



December 22, 2014

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington D.C. 20054

**Re: WC Docket No. 12-375
Comments of Combined Public Communications, Inc.**

I am the of founder Combined Public Communications, Inc., ("CPC") a small ICS provider that I established as a payphone company with the name M&M Pay Phones, Inc. in 1994. In 2000, I went into partnership with an investor and we transitioned the company into an ICS provider with its current name. Our company is small with a total of 64 employees all of whom have many years of experience in this industry. We currently provide ICS in ten states. We meet the Regulatory Flexibility Act definition of a Small Business.

This letter is submitted to provide input to the FCC regarding the issues in the above referenced proceeding from the perspective of a small institutional communications service provider. My comments are limited to two issues of major concern to myself and I believe to other small providers in this market.

1) Elimination of Site Commission Payments will not accomplish the FCC goal of making ICS rates more affordable or available to inmates and their families.

Although we agree that extremely high site commission payments have negatively affected ICS customers, I do not believe that elimination of site commissions entirely is the solution to achieving the Commission's goal of reasonable rates. Reasonable rates can be achieved even with the inclusion of site commissions as legitimate expenses. For example, over the last ten years, CPC has been providing service with flat per minute usage rates sometimes as low as \$0.10. We were among the very first ICS providers to develop the prepaid card and sell it to the friends and families of inmates in lobby machines at low rates and intentionally, with no connect fee. We recognized the need for this type of service and rate design for several reasons:

Ms. Marlene H. Dortch
December 22, 2014
Page 2

- the cost of collect calling (for both our company and consumers) was skyrocketing,
- the number of cell phones and CLEC phones that could not accept 3rd party billing was growing fast, and
- cell phones often drop calls and it is not fair to keep hitting the consumer with a connect fee each time a call is reinitiated.

CPC's simple per minute rate design was viewed very favorably by the Alabama Public Service Commission in 2012 and served as the impetus for adoption of this "usage only" rate design in that agency's recently concluded rulemaking proceeding.

In addition, after considering the issue, the Alabama Commission declined to preclude site commission payments stating "...once the Commission's regulatory obligations are met with respect to ICS rates and fees, the payment of site commissions neither increases the prices consumers pay for ICS nor will elimination of site commissions reduce ICS prices." (Alabama Public Service Commission Order issued December 9, 2014 in Docket No. 15957, ¶ 4.06). We strongly agree with the Alabama Commission's conclusion and we submit that there was and is no viable reason to focus on site commissions as the fundamental problem causing excessive ICS rates.

I am also concerned that attempts to eliminate jail commission payments entirely may in fact have negative consequences for inmates and their ability to communicate with their families. If jails have absolutely no monetary incentive to put forth the time and resources needed to ensure that their inmates have access to a well-functioning and secure telephone platform, some facilities, particularly small ones, may simply decline to allow or at least reduce the amount of telephone contact with family and friends. If that happens, it would defeat the goals that are fundamental to this FCC proceeding.

As a small regional, woman-owned business, CPC has worked very hard to survive and continues to grow despite the difficulties inherent in an industry that is basically controlled by a few large companies. We have survived predatory litigation aimed at putting us out of business and the loss of contracts as a result of huge signing bonuses offered by our competitors.

I do not doubt that even if site commissions were eliminated, the large ICS companies would find a way to influence jails in the awarding of contracts outside

of healthy, market-driven factors such as service, technology and consumer cost. For example, even today payments in cash or in kind are offered to jails and other facilities, and are paid for by fees from outside vendors in partnership with the large ICS providers. They currently and will continue to find a way to circumvent any attempt to reduce or eliminate site commissions or similar payments for the purpose of winning contracts with correctional facilities. If this continues, then everything the FCC is trying to accomplish will not be realized.

2) Ancillary Charges, including Single Payment Calls, should be limited, rate capped and monitored closely.

CPC fully supports the Alabama model of ICS reform including the rate limits and regulation of ancillary charges, particularly those termed “single call” services, as set forth in its final rulemaking order issued December 9, 2014.

Some ICS providers claim that “single call” services are optional premium services offered to the consumer and therefore the extremely high price of these calls is justified. CPC believes that “processing” issues that often arise in an ICS platform can make it difficult or impossible to utilize more reasonably priced prepaid or debit services, and thus have forced many customers to these extremely expensive calling services because it’s the only way they can get a call completed. The Alabama order discusses this problem at length.

3) Summary and Conclusion

It is my belief that many of the problems in this industry have developed because a few large companies have been allowed to establish a monopoly-like control of the market which has hurt consumers for a long time. Those of us who attempt to conduct business in an ethical manner, to provide excellent service with modern technology at reasonable rates, are at a great disadvantage.

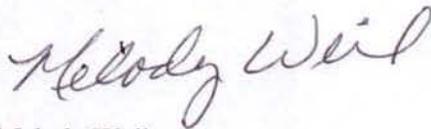
We cannot ethically compete with large companies that extend offers to county officials that include extremely high commission percentages and huge sign-on bonuses where those expenses are recouped with high priced “single call” services with rates upwards of \$1.00 per minute charged to end users. It has been our hope that county officials would understand that “if it looks too good to be true, it probably is” when presented with these offers, however with budget pressures, many simply can’t afford not to take the money. Until those incentives are removed there is no real chance of long term ICS reform.

Ms. Marlene H. Dortch
December 22, 2014
Page 4

In addition, predatory litigation is a huge problem in this industry. CPC has survived such attacks thus far, but at great cost. We firmly believe that anti-trust laws have been violated, but unfortunately do not have the millions necessary to spend in legal fees to prove our case. Any action the FCC or other federal agencies can take to stop the control that the huge entities have in this market will surely result in better prices and services for the consumer. Failure to address this issue will likely result in the dominant carriers continuing to find ways to circumvent well intentioned reform.

I recommend that the FCC look to the Alabama model – specifically the reasonable price caps on call rates and ancillary fees, the strict limitations on potential evasion of authorized charges via single payment and payment transfer fees and the specific reporting requirements that will serve to monitor compliance with those restrictions. I also recommend that the FCC follow the Alabama Commission's example and decide to forego any attempt to assert jurisdiction over site commissions.

Respectfully submitted,

A handwritten signature in cursive script that reads "Melody Weil".

Melody Weil
President
Combined Public Communications, Inc.