360 (filed Sept. 20, 2021). Applicants also filed applications for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Combined Public has a wholly owned subsidiary, Bealls Communications Group, LLC, which is authorized to provide ICS and payphone services in Georgia but is not currently providing intrastate or interstate telecommunications services in any state.

consumption.”³ No employee-participant of the CPC ESOP or any other entity or individual will hold a 10% or greater interest in Combined Public. The CPC ESOP and the Trustee do not hold a 10% or greater interest in any other inmate calling or telecommunications services provider.

Pursuant to the terms of the proposed transaction, the CPC ESOP Trust agreed to purchase all of the shares of the common stock of CPC Holding and thereby acquire indirect control of Combined Public. Applicants state that the proposed transaction “will not affect the day-to-day management of, or the ICS rates, terms, and conditions offered by, Combined Public.”⁴

Applicants request streamlined treatment of the proposed transaction under the Commission’s rules and assert that a grant of the application would serve the public interest, convenience, and necessity. We accept the application for filing under section 63.03(b)(1)(ii) of the Commission’s rules.⁵

Domestic Section 214 Application Filed for the Transfer of Control of

³ Application at 5-6. Applicants state that the CPC ESOP is a qualified employee benefit plan under section 401(a) of the Internal Revenue Code and an employee stock ownership plan under ERISA. *Id.* at 5 (citing 26 U.S.C. §§ 401, 4975(e)(7)).

⁴ Application at 12.

⁵ 47 CFR § 63.03(b)(1)(ii). The Commission has acknowledged that the inmate calling services market is different from other telecommunications marketplaces. *See Applications Granted for the Transfer of Control of CenturyLink Public Communications, Inc. to Inmate Calling Solutions, LLC d/b/a ICSolutions*, WC Docket No. 20-150, 35 FCC Rcd 8661, 8663 (WCB/IB 2020) (citing *Rates for Interstate Calling Services*, WC Docket 12-375, Report and Order on Remand and Fourth Further Notice of Proposed Rulemaking, 35 FCC Rcd 8485, 8486-87, para. 5 (2020); *Rates for Interstate Calling Services*, WC Docket 12-375, Third Report and Order, Order on Reconsideration, and Fifth Further Notice of Proposed Rulemaking, FCC 21-60, at paras. 31-32 (2021) (stating that the record in these proceedings reaffirms that incarcerated people have no choice in the selection of their calling services provider)). In light of this difference, the Bureau has accepted applications to transfer control of inmate calling providers for non-streamlined processing under section 63.03 of the Commission’s rules, 47 CFR § 63.03, so that the Commission could consider competitive issues associated with the consolidation or elimination of industry providers resulting from the transactions, including the impact the transaction could have on the ability of incarcerated individuals to communicate with their families and other loved ones at just and reasonable rates and charges. *See, e.g. Applications Filed for the Acquisition of Certain Assets of Legacy Long Distance International, Inc. d/b/a Legacy Inmate Communications by Global Tel*Link Corporation*, WC Docket No. 20-218, Public Notice, 35 FCC Rcd 9940, 9944, Attach. A (WCB/IB 2020) (accepting for non-streamlined processing a section 214 application for an inmate calling provider to acquire assets and customers from a competing provider); *Application Filed for the Transfer of Control of CenturyLink Public Communications, Inc. to Inmate Calling Solutions, LLC d/b/a ICSolutions*, WC Docket No. 20-150, Public Notice, 35 FCC Rcd 6538, 6542 (WCB/IB 2020) (accepting for non-streamlined filing a section 214 application for an inmate calling provider to acquire 100% of the stock of another provider). Because the proposed transaction entails a transfer of control of Combined Public to employees in the CPC ESOP Trust, which does not intend to change existing management or operations and which does not hold an interest in any other ICS provider or telecommunications provider, this transaction does not appear, on its face, to raise the same potential competitive and public interest concerns as prior ICS transactions that involved the consolidation of ICS assets or reduced the number of providers in the inmate calling services market. The application is thus eligible for streamlined processing under section 63.03 of the Commission’s rules in this case. 47 CFR § 63.03(b)(1)(ii). Nevertheless, at any time, the Commission, acting through the Bureau, may notify the Applicants that the application is being removed from streamlined processing if the application requires further analysis to determine whether the proposed transaction is in the public interest. 47 CFR § 63.03(c).

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 October 8, 2021**, and reply comments **on or before October 15, 2021**. 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) Myrva Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;
- 2) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 3) David Krech, Telecommunications and Analysis Division, International Bureau, david.krech@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

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.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in

their initial filings. New issues may not be raised in responses or replies.⁶ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Myrva Charles at (202) 418-1506 or Dennis Johnson at (202) 418-0809.

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⁶ See 47 CFR § 1.45(c).