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**For Immediate Release**

**FCC PLANS FINE AGAINST NECC TELECOM FOR OVERCHARGING  
UNIVERSAL SERVICE FEES**

WASHINGTON, December 2, 2016 – The Federal Communications Commission has proposed a \$392,930 fine against NECC Telecom for apparently charging excessive and unlawful universal service fees to its customers. Phone companies are required to pay into a fund to support various universal service [programs](#) and may assess fees on customers to offset that cost. Carriers are prohibited from charging customers more in fees than they pay into the Universal Service Fund (USF).

“Gouging consumers by charging them excessive or unauthorized fees is not only bad business, it is unlawful,” said FCC Enforcement Bureau Chief Travis LeBlanc. “Any carrier that places Universal Service Fund charges on consumer bills is required to actually pay that money into the Universal Service Fund, rather than lining its own pockets. Anything to the contrary would be cramming, plain and simple.”

The FCC Enforcement Bureau’s investigation showed that NECC, primarily an international long distance reseller, profited from overcharges labeled as USF-related fees imposed upon its international service customers despite being exempt from any USF contribution obligation. This is the Commission’s first action enforcing FCC rules prohibiting a carrier from collecting more from consumers in USF fees than the carrier actually pays into the USF.

The Commission also alleges that NECC failed to pay over \$80,000 in mandatory regulatory fees and transferred its authorizations to provide telecommunications services without FCC approval. Today’s proposed fine underscores the important regulatory obligations carriers have to obtain prior FCC approval for ownership transfers and to pay applicable regulatory fees in a timely manner.

A proposed fine, formally called a Notice of Apparently Liability for Forfeiture, details the Commission’s allegations of unlawful conduct and proposes a monetary forfeiture for such conduct. The description of today’s action and the apparent violations are allegations, and the parties will have a chance to respond before any final action is taken. Members of the public who have information related to this matter may provide it at <https://consumercomplaints.fcc.gov/>.

Action by the Commission December 2, 2016 by Notice of Apparent Liability for Forfeiture (FCC 16-164).

The Notice of Apparent Liability is available here:

[https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-16-164A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-16-164A1.pdf)

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*This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).*