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FRANK PALLONE, JR.

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December 03, 2014

1252

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

Dear Chairman Wheeler,

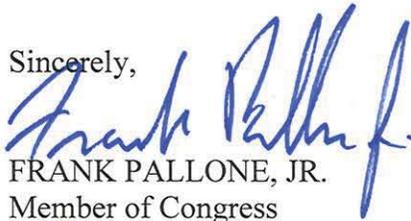
I write today to express my support for the Federal Communications Commission's recent efforts to achieve fair and reasonable rates for inmate telephone calls.

The present Inmate Calling Service (ICS) relies on collect calling, pre-paid accounts, and long-distance calling, putting an unnecessary financial burden on inmates' families. Inmates should be able to remain in contact with their families through more affordable and competitive means. The recent FCC proposal—which eliminates all site commission payments on both interstate and intrastate calls through the ICS—promotes competition and ensures both reasonable rates for the families and fair compensation for providers.

I believe that the present system is incredibly troubling. For example, an inmate in New Jersey, who placed a simple fifteen minute phone call, would be charged roughly \$4.95. As these costs accumulate over months and years, a growing financial burden is placed on the inmate and their family. It is critically important that the FCC examine what costs are truly incurred by facilities through the ICS and whether the current rates appropriately reflect those costs.

I applaud the FCC for its commitment to reforming these policies that too often disproportionately affect detainees with minimal financial resources. Thank you for your attention to this important matter.

Sincerely,


FRANK PALLONE, JR.
Member of Congress



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

January 20, 2015

The Honorable Frank Pallone
U.S. House of Representatives
237 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Pallone:

Thank you for your letter expressing support for the Commission's efforts to achieve fair and reasonable rates for inmate telephone calls. In your letter, you express concern that the current system is financially burdensome for inmates and their families. Your views are very important, and they will both be included in the record of the proceeding and be considered as part of the Commission's review.

In September 2013, the Commission released a *Report and Order and Further Notice of Proposed Rulemaking* on inmate calling services (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. These interim reforms included interim caps on local, in-state long distance, and interstate long distance telephone services.

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, the Commission adopted a *Second Further Notice of Proposed Rulemaking* ("Further Notice") on October 17, 2014, with a goal of comprehensively reforming the ICS system, including both interstate and intrastate rates. The *Further Notice* seeks comment on whether to ban site commissions. The *Further Notice* also seeks comment on permanent rate caps on all services – local, in-state long distance, and interstate long distance telephone services. These caps would replace the current interim caps, protecting inmates and their families from exorbitant rates as site commissions are phased out. Finally, the *Further Notice* seeks comment on providing a multi-year transition period to provide sufficient time for correctional facilities to adjust their budgets.

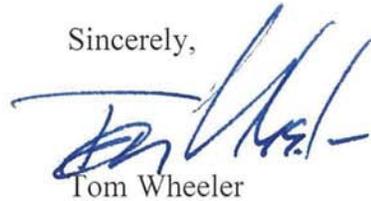
Please be assured that we will take into consideration the issues and concerns presented by all stakeholders engaged in this proceeding, including inmates and their families. The goal of

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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 above it.

Tom Wheeler