

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
Provision of Improved Telecommunications) CC Docket No. 98-67
Relay Services and Speech-to-Speech)
Services for Individuals with Hearing and)
Speech Disabilities)
)
Petition for Clarification of WorldCom, Inc.)

COMMENTS OF VERIZON¹

Introduction

The only questions raised in the Commission’s Second Further Notice of Proposed Rulemaking (NPRM) are (1) whether the Commission should continue to allow recovery of all IP Relay costs through the interstate system, or “should attempt to devise a method for allocating calls as intrastate or interstate” and, (2) if cost recovery is to be allocated between intrastate and interstate, how such an allocation should be made. NPRM, ¶ 41. The Commission can, and in the short term should, designate all recovery of IP Relay costs through the interstate system, as it will be simpler and cheaper to administer than any allocation method.

Regardless of how costs are recovered, the Commission should require all users of IP Relay service to register basic information, such as their name and address, in order to obtain access to IP Relay service. Such registration is essential to curb fraudulent and improper use of Telecommunications Relay Services. The Commission also should require IP Relay users to certify that they are using the service for legitimate purposes,

¹ The Verizon telephone companies (“Verizon”) are the local exchange carriers affiliated with Verizon Communications Inc., and are listed in Attachment A.

and should monitor the volume of use and incidents of fraud with IP Relay service to determine whether additional protective measures are required.

I. At Least Until IP Relay Becomes More Established, The Commission Can and Should Designate All IP Relay Costs as Interstate

When the Commission initially invited comments on the WorldCom proposal, several commenters agreed that the Commission could, and at least in the short term should, designate IP Relay costs as entirely interstate.² One reason for treating such services as jurisdictionally interstate is that, because the origination of callers in the IP Relay system cannot now be determined, treating all costs as interstate currently is “the simplest and least costly solution for all entities involved.” NAD-TAN Comments, at 4.³

Because section 225 of the Act states only that the Commission should prescribe regulations that “*generally* provide that costs caused by interstate [TRS] shall be recovered from all subscribers for every interstate service and costs caused by intrastate [TRS] shall be recovered from the intrastate jurisdiction,” 47 U.S.C. § 225(d)(3)(B) (emphasis added), the Commission has discretion to treat nascent IP Relay services as entirely interstate. As IP Relay services become a larger part of the TRS system, or if a reliable method of determining the origination of IP Relay calls becomes available, either

² See, e.g., California PUC Comments, CC Docket No. 98-67, at 3 (filed July 30, 2001); Comments of the National Association of the Deaf Telecommunications Advocacy Network (NAD-TAN), CC Docket No. 98-67, at 4 (filed July 30, 2001); Sprint Comments, CC Docket No. 98-67, at 2-4 (filed July 30, 2001); AT&T Comments, CC Docket No. 98-67, at 7 (filed July 30, 2001).

³ Even if the Commission requires users to register in order to use IP Relay service, as is argued in section II below, such registration would not answer the question of whether the call was interstate or intrastate in nature, because the registration information would only state where the user’s home was located – not where the user was calling from.

legal or policy concerns may warrant revisiting the issue of cost allocation for IP Relay services.⁴ For now, however, the Commission should continue to allocate IP Relay services as interstate for cost recovery purposes.

II. The Commission Should Require IP Relay Users To Register and To Certify They Are Legitimately Using the Service in Order To Deter Fraudulent and Improper Use of TRS Funds

Regardless of cost allocation, the Commission should require all IP Relay providers to have users register for the service in order to minimize fraudulent or improper use of TRS funds. In its traditional iteration, there usually is little danger that Telecommunications Relay Service will be used by persons for fraudulent means, because a caller's location can be determined by the TRS provider, and a TRS caller must pay for long distance calls as any other caller would. However, with the advent of IP Relay, there is an increased ability, and incentive, for fraudulent use of the IP Relay service. In order to reduce this potential for fraud and waste, and to preserve IP Relay services and TRS funds for the exclusive use of U.S. residents to facilitate communication with persons with hearing and speech disabilities, the Commission should require that IP Relay users register for the service and certify either that they have a hearing or speech disability that warrants the use of a text-based medium, or they are using the service to communicate with such an individual.

One of the main benefits of an IP Relay system – namely, its “ubiquity” – also creates the potential for fraud. The Commission recognized this “ubiquity” when issuing

⁴ For example, if IP Relay services become a large part of the TRS fund, there may be a legal issue about whether the Commission is continuing to satisfy section 225's directive that “generally” interstate costs follow interstate services, and intrastate costs follow intrastate services. *See* 47 U.S.C. § 225(d)(3)(B).

its declaratory ruling on WorldCom's Petition for Clarification: "Commenters state that IP Relay is available to anyone who has access to the Internet via computer, personal digital assistant (PDA), or Web-capable telephone or other device. Service accessibility is not limited to places that are equipped with TTY's or specialized software." NPRM, ¶ 8. Because it does not require special equipment to access, anyone – including those intending to use it for improper purposes – can access and use IP Relay services.

In addition, because IP Relay – unlike traditional TRS – does not indicate where the user is calling from, and allows for free long distance calls, there is an increased incentive for improper use. The danger of fraudulent or improper IP Relay use is not just a theoretical possibility; it has already been occurring. For example, at the recent TRS Forum and Technology Expo hosted by the Commission, one commenter pointed out that callers in Australia, the United Kingdom, and other countries are using United States-funded IP Relay service to circumvent locally imposed IP Relay charges, and to make "local" calls to their own country using the United States service. That commenter warned that, as the word of this "free" service spreads around speech-impaired and hearing-impaired communities all over the world, the United States "may end up funding the world's relay."⁵ Similarly, there are reports of prisoners using Telecommunications Relay Services for purposes other than legitimate communication involving a person whose disability requires use of a text-based medium.⁶ Likewise, it is not difficult to

⁵ See Comments of Len Bytheway, May 3, 2002, *available at* <http://www.fcc.gov/realaudio/publicforums.html>, at Telecommunications Relay Service Forum & Technology Expo, Clip One (morning session), starting at 1:09:33.

⁶ For example, one news report identified a situation where Ohio prisoners reportedly used TTY phones to make harassing and fraudulent calls that were not closely monitored by prison officials, and which were essentially untraceable. See Wes Hills, "Prison Scam Uses Phones for Deaf, Speech-Impaired," Dayton Daily News, 1A (Jan.

envision a scenario where a cost-conscious overseas traveler would use IP Relay to make free calls from a local Internet café to the telephones of friends and relatives back home – again, ignoring the mandate of the TRS, which is facilitation of communication to and by persons with disabilities.⁷ Such unauthorized usage not only misspends TRS funds, but also is likely to tie up the communications assistants (CAs), limiting their ability to handle calls from legitimate IP Relay users.

Because IP Relay services (unlike traditional Telecommunications Relay Services) currently allow for free long distance calls, there likely will be longer holding times for CAs (as long distance calls which are free to the user likely will be longer than traditional long distance calls), using more CA resources, adding to the cost of the TRS fund, and adding a danger of gridlock to the system. Especially given the likelihood of increased demand on TRS resources resulting from legitimate use of the IP Relay service, the TRS fund cannot afford to let fraudulent and improper use of IP Relay services go unchecked.

One way to curb improper and fraudulent use of IP Relay is to require users to fill out a simple registration form, and receive a pin number or access code in order to use IP Relay. Such a system is already being implemented in Maryland for access to Maryland IP Relay. In order to access Maryland's IP Relay service, users must register basic

23, 2000), *available at* 2000 WL 7576948. There have been anecdotal reports of similar problems with prisoners' improper use of IP Relay service.

⁷ It is also possible that dishonest persons could use IP Relay to promote scams against TTY users (and others), knowing that their calls will be essentially untraceable. *See generally* Wes Hills, "Prison Scam Uses Phones for Deaf, Speech-Impaired," *Dayton Daily News*, 1A (Jan. 23, 2000), *available at* 2000 WL 7576948 (reporting similar use of TTY phones in prisons).

information, including their name, address, telephone number, and email address.⁸ The Maryland Relay website indicates that only Maryland residents can use Maryland IP Relay, and that abuse of the system “may result in cancellation” of the user’s access.⁹ Similarly, the Terms & Conditions of use provide that the user must be a Maryland resident and place the call from within the domestic United States, and that the service provider “may investigate and help prevent potentially unlawful activity or activity that threatens the network or otherwise violates the customer agreement for this service.”¹⁰ In addition to a registration form, the Commission should require IP Relay users to certify, at a minimum, that: they are United States residents; they will use the IP Relay service only when located within the United States; and either they have a speech or hearing disability that warrants use of the IP Relay service, or they are using the service solely to communicate with persons that have such disabilities.

While such protections likely would not stop someone who is determined to fraudulently use the IP Relay service, they would deter some wrongful use, and would allow increased ability to detect and stop abuse of the system. If the Commission requires registration to reflect only the provision of basic information, such as that requested by the Maryland Relay service – name, address, telephone number, and email address – except for the email address, the IP Relay user will not have to reveal any more information than what is standard for any consumer of basic telephone service. Thus,

⁸ For general information on the Maryland Relay system, *see* <http://www.mdrelay.org>. The Maryland registration form is available at <http://www.relaycall.com/maryland/relay.html>.

⁹ *See* Welcome to AT&T Relay Maryland, located at <http://www.relaycall.com/maryland/>

¹⁰ *See* Terms and Conditions, located at <http://www.relaycall.com/maryland/newtermsconditions.htm>

such a basic registration form should not implicate any privacy concerns. In addition, the Commission should closely monitor the volume of use and incidents of fraud with IP Relay service to determine whether additional protective measures are required.

Conclusion

At least while IP Relay service is still in its nascent stages, the Commission should allow all cost recovery to occur through the interstate system. In order to deter fraud and misuse of TRS funds, the Commission should require IP Relay users to register in a way that identifies basic information, such as their name, address, telephone number, and email address, and to certify that they are using the service for its intended use: facilitation of communication by and to persons with disabilities requiring a text-based medium. The Commission should also monitor IP Relay use to determine whether additional protections are needed to curb fraudulent use.

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THE VERIZON TELEPHONE COMPANIES

The Verizon telephone companies are the local exchange carriers affiliated with Verizon Communications Inc. These are:

- Contel of the South, Inc. d/b/a Verizon Mid-States
- GTE Midwest Incorporated d/b/a Verizon Midwest
- GTE Southwest Incorporated d/b/a Verizon Southwest
- The Micronesian Telecommunications Corporation
- Verizon California Inc.
- Verizon Delaware Inc.
- Verizon Florida Inc.
- Verizon Hawaii Inc.
- Verizon Maryland Inc.
- Verizon New England Inc.
- Verizon New Jersey Inc.
- Verizon New York Inc.
- Verizon North Inc.
- Verizon Northwest Inc.
- Verizon Pennsylvania Inc.
- Verizon South Inc.
- Verizon Virginia Inc.
- Verizon Washington, DC Inc.
- Verizon West Coast Inc.
- Verizon West Virginia Inc.