

## United States Senate

WASHINGTON, DC 20510-4606

September 4, 2014

The Honorable Tom Wheeler  
Chairman, Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

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Dear Chairman Wheeler,

I am writing in order to convey concerns raised by sheriffs, other members of the law enforcement community, and their Virginia members regarding the FCC's expected expansion of *FCC 13-113 Rates for Interstate Inmate Calling Services* to include intrastate calls.

Since the July 2013 workshop on *Reforming Inmate Calling Service Rates*, the FCC has had time to review rates charged by Inmate Calling Service vendors. Inmates deserve a fair and reasonable call rate that is justified by the costs, such as those to establish, maintain, and update phone systems. I understand that many localities and law enforcement community members in Virginia are in agreement. Concerns seem to lie with the possibility of a one-sized fits all approach that does not allow local priorities to have a seat at the table.

Given that \$13.5 million of annual revenue is at stake for local and regional jails, I am advocating that the Commission take a balanced approach as it considers action. I share concerns about inappropriately escalated rates, and I support a competitive environment for service providers. However, I would strongly urge that any rate changes be phased in gradually and thoughtfully in order to reduce additional transition burdens. Sheriffs often have long-term contracts with vendors, and the costs of breaking these contracts, in addition to other transition costs, should not act to compromise inmate services.

Virginia has been affected disproportionately by federal budget cuts through the sequester. At a time when state budgets have already been cut substantially, the enforcement community is understandably alarmed about how potential Inmate Calling System rate changes might affect revenues.

I hope you will continue to work with all of the relevant stakeholder groups to address these concerns, lay out a transition plan that fosters a balanced and stable policy on intrastate call rates, and act to prevent any recidivism and other unintended consequences during an ample transition period.

Thank you for your consideration in this matter, and I look forward to a timely response.

Sincerely,



Mark R. Warner  
United States Senator



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

October 24, 2014

The Honorable Mark Warner  
United States Senate  
475 Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Warner:

Thank you for contacting me to express the concerns raised by sheriffs, other members of the law enforcement community, and their Virginia members regarding the Commission's inmate calling services (ICS) proceeding. In your letter, you strongly urge that any rate changes be phased in gradually and thoughtfully in order to reduce additional transition burdens. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

On September 26, 2013, the Commission released a *Report and Order and Further Notice of Proposed Rulemaking* on ICS. In the *Report and Order*, the Commission adopted interim reforms of interstate ICS rates, requiring that providers' rates and charges be just, reasonable, and fair. The *Report and Order* also required submission of data from ICS providers on costs and usage, which the Commission received in August 2014.

The *Report and Order* recognized that security measures are an important part of ICS and made clear that it is appropriate for security costs to be recovered through ICS rates. In the associated *Further Notice of Proposed Rulemaking*, the Commission sought public comment on a number of outstanding issues regarding ICS, including reform of intrastate ICS rates and practices, as well as whether the Commission should adopt a rate structure that distinguishes between jails and prisons.

The *Report and Order* is already having positive results. Lower interstate rates and increased ICS usage enable more families to connect with inmates. Unfortunately, intrastate rates have increased in many states. Moreover, ICS providers are imposing an increasing array of ancillary charges, and correctional facilities are continuing to demand site commissions – payments to facilities that are not based on their costs to provision ICS – representing a significant portion of ICS provider gross revenues.

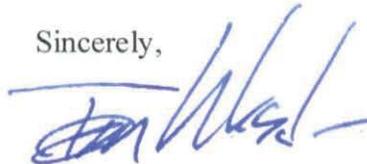
Under the leadership of Commissioner Clyburn, who has been spearheading the Commission's effort on this issue, on October 17, 2014, the Commission adopted a *Second Further Notice of Proposed Rulemaking* ("*Further Notice*") with a goal of comprehensively reforming the ICS system, including both interstate and intrastate rates. The *Further Notice*

seeks comment on the data submitted by ICS providers in August of this year, which included cost data for jails and prisons of all sizes. To address the concerns you have raised on behalf of sheriffs and other law enforcement officials, the *Further Notice* seeks comment on the data and whether rules should account for the differences in costs to serve different types of facilities. The *Further Notice* also seeks comment on whether correctional institutions incur any costs in the provision of ICS and, if so, how facilities should recover such costs if the Commission otherwise determines to prohibit the use of site commissions. Finally, the *Further Notice* seeks comment on providing a multi-year transition period to provide sufficient time for correctional facilities to adjust their budgets.

Please be assured that we will take into consideration the issues and concerns presented by all stakeholders engaged in this proceeding, including representatives of the law enforcement community. As you have suggested, inmates deserve a fair and reasonable call rate that is justified by the costs. The goal of the *Further Notice* is to reform the ICS system comprehensively, while also ensuring appropriate cost recovery and transition periods for correctional facilities.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", with a horizontal line underneath it.

Tom Wheeler