



Federal Communications Commission
Washington, D.C. 20554

March 18, 2015

The Honorable Richard Nugent
U.S. House of Representatives
212 W. Main St., Suite 204
Inverness, FL 34450

DOCKET FILE COPY ORIGINAL

Dear Congressman Nugent:

Thank you for your letter regarding the Commission's inmate calling services (ICS) proceeding. In your letter, you express concern that ICS rates that are set too low may affect correctional facilities' ability to offer ICS.

Your letter mentions the September 26, 2013 *Report and Order and Further Notice of Proposed Rulemaking* the Commission released 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 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 whether the Commission should adopt a tiered rate structure that distinguishes between jails and prisons.

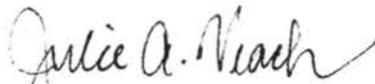
Under the leadership of Commissioner Clyburn, who has been spearheading the Commission's effort on this issue, on October 17, 2014, the Commission adopted a *Second Further Notice of Proposed Rulemaking (Second Further Notice)* with the goal of comprehensively reforming the ICS system, including both interstate and intrastate rates. The *Second Further Notice* sought comment on cost and usage data submitted by ICS providers in August 2014. The *Second Further Notice* also sought comment on whether any forthcoming rules should account for any differences in costs to serve different types of facilities.

The *Second Further Notice* also asked whether correctional facilities incur any costs in the provision of ICS and, if so, how facilities should recover such costs if the Commission otherwise decides to prohibit the payment of site commissions. Furthermore, the *Second Further Notice* sought comment on providing a transition period to allow correctional facilities sufficient time to adjust their budgets if needed.

Public comments to the *Second Further Notice* were due on January 12, 2015 and reply comments were due January 27, 2015. This proceeding raises complex factual questions and issues. Please be assured that as we review and analyze the record, your comments will be taken into consideration. The goal of the *Second Further Notice* is to reform the ICS system comprehensively, while maintaining safe and effective inmate communications.

We will include your letter in the record for this proceeding. Thank you again for your interest and for your letter.

Sincerely,

A handwritten signature in cursive script that reads "Julie A. Veach". The signature is written in dark ink and is positioned above the printed name.

Julie A. Veach
Chief, Wireline Competition Bureau