



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 CHAIRMAN WHEELER ANNOUNCES UNIVERSAL SERVICE FUND STRIKE FORCE

Dedicated to Combatting Waste, Fraud, and Abuse

Washington, D.C. – FCC Chairman Tom Wheeler announced the creation of a Universal Service Fund (USF) Strike Force—housed in the agency’s Enforcement Bureau—dedicated to combatting waste, fraud, and abuse in Commission funding programs. The USF Strike Force will be led by Loyaan Egal, who joins the FCC after serving as a senior Assistant United States Attorney in the Fraud and Public Corruption Section of the U.S. Attorney’s Office for the District of Columbia.

“The Commission is committed to aggressively rooting out waste, fraud, and abuse,” said Chairman Wheeler. “The USF Strike Force expands the Commission’s activities, including those of the FCC Office of Inspector General, to protect the integrity of the Universal Service Fund and ensure that the American people’s money is wisely spent.”

Travis LeBlanc, Acting Chief of the Enforcement Bureau, said “The USF Strike Force is a force multiplier for the FCC’s efforts to combat waste, fraud, and abuse. Loyaan Egal is an experienced public corruption and fraud prosecutor who will lead the Enforcement Bureau’s augmented efforts to police the integrity of USF programs and funds. The Bureau appreciates the work of the Inspector General and looks forward to coordinating with that office.”

The USF Strike Force—which boosts the Bureau’s existing enforcement operations—will focus on safeguarding the Universal Service Fund and the other funding programs the FCC oversees. The Strike Force will investigate violations of the Communications Act, the Commission’s rules, and other laws bearing on USF programs and contributions. In addition to leading the FCC’s enforcement activities in these areas, the Strike Force will coordinate with the FCC’s Office of Inspector General (OIG), the U.S. Department of Justice, and other law enforcement agencies to prosecute unlawful conduct. The Strike Force’s investigations and activities will promote future compliance, protect those who depend on the funds for access, and safeguard contributors to the funds from the unlawful acts of others.

The FCC established the USF in 1997 to fulfill the universal service mandates contained in the Telecommunications Act of 1996. All providers of telecommunications service contribute to the Fund based on their interstate end user revenues. These contributions support four separate universal service programs: (1) Lifeline (discounted service for low-income consumers); (2) E-rate (discounted service and internet access for schools and libraries); (3) the Connect America Fund / High-Cost Program (supporting service in rural and other high-cost areas); and (4) Rural Health Care. In 2012, aggregate USF disbursements exceeded \$8.7 billion.

Mr. Egal served for nearly a decade as a federal prosecutor in the United States Attorney's Offices for the Southern District of New York and District of Columbia. While in the Southern District of New York, Mr. Egal led complex investigations and successfully prosecuted cases involving international narcotics trafficking and money laundering, bribery and procurement fraud in connection with the U.S. military's presence in Iraq, and campaign finance fraud concerning the City of New York's public matching campaign funds program. While in the District of Columbia, Mr. Egal served as a lead prosecutor in an investigation that resulted in the successful prosecution of several individuals for campaign finance and tax fraud related to a scheme to influence federal, state, and local elections through illegal and unreported financial contributions. Mr. Egal clerked for the Hon. Alia Moses on the United States District Court for the Western District of Texas. He is a graduate of St. John's University and Howard University School of Law, where he was managing editor of the Howard Law Journal.

Mr. Egal will serve as Director of the USF Strike Force. He will report to Enforcement Bureau Acting Chief Travis LeBlanc. While still in its foundational stage, the Strike Force will continue to grow to include experienced prosecutors, investigators, and forensic analysts. The launch of the Strike Force follows the Enforcement Bureau's announcement last week that Katherine Winfree, Chief Deputy Attorney General of Maryland, has joined the Bureau as Chief of Staff.

The Enforcement Bureau is the FCC's largest bureau and the primary organizational unit responsible for enforcement of the Communications Act and other communications statutes, the Commission's rules, Commission orders, and the terms and conditions of FCC authorizations. The Bureau particularly focuses on competition, consumer protection, communications funding programs, and public safety. The Strike Force will augment, but be separate from, the efforts of OIG.