



NEWS

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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).

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FCC PLANS \$11.9 MILLION FINE AGAINST PURPLE COMMUNICATIONS, A CALIFORNIA COMPANY

Alleges Company Wrongfully Billed the TRS Fund, a Fund Supporting Communications Access for People with Disabilities

Washington, DC – The Federal Communications Commission plans to fine Purple Communications, Inc. \$11.9 million, alleging that the company improperly billed the Telecommunications Relay Service (TRS) Fund, a government fund designed to support communications access for people with hearing and speech disabilities.

The FCC found that the Rocklin, CA company sought and received millions in reimbursements from the TRS fund for customers with names that were so clearly false that they could not have been the actual names of eligible users, including names like “sdfsdf cicwcicw,” “Myname Yourname,” and “Lot\$a Money.” Federal law requires that TRS providers verify the names and mailing addresses of their users.

“Purple’s actions have threatened the integrity of a fund that is designed to help persons with hearing and speech disabilities make phone calls,” said FCC Enforcement Bureau Acting Chief Travis LeBlanc. “This is not only a misuse and waste of government resources, but it comes at the expense of a community that relies on this fund for basic communications needs. We have zero tolerance for this type of abuse.”

The FCC found that Purple billed the TRS Fund for calls by more than 40,000 registrants with names composed of random keystrokes, vulgarities, or addresses. The proposed fine is based in part on the amount that Purple received from the TRS Fund from June 2010 through January 2011 for false name users. Purple is also required to reimburse the TRS Fund for the improperly billed amounts.

To protect the TRS Fund from waste, fraud, and abuse, the FCC requires TRS providers to use a reasonable process to verify the name and mailing address of potential TRS users, and support reimbursement requests with true and adequate data to justify payment.

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