



TELECOMMUNICATIONS

SNAP UPSMdate

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FCC Alert: IP Conferencing Providers Be Warned – Contribute to USF

On November 3, the [FCC](#) issued an Order denying [MeetingOne.com Corp.](#)'s review of a decision by the Universal Service Administrative Company ([USAC](#)) finding that the IP bridging services offered by MeetingOne are subject to federal universal service fund ([USF](#)) reporting and contribution obligations both prospectively and retrospectively. Therefore, MeetingOne is required to contribute to USF beginning with their fourth quarter 2008 revenues.

The FCC found that the services that MeetingOne provides are “substantially equivalent to the audio bridging services described in the [InterCall Order](#) and MeetingOne’s use of IP technology in the provision of that service does not alter our determination that MeetingOne’s service is telecommunications subject to direct USF reporting and contribution obligations.” The InterCall Order found that voice conferencing services were “telecommunications services,” not “information services” and therefore were subject to USF contributions.

In 2009, MeetingOne requested that USAC confirm that it was not required to make direct USF contributions or file a Form 499, arguing that the InterCall Order did not apply to them because it’s IP audio bridging services were different from InterCall’s. However, USAC rejected this request, stating that MeetingOne was required to contribute to USF starting with the last quarter of 2008 just as InterCall was required to.

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The FCC approved of USAC's decision in its November 3 Order stating that both services allowed end users to perform the same functions, and that additional functionality did not transform MeetingOne's audio bridging service into an "information service." Moreover, the FCC rejected MeetingOne's argument that it "reasonably determined in good faith" that the InterCall Order did not apply to them, instead stating that the InterCall Order put the industry "on notice" that it had to contribute to USF beginning in the fourth quarter of 2008.

To read the Commission's Order click [here](#).

We welcome your thoughts, please feel free to comment at our interactive [blog](#)!

If you have questions about any of these issues, or if we may be of assistance to you on any other matter, please feel free to [contact us](#).

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