



Federal Communications Commission  
Consumer & Governmental Affairs Bureau  
Washington, D.C. 20554

03-123 ✓  
9867 **CGB**

August 25, 2004

Control No. 0402589-Pol

The Honorable Ed Case  
U. S. House of Representatives  
128 Cannon House Office Building  
Washington, D.C. 20515

**DOCKET FILE COPY ORIGINAL**

Dear Congressman Case:

Thank you for your letter of August 3, 2004, directed to Michael K. Powell, Chairman of the Federal Communications Commission (Commission or FCC), on behalf of your constituent, Mr. Larry Littleton, expressing his concerns regarding Video Relay Service (VRS), a form of telecommunications relay service (TRS). Your correspondence was forwarded to the Commission's Consumer & Governmental Affairs Bureau (the Bureau) for handling.

Mr. Littleton asks that the FCC not further reduce the VRS compensation rate until VRS becomes available 24 hours per day, 7 days per week, with high quality services and accessibility, and a process for determining cost recovery methodology. He also asks the Congress to reconsider reimbursement for Video Mail.

As an initial matter, the rate for compensating VRS providers is not dependent on whether the service is offered on a 24/7 basis or vice versa. Since VRS is not a mandatory form of TRS, there is no requirement that it be offered on a 24/7 basis. However, there is nothing to prevent VRS providers from offering the service on a 24/7 basis. TRS providers are currently operating under waivers of that rule so that they do not have to provide the service on a 24/7 basis, but may still be compensated from the Interstate TRS Fund (the Fund).

We also note that, as a practical matter, the Commission neither "raises" nor "reduces" the TRS compensation rates, but adopts them on an annual basis, based on projected cost and usage data submitted by the providers. This data is submitted to the National Exchange Carrier Association (NECA), which is the TRS Fund administrator. Each year, NECA reviews these submissions and recommends a compensation rate to the Commission. For the July 2004 to June 2005 Fund year, NECA submitted a proposed VRS compensation rate of \$7.293 per minute. On June 30, 2004, the Bureau issued an Order (DA 04-1999) approving NECA's proposed rate, subject to adjustments discussed in the Bureau's Order. A copy of that Order (DA 04-1999) is enclosed.

We further note that VRS continues to grow rapidly in popularity, despite the fact it is not available on a 24/7 basis. In fact, although VRS has been available only for the past two and a half years, in the past year alone the use of VRS has increased from 211,529 minutes in June 2003, to 733,040 minutes in May 2004. We also note that we are continuing to raise and address new issues as provision of this important service evolves. On June 30, 2004, the Commission released an order that included a Further Notice of Proposed Rulemaking (FNPRM), in CG Docket No. 03-123 (FCC 04-137), seeking comment on various matters concerning, *inter alia*, VRS. Specifically, with regard to VRS, the FNPRM seeks comment on the appropriate cost recovery methodology for VRS; whether the Commission should adopt jurisdictional separation of costs for VRS so that all VRS costs are not reimbursed from the federal Interstate TRS Fund; whether VRS should become a mandatory form of TRS; whether VRS should be required to be offered 7 days a week, 24 hours a day; and whether a "speed of answer" rule should be applied to the provision of VRS. A copy of the Report & Order, Order on Reconsideration and Further Notice of Proposed Rule Making that was released by the Commission on June 30, 2004, is also enclosed.

In response to your question about the status of the review of the cost methodology for VRS, we note that we expect the June 2004 FNPRM to be published in the Federal Register shortly, which will trigger the filing of comments in this proceeding. Commenters will have 45 days to file Comments and 75 days to file Reply Comments after the Federal Register publication. Upon completion of the Public Comment period, the Commission will review the comments and prepare an order addressing these issues.

With regards to Mr. Littleton's request that Congress "reconsider reimbursement of video mail," we note that a Public Notice (CG Docket 03-123, DA 04-2062) was released on July 9, 2004, seeking comment on whether the provision of Video VRS Mail to deaf and hard of hearing persons is eligible for compensation from the Interstate TRS Fund. After we review all of the comments on this issue, we will address the matter.

To the extent Mr. Littleton has concerns about the provision of VRS, we encourage him to actively participate in proceedings before the Commission to ensure that his opinions are expressed and considered fully. The Commission has available an e-mail service designed to apprise consumers about developments at the Commission, to disseminate consumer information materials prepared by the Commission to a wide audience, and to invite comments from other parties on Commission regulatory proposals. This free service enables consumers to subscribe and receive FCC fact sheets, consumer brochures and alerts, and public notices, among other consumer information. To subscribe, an individual should send an e-mail to [subscribe@info.fcc.gov](mailto:subscribe@info.fcc.gov) and, in either the subject line or the message insert: "subscribe fcc-consumer-info first name last name" (e.g., "subscribe fcc-consumer-info John Doe").

We also invite Mr. Littleton to visit the Consumer & Governmental Affairs Bureau's Internet web site at <http://www.fcc.gov/cgb> or the Commission's Home Page located at <http://www.fcc.gov>.

We have placed a copy of Mr. Littleton's correspondence in the public record for this proceeding. We appreciate your inquiry. Please do not hesitate to contact us if you have further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Dane Snowden". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

K. Dane Snowden

Chief

Consumer & Governmental Affairs Bureau

Enclosures

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## CONGRESSMAN ED CASE SECOND DISTRICT, HAWAII

ISLANDS OF HAWAII, MAUI, KAHOLAWE, LANAI,  
MOLOKA'I, O'AHU (WINDWARD, NORTH SHORE,  
CENTRAL, LEEWARD), KAUAI AND NI'HAU,  
AND NORTHWESTERN HAWAIIAN ISLANDS

August 3, 2004

The Honorable Michael K. Powell  
Chairman  
Federal Communications Commission  
445 12th Street SW  
Washington, D.C. 20554

Dear Chairman Powell:

Enclosed please find a recent communication from one of my constituents expressing his concern regarding the deteriorating quality of Video Relay Service (VRS).

I would very much appreciate it if you would review and address his concerns. I would also appreciate the status of the FCC's study on the cost recovery methodology for VRS.

Thank you very much for your attention to this important issue. Should you have any questions or need additional information, please do not hesitate to contact me or Tim Carson of my staff.

With aloha,

*Ed Case*

ED CASE  
United States Congressman  
Hawaii'i, Second District

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*CEB*  
*Policy-Disab.*  
*2589*

Larry Littleton  
4230 Ono St  
Lihue, HI 96766

June 17, 2004

The Honorable Ed Case  
U.S. House of Representatives  
128 Cannon House Office Building  
Washington, D.C. 20515-1102

Representative Case:

Ed,  
As a profoundly deaf taxpaying resident of Kauai, I have suffered from a deteriorating quality of Video Relay Services (VRS). Please ensure that the FCC makes no further reductions in the VRS interim rate until VRS functional equivalency is achieved, including the completion of the FCC's process for determining the cost recovery methodology, and until VRS is available 24/7 with high quality interpreters and a reasonable average speed of answer. Please also reconsider reimbursement of video mail, as I need a way for hearing people to leave me a message.

Can I count on YOU to assure that our telecommunication needs do not get any worse?

Mahalo!  
LARRY LITTLETON

Sincerely,

LARRY LITTLETON