

unavailable, you may contact Ms. Michele Levy Berlove, Acting Assistant Chief, Investigations and Hearings Division, by telephone at (202) 418-1477 and by e-mail at [Michele.Berlove@fcc.gov](mailto:Michele.Berlove@fcc.gov).

Sincerely,

Hillary S. DeNigro,  
Chief, Investigations and Hearings  
Division, Enforcement Bureau

cc: United States Attorney's Office,  
Department of Justice (via e-mail),  
Kristy Carroll, Esq., Universal  
Service Administrative Company  
(via e-mail)

[FR Doc. 2010-17027 Filed 7-12-10; 8:45 am]

BILLING CODE 6712-01-P

## FEDERAL COMMUNICATIONS COMMISSION

[DA 10-1113]

### Notice of Debarment; Schools and Libraries Universal Service Support Mechanism

**AGENCY:** Federal Communications  
Commission.

**ACTION:** Notice.

**SUMMARY:** The Federal Communications Commission (the "Commission") debars Mr. Soled from the schools and libraries universal service support mechanism for a period of three years.

**DATES:** Debarment commences on the date Mr. Jay H. Soled receives the debarment letter or July 13, 2010, whichever date comes first, for a period of three years.

**FOR FURTHER INFORMATION CONTACT:** Mindy Littell, Federal Communications Commission, Enforcement Bureau, Investigations and Hearings Division, Room 4-A331, 445 12th Street, SW., Washington, DC 20554. Mindy Littell may be contacted by phone at (202) 418-0789 or e-mail at [Mindy.Littell@fcc.gov](mailto:Mindy.Littell@fcc.gov). If Ms. Littell is unavailable, you may contact Mr. Trent Harkrader, Deputy Chief, Investigations and Hearings Division, by telephone at (202) 418-2955 and by e-mail at [Trent.Harkrader@fcc.gov](mailto:Trent.Harkrader@fcc.gov).

**SUPPLEMENTARY INFORMATION:** The Commission debarred Mr. Soled from the schools and libraries universal service support mechanism for a period of three years pursuant to 47 CFR 521 and 47 CFR 0.111(a)(14). Attached is the debarment letter, DA 10-1113, which was mailed to Mr. Soled and released on June 23, 2010. The complete text of the notice of debarment is available for public inspection and copying during regular business hours at the FCC

Reference Information Center, Portal II, 445 12th Street, SW., Room CY-A257, Washington, DC 20554. In addition, the complete text is available on the FCC's Web site at <http://www.fcc.gov>. The text may also be purchased from the Commission's duplicating inspection and copying during regular business hours at the contractor, Best Copy and Printing, Inc., Portal II, 445 12th Street, SW., Room CY-B420, Washington, DC 20554, telephone (202) 488-5300 or (800) 378-3160, facsimile (202) 488-5563, or via e-mail <http://www.bcpweb.com>.

Federal Communications Commission.

**Hillary S. DeNigro,**  
Chief, Investigations and Hearings Division,  
Enforcement Bureau.

The debarment letter follows:

June 23, 2010

DA 10-1113

VIA CERTIFIED MAIL RETURN  
RECEIPT REQUESTED AND E-MAIL  
([mdm@monico-law.com](mailto:mdm@monico-law.com)) AND  
FACSIMILE (312) 853-2187

Mr. Jay H. Soled,  
c/o Monico, Pavich & Spevack  
Attn: Michael D. Monico  
20 South Clark Street, Suite 700  
Chicago, IL 60603

**Re: Notice of Debarment**  
**File No. EB-10-IH-2080**

Dear Mr. Soled:

Pursuant to section 54.8 of the rules of the Federal Communications Commission (the "Commission"), by this Notice of Debarment you are debarred from the schools and libraries universal service support mechanism (or "E-Rate program") for a period of three years.<sup>1</sup>

On April 7, 2010, the Enforcement Bureau (the "Bureau") sent you a Notice of Suspension and Initiation of Debarment Proceedings (the "Notice of Suspension").<sup>2</sup> That Notice of Suspension was published in the **Federal Register** on April 21, 2010.<sup>3</sup> The Notice of Suspension suspended you from participating in activities associated with or relating to the schools and libraries universal service support mechanism and described the basis for initiation of debarment proceedings against you, the applicable

<sup>1</sup> 47 CFR 54.8(g) (2008). See also 47 CFR 0.111(a)(14).

<sup>2</sup> Letter from Hillary S. DeNigro, Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, to Mr. Jay H. Soled, Notice of Suspension and Initiation of Debarment Proceedings, 25 FCC Rcd 3517 (Inv. & Hearings Div., Enf. Bur. 2010) (Attachment 1) ("Notice of Suspension").

<sup>3</sup> 75 FR 20844 (April 21, 2010).

debarment procedures, and the effect of debarment.<sup>4</sup>

Pursuant to the Commission's rules, any opposition to your suspension or its scope or to your proposed debarment or its scope had to be filed with the Commission no later than thirty (30) calendar days from the earlier date of your receipt of the Notice of Suspension or publication of the Notice of Suspension in the **Federal Register**.<sup>5</sup> The Commission did not receive any such opposition.

As discussed in the Notice of Suspension, you pleaded guilty to and were sentenced to serve twenty-seven months in federal prison, to be followed by twenty-four months of supervised release for federal crimes in connection with your participation in a scheme to defraud the E-Rate program.<sup>6</sup> You held yourself out as an E-Rate salesperson and installer and admitted that you and others devised schemes to defraud school districts and the E-Rate program by having your co-conspirators steer E-rate related contracts to various companies that directly benefited you, your conspirators, and your company.<sup>7</sup> You were also ordered to pay \$271,716 in restitution to USAC for your role in the schemes.<sup>8</sup> Such conduct constitutes the basis for your debarment, and your conviction falls within the categories of causes for debarment under section 54.8(c) of the Commission's rules.<sup>9</sup> For the foregoing reasons, you are hereby debarred for a period of three years from the debarment date, i.e., the earlier date of your receipt of this Notice of Debarment or its publication date in the **Federal Register**.<sup>10</sup>

Debarment excludes you, for the debarment period, from activities associated with or related to the schools and libraries support mechanism, including the receipt of funds or discounted services through the schools and libraries support mechanism, or consulting with, assisting, or advising

<sup>4</sup> See Notice of Suspension, 25 FCC Rcd at 3518-21.

<sup>5</sup> See 47 CFR 54.8(e)(3), (4). That date occurred no later than May 21, 2010. See *supra* note 3.

<sup>6</sup> See Notice of Suspension, 25 FCC Rcd at 3518. See also *United States v. Jay H. Soled*, Criminal Docket No. 1:08-cr-00464-2, Plea Agreement (N.D. Ill. filed Feb. 4, 2010 and entered Mar. 15, 2010) ("*Soled Judgment*"); *United States v. Jay H. Soled*, Criminal Docket No. 1:08-cr-00464-2, Plea Agreement (N.D. Ill. filed July 10, 2008 and entered July 14, 2008) ("*Soled Plea*"); *United States v. Benjamin Rowner and Jay H. Soled*, Criminal Docket No. 1:08-cr-20047-01-02 CM/JPO, Information (D. Kan. filed and entered Apr. 23, 2008) ("*Rowner and Soled Information*").

<sup>7</sup> See Notice of Suspension, 25 FCC Rcd at 3518.

<sup>8</sup> *Id.*

<sup>9</sup> 47 CFR 54.8(c). See also 54.8(a)(4), (b)-(e).

<sup>10</sup> See 47 CFR 54.8(e)(5), (g). See also Notice of Suspension, 25 FCC Rcd at 3520.

applicants or service providers regarding the schools and libraries support mechanism.<sup>11</sup>

Sincerely,

Hillary S. DeNigro,  
Chief, Investigations and Hearings  
Division Enforcement Bureau

cc: Marietta Parker, United States  
Attorney's Office, Department of  
Justice (via e-mail), Kristy Carroll,  
Esq., Universal Service  
Administrative Company (via e-mail)

April 7, 2010

DA 10-585

VIA CERTIFIED MAIL RETURN  
RECEIPT REQUESTED AND E-MAIL  
([mdm@monico-law.com](mailto:mdm@monico-law.com)) AND  
FACSIMILE (312) 853-2187

Mr. Jay H. Soled  
c/o Monico, Pavich & Spevack  
Attn: Michael D. Monico  
20 South Clark Street, Suite 700  
Chicago, IL 60603

**Re: Notice of Suspension and Initiation  
of Debarment Proceedings,  
File No. EB-10-IH-2080**

Dear Mr. Soled:

The Federal Communications Commission ("FCC" or "Commission") has received notice of your guilty plea for conspiracy to defraud the United States in violation of 18 U.S.C. 371 in connection with your participation in the schools and libraries universal service support mechanism ("E-Rate program").<sup>12</sup> Consequently, pursuant to 47 CFR 54.8, this letter constitutes official notice of your suspension from the E-Rate program. In addition, the Enforcement Bureau ("Bureau") hereby notifies you that we are commencing debarment proceedings against you.<sup>13</sup>

<sup>11</sup> See 47 CFR 54.8(a)(1), (a)(5), (d), (g); Notice of Suspension, 25 FCC Rcd at 3520.

<sup>12</sup> Any further reference in this letter to "your conviction" refers to your guilty plea and subsequent sentencing for conspiracy to defraud the United States. *United States v. Jay H. Soled*, Criminal Docket No. 1:08-cr-00464-2, Plea Agreement (N.D. Ill. filed Feb. 4, 2010 and entered Mar. 15, 2010) ("Soled Judgment"); *United States v. Jay H. Soled*, Criminal Docket No. 1:08-cr-00464-2, Plea Agreement (N.D. Ill. filed July 10, 2008 and entered July 14, 2008) ("Soled Plea"); *United States v. Benjamin Rowner and Jay H. Soled*, Criminal Docket No. 1:08-cr-20047-01-02 CM/JPO, Information (D. Kan. filed and entered Apr. 23, 2008) ("Rowner and Soled Information").

<sup>13</sup> 47 CFR 54.8; see also 47 CFR 0.111 (delegating to the Enforcement Bureau authority to resolve universal service suspension and debarment proceedings). The Commission adopted debarment rules for the schools and libraries universal service support mechanism in 2003. See *Schools and Libraries Universal Service Support Mechanism*, Second Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 9202 (2003) ("Second Report and Order") (adopting section 54.521 of the Commission's rules to suspend and

## I. Notice of Suspension

The Commission has established procedures to prevent persons who have "defrauded the government or engaged in similar acts through activities associated with or related to the schools and libraries support mechanism" from receiving the benefits associated with that program.<sup>14</sup> On July 10, 2008, you, Jay H. Soled, entered a plea agreement and pleaded guilty to knowingly and intentionally conspiring with others to defraud and obtain money from the E-Rate Program through submission of materially false representations, concealment of material facts, mail fraud, wire fraud, and intentional manipulation of the competitive bidding process.<sup>15</sup> Specifically, from Fall 1999 to at least November 2003, you held yourself out as an E-Rate salesperson and installer for the purpose of defrauding the E-Rate Program.<sup>16</sup> You admitted that you and others devised schemes to defraud school districts and the E-Rate program by having your co-conspirators steer E-rate related contracts to various companies that directly benefited you, your conspirators, and your company, primarily DeltaNet, Inc.<sup>17</sup> In furtherance of the schemes, you submitted misleading, fraudulent and false documents to the Universal Service Administrative Company ("USAC") claiming schools were paid or would pay their co-pay, submitted other materially false and fraudulent documents to USAC, and concealed from the school districts relationships

debar parties from the E-Rate program). In 2007, the Commission extended the debarment rules to apply to all of the Federal universal service support mechanisms. *Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight; Federal-State Joint Board on Universal Service; Schools and Libraries Universal Service Support Mechanism; Lifeline and Link Up; Changes to the Board of Directors for the National Exchange Carrier Association, Inc.*, Report and Order, 22 FCC Rcd 16372, 16410-12 (2007) (*Program Management Order*) (renumbering section 54.521 of the universal service debarment rules as section 54.8 and amending subsections (a)(1), (5), (c), (d), (e)(2)(i), (3), (e)(4), and (g)).

<sup>14</sup> *Second Report and Order*, 18 FCC Rcd at 9225, ¶ 66. The Commission's debarment rules define a "person" as "[a]ny individual, group of individuals, corporation, partnership, association, unit of government or legal entity, however organized." 47 CFR 54.8(a)(6).

<sup>15</sup> *Soled Plea* at 2-3; see also *Rowner and Soled Information* at 5-12; Department of Justice Press Release (Apr. 23, 2008), available at [http://www.justice.gov/atr/public/press\\_releases/2008/232526.htm](http://www.justice.gov/atr/public/press_releases/2008/232526.htm) ("DOJ April 2008 Press Release").

<sup>16</sup> *Soled Plea* at 3-8; see also *Rowner and Soled Information* at 5-12.

<sup>17</sup> *Soled Plea* at 3-8; see also *Rowner and Soled Information* at 5-12; Department of Justice Press Release (Feb. 4, 2010), available at <http://chicago.fbi.gov/dojpressrel/pressrel10/cg020410a.htm> ("DOJ February 2010 Press Release").

with co-conspirators in order to induce schools to select your companies as service providers in violation of E-Rate Program rules.<sup>18</sup> Ultimately, your conspiracy was comprised of two closely related schemes that affected at least thirteen different schools in eight different states across the United States.<sup>19</sup>

On February 4, 2010, you were sentenced to serve twenty-seven months in prison, to be followed by twenty-four months of supervised release for your role in the scheme to defraud the E-Rate program.<sup>20</sup> You were also ordered to pay \$271,716 in restitution to USAC for your role in the schemes.<sup>21</sup>

Pursuant to section 54.8 of the Commission's rules, your conviction requires the Bureau to suspend you from participating in any activities associated with or related to the schools and libraries support mechanism.<sup>22</sup> Such activities include the receipt of funds or discounted services through the schools and libraries support mechanism, or consulting with, assisting, or advising applicants or service providers regarding the schools and libraries support mechanism.<sup>23</sup>

Your suspension becomes effective upon the earlier of your receipt of this letter or publication of notice in the **Federal Register**, pending the Bureau's final debarment determination.<sup>24</sup> In accordance with the Commission's debarment rules, you may contest this suspension or the scope of this suspension by filing arguments in opposition to the suspension, with any relevant documentation.<sup>25</sup> Your request must be received within 30 days after you receive this letter or after notice is published in the **Federal Register**, whichever comes first.<sup>26</sup> Such requests, however, will not ordinarily be granted.<sup>27</sup> The Bureau may reverse or limit the scope of suspension only upon a finding of extraordinary

<sup>18</sup> *Soled Plea* at 3-8; see also *Rowner and Soled Information* at 5-12.

<sup>19</sup> *Soled Plea* at 4-6; see also *Rowner and Soled Information* at 8-11 (Listing the schools and states including Wisconsin, Illinois, Kansas, California, Oregon, New York, New Jersey, and Arkansas); DOJ February 2010 Press Release at 1.

<sup>20</sup> *Soled Judgment* at 2-3; see also DOJ February 2010 Press Release at 1.

<sup>21</sup> *Soled Judgment* at 4-5 (You were also ordered to pay a \$100 assessment); see also DOJ February 2010 Press Release at 1.

<sup>22</sup> 47 CFR 54.8(b)-(e); see also 47 CFR 54.8(a)(4); *Second Report and Order*, 18 FCC Rcd at 9225-27, ¶¶ 67-74.

<sup>23</sup> 47 CFR 54.8(a)(1); see also 47 CFR 54.8(a)(3).

<sup>24</sup> 47 CFR 54.8(a)(7), (e)(1); see also *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 69.

<sup>25</sup> 47 CFR 54.8(e)(4).

<sup>26</sup> *Id.*

<sup>27</sup> *Id.*

circumstances.<sup>28</sup> The Bureau will decide any request for reversal or modification of suspension within 90 days of its receipt of such request.<sup>29</sup>

## II. Initiation of Debarment Proceedings

Your guilty plea and conviction of criminal conduct in connection with the E-Rate program, in addition to serving as a basis for immediate suspension from the program, also serves as a basis for the initiation of debarment proceedings against you. Your conviction falls within the categories of conviction for debarment defined in section 54.8(c) of the Commission's rules.<sup>30</sup> Therefore, pursuant to section 54.8 of the Commission's rules, your conviction requires the Bureau to commence debarment proceedings against you.<sup>31</sup>

As with your suspension, you may contest debarment or the scope of the proposed debarment by filing arguments and any relevant documentation within 30 calendar days of the earlier of the receipt of this letter or of publication in the **Federal Register**.<sup>32</sup> Absent extraordinary circumstances, the Bureau will debar you.<sup>33</sup> The Bureau will decide any request for reversal or limitation of debarment within 90 days of receipt of such request.<sup>34</sup> If the Bureau decides to debar you, its decision will become effective upon the earlier of your receipt of a debarment notice or publication of the decision in the **Federal Register**.<sup>35</sup>

If and when your debarment becomes effective, you will be prohibited from participating in activities associated with or related to the schools and libraries support mechanism for three

<sup>28</sup> 47 CFR 54.8(e)(5).

<sup>29</sup> See *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70; see also 47 CFR 54.8(e)(5), (f).

<sup>30</sup> "Causes for suspension and debarment are the conviction of or civil judgment for attempt or commission of criminal fraud, theft, embezzlement, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice and other fraud or criminal offense arising out of activities associated with or related to the schools and libraries support mechanism." 47 CFR 54.8(c). Such activities "include the receipt of funds or discounted services through [the Federal universal service] support mechanisms, or consulting with, assisting, or advising applicants or service providers regarding [the Federal universal service] support mechanism." 47 CFR 54.8(a)(1).

<sup>31</sup> See 47 CFR 54.8(b), (c).

<sup>32</sup> See 47 CFR 54.8(e)(3), (e)(5); see also *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70.

<sup>33</sup> 47 CFR 54.8(e)(5); see also *Second Report and Order*, 18 FCC Rcd at 9227, ¶ 74.

<sup>34</sup> See 47 CFR 54.8(e)(5), (f); see also *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70.

<sup>35</sup> 47 CFR 54.8(e)(5). The Commission may reverse a debarment or may limit the scope or period of debarment upon a finding of extraordinary circumstances, following the filing of a petition by you or an interested party or upon motion by the Commission. 47 CFR 54.8(f).

years from the date of debarment.<sup>36</sup> The Bureau may, if necessary to protect the public interest, extend the debarment period.<sup>37</sup>

Please direct any response, if by messenger or hand delivery, to Marlene H. Dortch, Secretary, Federal Communications Commission, 445 12th Street, SW., Room TW-A325, Washington, DC 20554, to the attention of Rebekah Bina, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Room 4-C330, with a copy to Michele Levy Berlove, Acting Assistant Chief, Investigations and Hearings Division, Enforcement Bureau, Room 4-C330, Federal Communications Commission. If sent by commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail), the response should be sent to the Federal Communications Commission, 9300 East Hampton Drive, Capitol Heights, Maryland 20743. If sent by first-class, Express, or Priority mail, the response should be sent to Rebekah Bina, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, SW., Room 4-C330, Washington, DC 20554, with a copy to Michele Levy Berlove, Acting Assistant Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, SW., Room 4-C330, Washington, DC 20554. You shall also transmit a copy of the response via e-mail to [Rebekah.Bina@fcc.gov](mailto:Rebekah.Bina@fcc.gov) and to [Michele.Berlove@fcc.gov](mailto:Michele.Berlove@fcc.gov).

If you have any questions, please contact Ms. Bina via mail, by telephone at (202) 418-7931 or by e-mail at [Rebekah.Bina@fcc.gov](mailto:Rebekah.Bina@fcc.gov). If Ms. Bina is unavailable, you may contact Ms. Michele Levy Berlove, Acting Assistant Chief, Investigations and Hearings Division, by telephone at (202) 418-1477 and by e-mail at [Michele.Berlove@fcc.gov](mailto:Michele.Berlove@fcc.gov).

Sincerely,

Hillary S. DeNigro

Chief, Investigations and Hearings Division Enforcement Bureau

cc: United States Attorney's Office, Department of Justice (via e-mail), Kristy Carroll, Esq., Universal Service Administrative Company (via e-mail)

[FR Doc. 2010-17029 Filed 7-12-10; 8:45 am]

**BILLING CODE 6712-01-P**

<sup>36</sup> *Second Report and Order*, 18 FCC Rcd at 9225, ¶ 67; 47 CFR 54.8(d), (g).

<sup>37</sup> 47 CFR 54.8(g).

## FEDERAL COMMUNICATIONS COMMISSION

[Report No. 4193]

### Petition for Reconsideration of Action in Rulemaking Proceeding

June 7, 2010.

Petition for Reconsideration has been filed in the Commission's Rulemaking Proceeding listed in this Public Notice and published pursuant to 47 CFR 1.429(e). The full text of this document is available on-line at <http://fjallfoss.fcc.gov/ecfs/>. It is also available for viewing and copying in Room CY-B402, 445 12th Street, SW., Washington, DC or may be purchased from the Commission's copy contractor, Best Copy and Printing, Inc. (BCPI) (1-800-378-3160). Oppositions to this petition must be filed by July 28, 2010. See Section 1.429(f) of the Commission's Rules (47 CFR 1.429(f)). Replies to oppositions must be filed within 10 days after the time for filing oppositions has expired. See Section 1.429(g) of the Commission's Rules (47 CFR 1.429(g)).

Subject: In the Matter of Amendment of Section 73.622(i), Final DTV Table of Allotments, Television Broadcast Stations (Seaford, Delaware) (MB Docket No. 09-230).

Number of Petitions Filed: 1.

Marlene H. Dortch,  
Secretary.

[FR Doc. 2010-17018 Filed 7-12-10; 8:45 am]

**BILLING CODE 6712-01-P**

## FEDERAL COMMUNICATIONS COMMISSION

[CG Docket No. 10-51; FCC 10-88]

### Structure and Practices of the Video Relay Service Program

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice.

**SUMMARY:** In this document, the Commission reiterates that Interstate Telecommunications Relay Service (TRS) Fund (Fund) payments may be suspended to providers that do not submit to audits. The Commission is authorized to do so pursuant to its rules intended to protect the integrity of the Fund and to deter and detect waste, fraud, and abuse. The Commission and the Fund administrator have conducted some audits, but not all providers have submitted to the auditing process.

**DATES:** Effective July 13, 2010.

**FOR FURTHER INFORMATION CONTACT:** Gregory Hlibok, Consumer and Governmental Affairs Bureau at (202)