

THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

Before Commissioners: Shari Feist Albrecht, Chair
 Jay Scott Emler
 Dwight D. Keen

In the Matter of a General Investigation for US)
Mobile, LLC to Show Cause Why this)
Commission Should Not Initiate Sanctions and) Docket No. 18-USMZ-384-SHO
Fines and/or Refer the Company to the)
Attorney General's Office for Non-)
Compliance with Commission Orders and)
Kansas Statutes.)

ORDER FINDING COMPLIANCE

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

1. On March 13, 2018, the Commission issued an *Order to Show Cause* (Order to Show Cause) in this proceeding. The Order to Show Cause required US Mobile, LLC (US Mobile)¹ to respond within thirty (30) days to the allegations of GVNW Consulting, Inc. (GVNW)² regarding non-payment of Kansas Universal Service Fund (KUSF) obligations under K.S.A. 66-2008(a), as well as failure to register with the Kansas Secretary of State's Office in violation of K.S.A. 17-17-7931.

2 Commission Staff (Staff) submitted a Report and Recommendation (R&R) to the Commissioners dated May 29, 2018, attached hereto and made part hereof by reference.

¹U.S. Mobile, LLC (US Mobile) is a wireless telecommunications service provider headquartered in White Plains, New York.

² The current Kansas Universal Service Fund administrator. See K.S.A. 66-2010.

3. US Mobile did not file a formal response to the Commission's Show Cause Order. However, Staff states that the company's legal counsel contacted Staff's legal counsel and worked with GVNW regarding US Mobile's Kansas obligations.

4. Staff states that US Mobile has registered with the Kansas Secretary of State's Office and has remitted all KUSF forms and paid all related assessments and penalties. Staff recommends that the Commission recognize US Mobile is in compliance with its Kansas statutory and regulatory obligations, dismiss the show cause, and close the Docket.

5. The Commission finds Staff's findings and recommendation to be reasonable and hereby adopts the same.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Commission finds that US Mobile, LLC is in compliance with its Kansas statutory and regulatory obligations, dismisses the Order to Show Cause and closes this Docket.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).³

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of issuing such further order, or orders, as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Keen, Commissioner

Dated: 06/12/2018 _____



Lynn M. Retz
Secretary to the Commission

AAL

³ K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

STATE OF KANSAS



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SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

REPORT AND RECOMMENDATION UTILITIES DIVISION

To: Chair Shari Feist Albrecht
Commissioner Jay Scott Emler
Commissioner Dwight D. Keen

From: Sandy Reams, Assistant Chief of Telecommunications
Christine Aarnes, Chief of Telecommunications
Jeff McClanahan, Director of Utilities

Date: May 29, 2018

Re: Docket No. 18-USMZ-384-SHO
In the Matter of a General Investigation for US Mobile, LLC to Show Cause Why this Commission Should Not Initiate Sanctions and Fines and/or Refer the Company to the Attorney General's Office for Non-Compliance with Commission Orders and Kansas Statutes.

EXECUTIVE SUMMARY

On March 13, 2018, the Commission issued an Order opening this Docket and requiring US Mobile, LLC (US Mobile) to show cause why it should not be subject to sanctions and fines or referred to the Attorney General's Office for failure to maintain compliance with its Kansas statutory and regulatory obligations within thirty (30) days of receipt the Order (Show Cause Order).

US Mobile failed to file a Response to the Show Cause Order; however, the Company, through counsel, has worked with Staff and GVNW Consulting, Inc. (GVNW), the Kansas Universal Service Fund (KUSF) administrator, to come into compliance with its Kansas obligations. US Mobile has registered with the Kansas Secretary of State's Office¹ and is current with its Federal Communications Commission (FCC) Filer Database.² Staff recommends the Commission issue an Order recognizing US Mobile is in compliance with its Kansas obligations, dismissing the show cause, and closing this Docket.

¹ Kansas Secretary of State, Business Center,
<https://www.kansas.gov/bess/flow/main.jsessionid=00849C5814C8AEEF2CB002EAEDBE8401.apcs03-inst0?execution=els5>, last viewed May 29, 2018.

² FCC Form 499 Filer Database, <http://apps.fcc.gov/egb/form499/499detail.cfm?FilerNum=830431>, last viewed May 29, 2018.

BACKGROUND

In its Report and Recommendation (R&R) dated February 21, 2018 (February R&R), Staff advised the Commission that US Mobile was in violation of K. S. A. 17-17-7931 for failure to register with the Kansas Secretary of State's Office. Staff also advised US Mobile had failed to comply with its KUSF obligations and, therefore, was in violation of K.S.A. 66-2008(a) and Commission Orders. Specifically, US Mobile had not registered with the KUSF, reported its revenues, or paid the related assessments to the KUSF. GVNW's attempts to contact US Mobile were to no avail; however, Staff confirmed with a US Mobile customer service representative that the Company provides service to Kansas subscribers. Staff, therefore, recommended that the Commission open a proceeding to require US Mobile to show cause why it should not be subject to sanctions and fines or referred to the Attorney General's Office for failure to comply with its Kansas statutory obligations.

The Commission issued its Show Cause Order, dated March 13, 2018, opening this Docket and directing US Mobile to show cause, within 30 days of receipt of the Order, why it should not be subject to sanctions, fines, penalties, or authority suspension/revocation for failure to maintain compliance with its Kansas statutory and regulatory obligations. US Mobile's response was due on or before April 16, 2018.³

ANALYSIS

US Mobile did not file a formal response to the Commission's Show Cause Order; instead, the Company's legal counsel contacted Staff's legal counsel and worked with GVNW regarding US Mobile's Kansas obligations.

On April 12, 2018, GVNW received US Mobile's Company Identification and Operations forms, resulting in US Mobile being registered for KUSF purposes. That same day, GVNW received the delinquent Carrier Remittance Worksheets for prior KUSF Fiscal Years (FY) and subsequently, received the associated assessment payments. GVNW assessed, in total, \$782.69 of KUSF-related penalties⁴ to US Mobile. As of May 29, 2018, US Mobile has remitted all KUSF forms and paid all related assessments and penalties.

RECOMMENDATION

Staff recommends that the Commission recognize US Mobile is in compliance with its Kansas statutory and regulatory obligations, as detailed in this Report and Recommendation, dismiss the show cause, and close this Docket.

³ The Order, issued March 13th, allowed a 3-day mail period, resulting in a due date of April 15, 2018, a Sunday. The due date was, therefore, due the next business day, Monday April 16, 2018.

⁴ Penalties include: Late Carrier Remittance Worksheet (CRW) Penalties, Order, Docket No. 06-GIMT-332-GIT, Jan. 23, 2006; Late Payment Penalties, Order, Docket No. 94-GIMT-478-GIT, Feb. 19, 1997; and Delinquent Balance Penalties, Order, Docket No. 10-GIMT-188-GIT, Jan. 23, 2010.

CERTIFICATE OF SERVICE

18-USMZ-384-SHO

I, the undersigned, certify that the true copy of the attached Order has been served to the following parties by means of first class mail/hand delivered on 06/13/2018.

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/S/ DeeAnn Shupe

DeeAnn Shupe