

FCC Suspends Seven Convicted of Fraud from E-Rate Program

Seven Individuals Involved in Rockland County, New York Private School E-Rate Fraud Scheme Are Suspended and Debarred from USF Programs Going Forward

WASHINGTON, April 16, 2025—The Federal Communications Commission today suspended seven individuals who have been convicted of fraud related to their participation in the E-Rate program. Corporations controlled by these individuals requested over \$35 million in E-Rate funds and received over \$14 million in E-Rate funds from around 2010 to 2016, but did not provide much of the equipment for which they billed the federal government. The FCC's Enforcement Bureau suspended each individual from further participation in the E-Rate program and began proceedings to ban them from participation in the future. The FCC takes very seriously its responsibility to stop waste, fraud, and abuse in all of its programs and the Enforcement Bureau works diligently to identify and penalize such bad actors.

"Fraud, and anyone who would commit it, has no place in FCC programs," said Patrick Webre, Acting Chief of the Enforcement Bureau. "These programs have important purposes, and those purposes do not include enriching grifters. When it comes to misuse of American taxpayer money, we are not in a forgiving mood. I thank the Enforcement Bureau team and our partners in the Department of Justice."

In 2023, the Department of Justice <u>announced</u> the sentencing of Peretz Klein, Ben Klein, Moshe Schwartz, Simon Goldbrener, Sholem Steinberg, Aron Melber, and Susan Klein, who previously pled guilty to defrauding the federal E-Rate program in connection with E-Rate funds provided to private religious schools in Rockland County, New York.

Suspension: FCC rules require the Enforcement Bureau to suspend these parties from participating in any activities related to the E-Rate program or any other federal universal service support mechanisms. The suspension becomes effective upon the earlier of the receipt of notice or publication in the Federal Register.

Debarment: Each party has 30 days to respond to the notice and explain why they should not be prohibited from participating in activities associated with or related to all federal universal service support mechanisms, including the E-Rate program, for three years from the date of debarment – a time period which can be extended by the agency.

###

Media Contact: MediaRelations@fcc.gov / (202) 418-0500 @FCC / www.fcc.gov

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).