

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
)
Amendment of Part 1 of the Commission's) MD Docket No. 10-234
Rules, Concerning Practice and Procedure,)
Amendment of CORES Registration System)

To: The Commission

REPLY COMMENTS

Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP (“BloostonLaw”), on behalf of its clients, hereby submits, pursuant to Section 1.415(c) of the Commission’s Rules, the following reply comments in connection with the Commission’s proposal in the above-captioned proceeding to revamp the CORES Registration System.

I. A Restriction on the Number of FRNs Held By an Entity or Individual is Not the Issue if the Same Taxpayer Identification Number/Social Security Number is Associated with Each FRN.

At the outset, BloostonLaw understands that all FCC Registration Numbers (“FRNs”) are generally tied to the registrant’s federal Taxpayer Identification Number (“TINs”) or Social Security Number (“SSANs”). That being the case, it is not clear that restricting the number of FRNs is necessary in order to ensure compliance with the Debt Collection Improvement Act of 1996 (“DCIA”). Rather, BloostonLaw believes that the utilization of better internal controls (e.g., limiting the scope of exemptions that would be available for not submitting an EIN and/or SSAN when registering in CORES) to ensure the proper submission and association of TINs and SSANs with FRNs would resolve the

Commission's compliance issues with the DCIA. This is because the FCC associates debts with TINs and if a debt is associated with a particular TIN or SSAN, it should redlight any FRN associated with that particular TIN or SSAN.

Sprint Nextel has noted that having a multitude of FRNs is unduly burdensome and administratively inconvenient for it to manage (Comments of Sprint Nextel Corporation at 3). Under the current system, registrants have the ability to consolidate their FRNs at the entity level – meaning that if Corporation A has six (6) FRNs, it may or may not choose to reassociate its licenses to a single FRN and eliminate the excess FRNs. Because all of the FRNs are tied to the same TIN or SSAN, the fact that a registrant has more than one FRN should (a) be transparent to the system and (b) not adversely affect the FCC's ability to comply with DCIA. As a result, BloostonLaw urges the Commission to maintain the *status quo* and leave the choice of consolidating FRNs to the individual registrant.

II. If the Commission Revamps the CORES System, it Should Utilize Option 2 and Ensure that Consultants and Law Firms which Represent Licensees and Regulatees have Full Access to the FCC's CORES System and the FCC's Associated Licensing and Fee Payment Systems.

As demonstrated above, it appears that revamping the CORES system is not necessary for the Commission to comply with DCIA. Nonetheless, if the Commission determines that it must proceed with rules that only permit one FRN per registrant on a going forward basis, BloostonLaw agrees that the better course for legacy registrants would be Option No. 2 since it appears less burdensome than Option 1 for both registrants and the Commission. (Comments of Frontier Communications Corporation at

1-3; Comments of Sprint Nextel Corporation at 4). This is because no action would be required by the registrant and the association of existing FRNs to a single entity/registrator under Option No. 2 would occur on the “back end” of the FCC’s CORES system.

Nonetheless, BloostonLaw still wonders whether or not use of the TIN or SSAN serves the goal that would be achieved by Option No. 2 if all registrants in CORES properly submit their taxpayer identification information. This is because it appears that the Commission is already relying on the TIN or SSAN as its basis for association of multiple FRNs to a single registrant.

BloostonLaw also wants to be sure that the Commission’s proposed changes will not become a barrier between consultants and law firms and their clients in providing necessary services. BloostonLaw believes that the system needs to be designed in a way that facilitates client use of consultants and law firms so that clients can efficiently receive the services that they desire in meeting the Commission’s regulatory requirements. Many licensees are small businesses that may not have the resources to train staff in the intricacies of FCC licensing, yet these licensees face potentially disastrous consequences if, e.g., a license renewal application is handled incorrectly. Such entities rely on law firms and consultants to assist with this aspect of compliance. The Commission should not harm small businesses and other licensees by making it more difficult to avail themselves of the expertise necessary to navigate the Commission’s filing system.

III. The DCIA Does Not Require Foreign Registrants, that do not Operate in the United States, to Provide a Domestic or Foreign Tax Number.

The Commission has assumed that foreign registrants that do not have a business presence in the United States (and thus are not otherwise required to obtain a TIN) possess an equivalent tax identification number issued by their respective home government. (NPRM at para. 29). Based upon this assumption, the Commission has proposed that the foreign entity exemption be eliminated and that these foreign registrants be required to furnish their home country's equivalent tax payer identification number along with documentary proof. (*Id.*).

BloostonLaw agrees with Inmarsat, Inc. and Vodafone Americas, Inc. (collectively, "Inmarsat/Vodafone") that the proposed collection of foreign tax payer identification numbers and supporting documentation will be a difficult, time-consuming effort and unduly burdensome for foreign registrants. (Comments of Inmarsat/Vodafone at 2). Further, it appears that such collection efforts may be unnecessary and potentially contrary to treaty agreements to which the United States is a signatory.

At the outset, the DCIA requires federal agencies to collect taxpayer identification numbers from each entity conducting business with the agency. Because foreign entities that do not conduct business within the United States are not required to file a tax return or any other documentation with the Internal Revenue Service, there is no requirement that they obtain a TIN. As a result, it appears that these foreign entities are not subject to the DCIA. Bloostonlaw agrees with Inmarsat/Vodafone that absent a statutory

requirement for this class of foreign entity to obtain a TIN, there is no justification for the Commission's proposal to eliminate the foreign entity exemption for this class of foreign registrant. (*Id.* at 4). Finally, notwithstanding the foregoing, it would also appear that the Commission's treatment is disparate and unfairly places additional burdens on this class of foreign entity inasmuch as domestic registrants are not required to submit proof of their TIN or SSAN while the Commission's proposal would require foreign entities to provide proof of their foreign taxpayer identification number. As Intelsat/Vodafone points out, this appears to violate the Commission's *Foreign Participation Order*¹ and WTO agreements. (Inmarsat/Vodafone comments at 4, fn. 10). Accordingly, the Commission should retain its exemption for this class of foreign entity.

IV. Use of Registrant E-Mail Addresses Should be Optional.

The FCC has proposed to require that all registrants be required to provide the FCC with an e-mail address due to the proliferation of the use of e-mail as a means for business communications. (NPRM at para. 40). Additionally, the Commission sought comment on how to obtain e-mail addresses for legacy registrations, including e-mail addresses for points of contact. (*Id.* at para. 41).

While BloostonLaw does not disagree that the use of e-mail among larger companies is generally ubiquitous and efficient (Comments of Sprint Nextel Corporation at 6; Frontier Communications Corporation at 5), it nonetheless cannot support their recommendation that the use of e-mail be mandatory. According to the International

¹ *Rules and Polices on Foreign Participation in the U.S. Telecommunications Market, Market Entry and Regulation of Foreign Affiliated Entities*, Report and Order and Order on Reconsideration, 12 FCC Rcd. 23891, 24038 (1997).

Telecommunications Union (the UN agency for information and telecommunication technology issues), as of 2010, only 77.3 percent of the US population had access to the Internet.² While Internet access and e-mail are generally taken for granted in larger metropolitan areas, its availability is less so in outlying areas, and virtually non-existent in extremely remote areas. Additionally, because of cost, potential users do not subscribe to an Internet service. In this regard, BloostonLaw represents numerous small companies and individuals that do not utilize e-mail due to cost or lack of Internet access.

BloostonLaw notes that while e-mail is generally reliable, there is no certainty that it will be received by the intended recipient. This uncertainty can occur for a variety of reasons, including: issues with servers, Internet service outages, changes in e-mail addresses, intended recipient being away with no access to e-mail, e-mail being blocked by a spam filter and/or being diverted into a junk folder, etc. Because many e-mail servers are no longer configured to provide bounce-back messages as a defense to SPAM attacks, the sender may or may not know whether or not a message made it into the intended recipient's e-mail inbox.³ As a result, BloostonLaw believes that the best methods for communication remain telephone and US mail so that in the event of an absence, another contact representative – if designated by the registrant -- is able to handle the matter. In this regard, BloostonLaw is aware of numerous instances where the Commission's staff contacts the client directly on a variety of matters even where

² See <http://www.internetworldstats.com/am/us.htm>

³ BloostonLaw is also concerned about spamming and the harvesting of e-mail addresses for spoofing and spamming attacks and requests that the Commission either keep e-mail addresses confidential or, in the alternative, use a convention similar to that used for its staff directory (e.g., name at domain dot com).

counsel has been listed as the contact representative.⁴ BloostonLaw requests that the Commission take this opportunity to update its systems and practices so that communications are made through outside counsel in accordance with Section 1.12 of the Commission's Rules.

V. Conclusion

For the foregoing reasons, BloostonLaw urges the Commission not to restrict the number of FRNs held by a registrant, not to place special burdens on foreign registrants without a business presence in the United States, to refrain from mandatory use of e-mail addresses and to take steps to protect e-mail address information from being harvested by spammers.

Respectfully submitted,

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⁴ BloostonLaw urges the Commission to refine its CORES system so that contact representatives, such as consultants and counsel can be included, much like in the Commission's Universal Licensing System. BloostonLaw believes that by doing this, and as other systems automatically pull data from CORES in the future, that having this information will positively facilitate communications between the Commission and its regulatees.

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