

ORIGINAL

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EX PARTE OR LATE FILED

June 22, 2001
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

NOTICE OF EX PARTE
PRESENTATION

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th St., SW
Washington, D.C. 20554

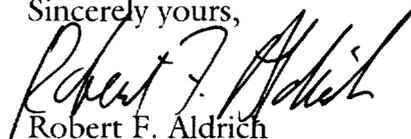
Re: CC Docket No. 96-128 (remand of inmate service issues)

Dear Ms. Salas:

On June 22, 2001, Vince Townsend of Pay-Tel Communications, Inc., Michelle Barnard of Odyssey International, and Albert H. Kramer and Robert F. Aldrich of this law firm, representing the Inmate Calling Service Providers Coalition, and Kimrey Rhinehardt of the staff of Rep. Richard Burr (5th Dist., NC), met with Marsha J. MacBride, Chief of Staff to Chairman Powell, Glenn Reynolds, Deputy Chief of the Common Carrier Bureau, and Lenworth Smith of the Competitive Pricing Division staff.

We discussed the proceeding regarding inmate calling services on remand from the United States Court of Appeals for the D.C. Circuit. The points discussed are summarized on the enclosed documents which were handed out at the meeting.

Sincerely yours,


Robert F. Aldrich

RFA/nw
Enclosures

cc: Marsha MacBride
Glenn Reynolds
Lenworth Smith

No. of Copies rec'd 9+1
List A B C D E

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Short Term Approach Partially Addressing Fair Compensation for Local Inmate Calling Service

- Three years ago, the Commission requested a voluntary remand from the court of appeals in order to address the unresolved issues of fair compensation and safeguards for competitive inmate telephone service under Section 276 of the Act. If the Commission is still unable to determine a means to ensure fair compensation for providers of local service to inmates at confinement facilities, the following approach would partially address the issue pending a more comprehensive resolution.

- In 1997, the Commission deregulated local coin rates at public payphones, but there was inconsistency in local exchange carriers' ("LECs") application of the local coin rate deregulation to the local calling *element* of local inmate collect call rates, which LEC tariffs linked to the local coin rate for payphones. The Commission should clarify that the 1997 deregulation of local coin rates also applies to the local calling rate element of inmate collect calling services – a rate element that in many states remains capped at the pre-1997 regulated local coin rate level of \$.25, \$.20, or \$.10 per local call. The Commission should rule that this rate element may be set at the same market-determined level as the deregulated local coin rate used at the service provider's public payphones. Under this approach, the operator surcharge rate element of inmate collect calling services would remain capped at current regulated levels, and the local calling rate element also would be effectively capped – at the market-determined local coin rate.

I. The Problem

- In many states, local inmate calling rates (i.e., local "collect" calls) are capped by LEC tariffs at rates which are too low to permit inmate service providers to recover their costs.

- These low rates are forcing independent inmate telephone service providers to curtail or cease providing service to jails in many states. In addition, BellSouth has announced that it will terminate the provision of payphone service, including inmate telephone service, in nine Southeastern states.

II. The Tariffs

- The capped rate for local inmate collect calls is composed of two rate elements: an operator surcharge and a local calling rate element. Prior to 1997, the local calling rate element was set equal to the LEC's local coin rate. In 1997, the FCC deregulated the local coin rate, which is now generally at the level of \$.35.

- In most states, LECs then revised their tariffs to provide that the local call element of an inmate collect call equals the deregulated local coin rate. *See* Attachment 1. But in some states, LECs maintained the existing caps on the local call element of inmate service rates at pre-1997 regulated local coin rates (rates of \$.10-\$.25 per call, initially set by the LECs some 20 or more years ago). *See* Attachment 2. For example:

North Carolina Rates

| | Pre-1997 Local Coin Rate | Local Coin Rate Today | Local Collect Call Rate Element Today | Local Collect Operator Surcharge Today | Total Local Inmate Call Rate |
|----------------|--------------------------------|-----------------------------|---|--|---------------------------------------|
| BellSouth | \$0.25 | \$0.35 | \$0.25 | \$0.80 | \$1.05 |
| Sprint | \$0.20 | \$0.35 | \$0.20 | \$0.65 | \$0.85 |
| North State | \$0.10 | \$0.25 | \$0.10 | \$0.68 | \$0.78 |

III. Partially Addressing the Problem in the Short Term

- Ultimately, the problem of noncompensatory local calling rates must be dealt with in a manner that allows inmate service providers to fully recover their costs. In the short term, if a complete solution to the problem has not yet been devised, the Commission can provide partial relief, by **clarifying that deregulation of the local coin rate includes deregulation of the local coin rate *element* of local inmate calling service rates.**
- The Commission should clarify that the deregulation of the local calling rate which was adopted in the First Report and Order applies with equal force to the local call element of inmate service rates. Therefore, where payphone service providers (“PSPs”) offer local inmate service at a rate consisting of an operator surcharge plus a local call element, then, notwithstanding any inconsistent language in ILEC tariffs, the inmate service provider may charge, for the local call element of the rate, an amount equal to the local coin calling rate that the PSP is charging at its public payphones. If the PSP does not provide public payphone service, then the PSP may charge, for the local call element, an amount equal to the prevailing local coin calling rate at public payphones in the state where the PSP is offering inmate service.
- The Inmate Calling Service Providers Coalition maintains its position that a comprehensive cost-based pricing structure for inmate calls is necessary to establish fair compensation under Section 276. However, the limited approach described above would provide partial relief pending a more comprehensive solution. This approach

would protect the consumer by maintaining effective caps on both rate elements of local inmate collect calls. It would allow the local calling rate element to be updated to reflect the current market-determined level of the deregulated local coin rate, but would not alter the regulated operator surcharge element of local inmate service rates.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

Eighth Revised Page 99
Cancels Seventh Revised Page 99

ISSUED: May 1, 2000
BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: May 18, 2000

A3. BASIC LOCAL EXCHANGE SERVICE

A3.10 Operator Assisted Local Calls

A3.10.1 Operator Assistance Charges

- A. All types of local exchange service have local calling areas as specified in A3.3 of this Tariff which are the areas that can be called on a flat rate basis (no charge for individual calls), on a local coin call rate basis, on a Message rate basis (calls charged for as Message units), or on a measured service basis (charges based on a combination of one or more rating elements where Measured Service local exception tariffs are in effect).
- B. Local dial call: The call must be dialed and completed without the assistance of a Company operator and must be billed to the originating telephone when a charge is applicable.
- C. The following service charges for operator assisted local calls apply in addition to the local dial rate applicable.

| | | Nonrecurring | |
|----|--|--------------|------|
| | | Charge | USOC |
| | | \$ | |
| 1. | Billing Surcharges for calls originating from other than payphone provider lines | | |
| | (a) Station-to-Station customer dialed calling card (credit card) calls, each | .80 | NA |
| | (b) Station-to-station operator assisted sent-paid, collect, third number and non-customer-dialed credit card calls, each ¹ | 1.75 | NA |
| | (c) Person-to-person operator assisted calls, each | 3.25 | NA |
| 2. | Billing Surcharges for calls originating from payphone provider lines | | |
| | (a) Station-to-Station customer dialed calling card (credit card) calls, each | 1.50 | NA |
| | (b) Station-to-station operator assisted sent-paid, collect, third number and non-customer-dialed credit card calls, each ¹ | 1.75 | NA |
| | (c) Person-to-person operator assisted calls, each | 3.25 | NA |
| 3. | Operator Dialed Surcharge ² | | |
| | (a) Station-to-station operator assisted or person-to-person operator assisted calls (excluding those billed to calling cards) where the operator dials the terminating number, each | .60 | NA |

Note 1: Applies when the operator dials number for Directory Assistance at the customer's request.

Note 2: An Operator Dialed Surcharge is in addition to any applicable Billing Surcharge for calls originating from other than payphone provider lines.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

Fifth Revised Page 11
Cancels Fourth Revised Page 11

ISSUED: June 21, 1999
BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: July 6, 1999

A7. COIN TELEPHONE SERVICE

A7.4 Access Line Service For Payphone Service Provider Telephones (Cont'd)

A7.4.5 Rates and Charges (Cont'd)

- A. Access *Line* Service for PSP - Rates and Charges Applied by The Company (Cont'd)
7. The Access *Line* Service PSP subscriber who subscribes to Flat Rate Service as described in A7.4.5.A.2 will be charged for sent paid calls to the Local Calling Plus exchanges outlined in A3.8.50 at the rates set forth in A7.4.5.A.2 of this Tariff. (C)
 8. Non-sent paid IntraLATA calls will be rated to the end user at the rate set forth in A18.3.1.H plus the appropriate additive operator services charges as provided in A18.3.1.H of this Tariff, plus the set fee as provided in A7.6 of this Tariff. (C)
 9. Rates as described in A3.9.2 and A18.7.2 are applicable to all Directory Assistance calls.
 10. Service Charges as covered in Section A4 of this Tariff for business individual line service are applicable.
 11. Listings in connection with Access *Line* Service for PSP are furnished under the same rates and regulations as other business service. (C)
 12. Suspension of service, as covered in A2.3, is not available to Access *Line* Service for PSP unless the instrument is totally inaccessible to the general public on a temporary basis. In all cases, the decision to permit temporary suspension of service for Access *Line* Service for PSP rests with the Company. (C)
 13. When service is temporarily suspended at the subscriber's request, a Secondary Service Ordering Charge and a restoration charge, as covered in A4.3, per telephone number restored, is applied.
- B. Access *Line* Service for PSP - Rates and Charges Applied by The Subscriber (C)
1. Rates charged any end user by a PSP, providing operator service within the pay telephone premises' equipment, shall not exceed the following: (C)
 - a. Local coin calls - the rate posted at the pay telephone station. (C)
 - b. Extended area service (EAS) coin calls - a rate equivalent to the local coin call rate. (C)
 - c. Extended calling scope (ECS) calls the rate equivalent to the local coin rate (C)
 - d. 0+ toll non-person-to-person - a maximum rate of \$0.30 per minute, plus a \$1.75 charge. (C)
 - e. 0+ toll person-to-person - a maximum rate of \$0.30 per minute, plus a \$3.25 charge. (C)
 - f. 0+ non-person-to-person local - a rate equivalent to the local coin rate, plus a \$1.75 charge. (C)
 - g. 0+ per-to-person local - a rate equivalent to the local coin rate, plus a \$3.25 charge. (C)
 2. A PSP shall not obtain services from an interexchange carrier or an operator service provider unless such carrier or provider has obtained a certificate of public convenience and necessity from the Commission. (C)
- C. BellSouth® PSP Reward® Plan
1. Definition and Requirements
 - a. The BellSouth® PSP Reward® Plan provides the PSP a discount, ranging from 0 to 6.75 percent, for a term commitment of 12 or 24 months to be applied monthly, one month in arrears, to the subscribing PSPs recurring monthly access line charge.
 - b. The BellSouth® PSP Reward® Plan term discount will become effective when an authorized agent of the Company executes a Letter of Intent for the BellSouth® PSP Reward® Plan but not prior to the approval of this Tariff.
 - c. The BellSouth® PSP Reward® Plan offers a discount on the access line rates in A.2.a. preceding. The discount applied will be based on the number of PSP access lines subscribed to the BellSouth® PSP Reward® Plan and the term commitment agreed upon.
 - d. The PSP must subscribe all its payphone lines to the Company's Public Telephone Access Service.
 - (1) The BellSouth® PSP Reward® Plan does not apply to the BellSouth SmartLine® service.
 - (2) BellSouth SmartLine® service access lines do not apply toward the line count used to determine the discount level.
 - (3) This plan does not apply to Inmate lines.

Material previously appearing on this page now appears on page(s) 11.1 of this section.

• BellSouth is a registered trademark of BellSouth Intellectual Property Corporation
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GENERAL SUBSCRIBER SERVICES TARIFF

ALLTEL Georgia, Inc.
 ALLTEL Georgia Communications Corp.
 Georgia ALLTEL Telecom, Inc.
 Georgia Telephone Corporation
 Standard Telephone Company

Section 10
 Original Page 8

ISSUED: April 12, 2000
 BY: Vice President/ State Government Affairs
 Little Rock, Arkansas

EFFECTIVE: May 12, 2000

S.10 NON-BASIC LOCAL EXCHANGE SERVICE

S10.3 Local Operator and Calling Card Services (Continued)

B. Conditions

- (1) The appropriate service charge, as specified in 10.3.c following, will be applied to each completed call except:
 - a. Emergency requests from official agencies when the request is received on an agency line from agency personnel.
 - b. Emergency requests in which the caller identifies that the request is to (1) an official public emergency agency; (2) an emergency medical number; or (3) a privately endowed and operated suicide, drug, alcohol, or runaway crisis reporting center.
 - c. Requests in which the calling party is physically unable to place the call and identifies themselves as such.
- (2) A Person-to-Person or Station-to-Station local operator-assisted call may be billed to the originating main station line (except from public and semipublic telephones), calling card number, third number, collect or any other Company-approved identification number.
- (3) A service charge, as specified in 10.3.c following, will be applied for each completed local call according to the appropriate call class as if each call defined therein were a local call.

C. Rates

The following service charges for operator assisted local calls apply in addition to the local dial rate applicable.

- | | | |
|-----|--|--------------------------------------|
| (1) | Station-to Station customer dialed credit card local call: Georgia ALLTEL Telecom | \$.75 each call \$.70 each call |
| (2) | Station-to Station operator assisted sent-paid, collect, third number, and non-customer-dialed credit card calls: | \$1.20 each call |
| (3) | Person-to Person operator assisted calls: | \$3.40 each call |
| (4) | Station-to Station operator or Person-to-Person operator assisted calls (excluding those billed to calling cards) where the operator dials the terminating number: | \$.80 each call |

GENERAL CUSTOMER SERVICES TARIFF

ALLTEL Georgia, Inc.
 ALLTEL Georgia Communications Corp.
 Georgia ALLTEL Telecom, Inc.
 Georgia Telephone Corporation
 Standard Telephone Company

Section 7
 Original Page 14

ISSUED: April 12, 2000
 BY: Vice President/ State Government Affairs
 Little Rock, Arkansas

EFFECTIVE: May 12, 2000

S7. COIN TELEPHONE SERVICE

S7.1 Public Telephone Access Service for Customer-Provided Equipment (Continued)

S7.1.10 Rates and Charges for Standard Telephone Company

- | | | |
|-----|--|--------------|
| B. | The following features are available on an optional basis: | Monthly Rate |
| (4) | Coin Supervision Additive Service - The Company will provide Coin Supervision Additive Service where facilities permit, at the PSP's option. This option is available to PSP's who order Public Pay Access Service lines for the provision of pay telephone service and where the PSP telephone connected to the local exchange service lines requires central office coin supervision capability. | 2.21 |
| | Coin Supervision Additive Service provides the capability of central office line equipment to pass signals and/or tones from an exchange service line to a trunk terminating at the PSP's operator service provider. These signals enable an operator service provider to recognize coin deposits and return coins to the pay telephone user. Coin Supervision Additive Service also permits a suitably equipped operator service provider to automatically ring back the originating exchange service line upon completion of a call. | |
| C. | Rates and Charges Applied by the PSP. | |
| (1) | The charge to a user of a PSP telephone for placement of a local call shall be in compliance with the Order of the Federal Communications Commission in Docket 96-128 and shall be clearly displayed on each PSP telephone. | |
| (2) | The rates charged the caller for any 1+ intraLATA/intrastate and interLATA/intrastate made from PSP telephones shall not exceed \$2.85 for the 1st minute and \$0.35 for each additional minute. | |
| (3) | Any limit on the duration of any call (Local or Toll) made from any PSP telephone shall be in compliance with the Order of the Federal Communications Commission in Docket No. 96-128 and of this Commission. | |

BELLSOUTH
TELECOMMUNICATIONS, INC.
NORTH CAROLINA
ISSUED: February 24, 1998
BY: President - North Carolina
Charlotte, North Carolina

GENERAL SUBSCRIBER SERVICE TARIFF

Fifth Revised Page 25
Cancels Fourth Revised Page 25

EFFECTIVE: March 20, 1998

A3. BASIC LOCAL EXCHANGE SERVICE

A3.9 Operator Assisted Local Calls (Cont'd)

A3.9.1 Operator Assisted Charges (Cont'd)

- B. Local dial call: The call must be dialed and completed without the assistance of a Company operator and must be billed to the originating telephone when a charge is applicable.
- C. The following service charges for operator assisted local calls apply in addition to the local dial rate applicable.¹

| | | Nonrecurring Charge | USOC |
|------|--|------------------------|------|
| | (a) Each | \$.35 | NA |
| → 2. | Station-to-Station operator assisted sent-paid, collect, third number, and non-customer-dialed calling card calls | | |
| | (a) Each | .80 | NA |
| 3. | Person-to-Person operator assisted local call | | |
| | (a) Each | 1.85 | NA |
| D. | The following Operator Assisted Local Calls are exempted from the service charge: | | |
| | 1. Calls to designated Company numbers for official telephone business. | | |
| | 2. Emergency calls to recognizable authorized civil agencies. | | |
| | 3. Those cases where a Company operator provides assistance to: | | |
| | a. Re-establish a call which has been interrupted after the calling number has been reached. | | |
| | b. Reach the calling telephone number where facility problems prevent customer dial completion. | | |
| | c. Place a non-coin, sent-paid call for a calling party who identifies himself as being handicapped and unable to dial the call because of his handicap. | | |

A3.10 Verification and Emergency Interrupt Service

A3.10.1 General

Verification and Emergency Interrupt Service is furnished where and to the extent that facilities permit. The customer shall identify and save the Company harmless against all claims that may arise from either party to the interrupted call or any person.

A. Verification

1. The Company furnishes Verification Service for the purpose of aiding subscribers with legitimate call completion problems. Upon request the operator will verify and provide the line status condition of a local subscriber line.
2. A subscriber originated request for verification of a local number is a chargeable verification request if a Company operator determines that the line is in use. No charge applies if the line is out of order.

→ Note 1: The local dial rate applicable for operator-assisted local non-sent paid calls originated from an *Access Line Service For Payphone Service Provider* line or *SmartLine® Service* line and processed by a Company operator is \$.2427.

GENERAL SUBSCRIBER SERVICES TARIFF

CENTRAL TELEPHONE COMPANY
NORTH CAROLINASection 3
Thirteenth Revised Page 10
Cancels Twelfth Revised Page 10
EFFECTIVE: September 15, 1998

3. BASIC LOCAL EXCHANGE SERVICE

3.10 OPERATOR-ASSISTED LOCAL CALLS

3.10.1 OPERATOR-ASSISTED CHARGES

- a. All types of local exchange service have local calling areas and may have expanded local calling areas as specified in this Tariff within which local calls can be made on a flat rate basis (no charge for individual calls), a usage-sensitive basis or on a local coin call rate basis. Operator-Assisted Service Charges for calls placed to Expanded Local Calling Area Exchanges from PSP access lines are charged for at the established Long Distance (Local Toll) Charges as specified in Section 18.3.1h.(2) of this Tariff.
- b. Local Dial Call: The call must be dialed and completed without the assistance of a Company operator and must be billed to the originating telephone number when a charge is applicable.
- c. Service Charges for operator-assisted local calls terminating in the Home Exchange, EAS Exchanges or the Expanded Local Calling Area Exchanges apply as shown below, in addition to the local dial rate* or any applicable Usage Charges. (For Value Caller subscribers, Usage Charges as specified in Sections 3.4.4b. and c. preceding apply for operator-assisted calls to Expanded Local Calling Area Exchanges.)

| | <u>Nonrecurring Charge</u> | |
|--|--------------------------------|-----|
| (1) Station-to-Station Customer-Dialed Calling Card Local Call, each | \$.30 | (I) |
| → (2) Station-to-Station Operator-Assisted Sent-Paid, Collect, Third Number, and Non-Customer-Dialed Calling Card Calls, each | .65 | (R) |
| (3) Person-to-Person Operator-Assisted Local Call, each | 1.80 | (I) |
| d. The following Operator-Assisted Local Calls are exempt from the Service Charge: | | |
| (1) Calls to designated Company numbers for official telephone business. | | |
| (2) Emergency calls to recognizable authorized civil agencies. | | |
| (3) Those cases where a Company operator provides assistance to: | | |
| (a) Re-establish a call which has been interrupted after the calling number has been reached. | | |
| (b) Reach the calling telephone number where facility problems prevent customer-dial completion. | | |
| (c) Place a non-coin, sent-paid call for a calling party who identifies himself as being handicapped and unable to dial the call because of this handicap. | | |
| e. Operator-Assisted Charges apply for services provided in all exchanges. | | |

→ The local dial rate applicable for operator-assisted local non-sent paid calls originating from a PSP access line and processed by a Company operator is \$0.20.

NORTH STATE TELEPHONE
COMPANY
High Point, North Carolina

Section 3
First Revised Sheet 4.1
Cancelling Original Sheet 4.1
Effective: April 15, 1997

GENERAL EXCHANGE TARIFF

3. BASIC LOCAL EXCHANGE TARIFF

3.6 OPERATOR ASSISTED LOCAL CALLS (Cont'd)

3.6.1 OPERATOR ASSISTED CHARGES (Cont'd)

C. Service charges for operator-assisted local calls terminating in the Home Exchange, EAS Exchanges, or the Expanded Local Calling Area Exchanges apply as shown below, in addition to the local dial rate¹ or any applicable usage charges. (For Frequent Caller subscribers, usage charges as specified in Section 3.7.4.A.1. and A.2. apply for operator-assisted calls to Expanded Local Calling Area Exchanges.) Operator-assisted service charges for calls placed to Expanded Local Calling Area Exchanges from Public, Semi-public, or PTAS exchange lines are charged for at the established operator services charges as specified in Section A18.3.1.H.2 of BellSouth Telecommunication's General Subscriber Services Tariff, in which this Company concurs.

| | <u>Nonrecurring Charge</u> |
|---|--------------------------------|
| 1. Station-to-Station customer dialed calling card local call, each | \$.29 |
| → 2. Station-to-Station operator assisted sent-paid, collect, third number, and non-customer-dialed calling card calls, each..... | .68 |
| 3. Person-to-Person operator assisted local call, each..... | 1.65 |

→ Note 1: The local dial rate applicable for operator-assisted local non-sent paid calls originated from a Public Telephone Access Service line and processed by Company operator is \$.10.

(#) This material was previously shown on Sheet 4.

NORTH CAROLINA LOCAL COLLECT CALL RATES

(CAPPED AT THE TARIFFED RATE OF THE LOCAL TELEPHONE COMPANY)

| LEC | LOCAL COLLECT OPERATOR SURCHARGE | LOCAL COLLECT CALL RATE ELEMENT | TOTAL RATE | PROVIDER OF INMATE PHONE SERVICE |
|-----------------|----------------------------------|---------------------------------|------------|----------------------------------|
| Alltel | \$0.70 | \$0.25 | \$0.95 | No |
| BellSouth | \$0.80 | \$0.25 | \$1.05 | Quitting |
| Concord/CT Comm | \$0.70 | \$0.35 | \$1.05 | No |
| Lexcom | \$0.68 | \$0.20 | \$0.88 | No |
| North State | \$0.68 | \$0.10 | \$0.78 | No |
| Sprint | \$0.65 | \$0.20 | \$0.85 | 1 Facility |
| Verizon | \$0.70 | \$0.25 | \$0.95 | No |
| Independents | \$0.80 | \$0.25 | \$1.05 | No |

AVERAGE LOCAL COLLECT CALL RATE FOR ALL 50 STATES:

\$2.13

| State | RBOC | Local Usage Rates | | | Collect Call Surcharge | Total Rate | Rate Cap? | Rate Cap Details |
|-------------------|------------|-------------------|------------|---------------------------------|------------------------|------------|-----------|--|
| | | Init. Min. | Add'l Min. | Notes | | | | |
| 1 Illinois | Ameritech | \$ 0.24 | \$ 0.21 | Capped by PUC | \$ 2.81 | \$ 5.36 | Yes | PUC rate cap |
| 2 Texas | SBC | \$ 0.10 | \$ 0.08 | Capped by PUC | \$ 3.75 | \$ 4.73 | Yes | PUC rate cap |
| 3 Nebraska | Qwest | \$ 0.50 | N/A | Local message charge detariffed | \$ 3.75 | \$ 4.25 | No | |
| 4 Wyoming | Qwest | \$ 0.35 | N/A | Local message charge detariffed | \$ 3.75 | \$ 4.10 | No | |
| 5 Indiana | Ameritech | \$ 0.35 | N/A | Local message charge detariffed | \$ 3.00 | \$ 3.35 | No | |
| 6 Wisconsin | Ameritech | \$ 0.35 | N/A | Local message charge detariffed | \$ 3.00 | \$ 3.35 | Yes | Capped at twice the AT&T or RBOC rate |
| 7 Colorado | Qwest | \$ 0.50 | See note | PUC cap: \$ 25 per 5 min. | \$ 1.85 | \$ 2.85 | Yes | PUC rate cap |
| 8 Rhode Island | Verizon | \$ 0.35 | N/A | Local message charge detariffed | \$ 2.50 | \$ 2.85 | No | |
| 9 Arizona | Qwest | \$ 0.50 | N/A | Local message charge detariffed | \$ 2.30 | \$ 2.80 | Yes | Capped at LEC tariff rate |
| 10 Washington | Qwest | \$ 0.50 | N/A | Local message charge detariffed | \$ 2.30 | \$ 2.80 | No | |
| 11 North Dakota | Qwest | \$ 0.50 | N/A | Local message charge detariffed | \$ 2.25 | \$ 2.75 | No | |
| 12 Mississippi | Bell South | \$ 0.35 | N/A | Capped at RBOC rate | \$ 2.25 | \$ 2.60 | Yes | Capped at RBOC tariff rate |
| 13 South Dakota | Qwest | \$ 0.50 | N/A | Local message charge detariffed | \$ 2.10 | \$ 2.60 | No | |
| 14 Utah | Qwest | \$ 0.35 | N/A | Local message charge detariffed | \$ 2.25 | \$ 2.60 | No | |
| 15 Georgia | Bell South | \$ 0.35 | N/A | Local message charge detariffed | \$ 2.20 | \$ 2.55 | No | |
| 16 Montana | Qwest | \$ 0.50 | N/A | Capped by PUC | \$ 2.00 | \$ 2.50 | Yes | Capped at LEC average + 50% |
| 17 Michigan | Ameritech | \$ 0.35 | N/A | Local message charge detariffed | \$ 2.05 | \$ 2.40 | No | |
| 18 Kansas | SBC | \$ 0.35 | N/A | Local message charge detariffed | \$ 2.00 | \$ 2.35 | No | |
| 19 New Mexico | Qwest | \$ 0.50 | N/A | Local message charge detariffed | \$ 1.80 | \$ 2.30 | No | |
| 20 Connecticut | SBC | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.75 | \$ 2.10 | No | |
| 21 Florida | Bell South | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.75 | \$ 2.10 | Yes | PUC rate cap |
| 22 Vermont | Verizon | \$ 0.35 | N/A | Capped at LEC rate | \$ 1.65 | \$ 2.00 | Yes | Capped at LEC tariff rate |
| 23 Oklahoma | SBC | \$ 0.25 | N/A | Capped at LEC rate | \$ 1.65 | \$ 1.90 | Yes | Capped max. rate of LEC or IXC |
| 24 Kentucky | Bell South | \$ 0.35 | N/A | Capped by PUC | \$ 1.50 | \$ 1.85 | Yes | PUC rate cap |
| 25 Idaho | Qwest | \$ 0.50 | N/A | Local message charge detariffed | \$ 1.30 | \$ 1.80 | No | |
| 26 Minnesota | Qwest | \$ 0.50 | N/A | Capped at RBOC rate | \$ 1.30 | \$ 1.80 | Yes | Capped at RBOC tariff rate |
| 27 New York | Verizon | \$ 0.25 | \$ 0.05 | Capped at RBOC rate | \$ 1.30 | \$ 1.80 | Yes | Capped at AT&T or LEC rates, whichever is higher |
| 28 Iowa | Qwest | \$ 0.50 | N/A | Capped at RBOC rate | \$ 1.25 | \$ 1.75 | Yes | Capped at RBOC tariff rate |
| 29 Nevada | SBC | \$ 0.14 | \$ 0.05 | Local message charge detariffed | \$ 1.00 | \$ 1.69 | Yes | PUC rate cap |
| 30 Louisiana | Bell South | \$ 0.35 | See note | PUC cap: \$ 35 per 5 min. | \$ 0.63 | \$ 1.68 | Yes | PUC rate cap |
| 31 New Jersey | Verizon | \$ 0.09 | \$ 0.03 | Capped by PUC | \$ 1.28 | \$ 1.68 | Yes | Capped at RBOC tariff rate |
| 32 Maine | Verizon | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.30 | \$ 1.65 | No | |
| 33 Oregon | Qwest | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.30 | \$ 1.65 | No | |
| 34 Pennsylvania | Verizon | \$ 0.35 | N/A | Capped at LEC rate | \$ 1.30 | \$ 1.65 | Yes | Capped max. rate of LEC or IXC |
| 35 Alabama | Bell South | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.25 | \$ 1.60 | Yes | Capped at LEC tariff rate |
| 36 Hawaii | Verizon | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.20 | \$ 1.55 | No | |
| 37 Arkansas | SBC | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.10 | \$ 1.45 | No | |
| 38 Delaware | Verizon | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.10 | \$ 1.45 | No | |
| 39 Ohio | Ameritech | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.10 | \$ 1.45 | Yes | Capped at LEC tariff rate |
| 40 New Hampshire | Verizon | \$ 0.35 | N/A | Local message charge detariffed | \$ 1.05 | \$ 1.40 | No | |
| 41 California | SBC | \$ 0.35 | N/A | Local message charge detariffed | \$ 0.95 | \$ 1.30 | Yes | Capped at LEC + \$ 30 pay telephone surcharge |
| 42 Massachusetts | Verizon | \$ 0.35 | N/A | Capped at RBOC rate | \$ 0.86 | \$ 1.21 | Yes | Capped at RBOC tariff rate |
| 43 Missouri | SBC | \$ 0.35 | N/A | Local message charge detariffed | \$ 0.75 | \$ 1.10 | No | |
| 44 Virginia | Verizon | \$ 0.35 | N/A | Local message charge detariffed | \$ 0.75 | \$ 1.10 | No | |
| 45 North Carolina | Bell South | \$ 0.25 | N/A | Capped at LEC rate | \$ 0.80 | \$ 1.05 | Yes | Capped at LEC tariff rate |
| 46 Maryland | Verizon | \$ 0.35 | N/A | Capped at RBOC rate | \$ 0.60 | \$ 0.95 | Yes | Capped at RBOC tariff rate |
| 47 West Virginia | Verizon | \$ 0.35 | N/A | Local message charge detariffed | \$ 0.60 | \$ 0.95 | Yes | Capped at LEC tariff rate |
| 48 Tennessee | Bell South | \$ 0.35 | N/A | Capped at LEC rate | \$ 0.50 | \$ 0.85 | Yes | Capped at RBOC tariff rate |
| 49 South Carolina | Bell South | \$ 0.10 | N/A | Capped at LEC rate | \$ 0.70 | \$ 0.80 | Yes | Capped at RBOC tariff rate |
| 50 Alaska | | N/A | N/A | | N/A | N/A | N/A | N/A |
| National Average | | | | | \$ | 2.13 | | |

Source: Technologies Management, Inc.