



May 23, 2008

VIA ECFS

Honorable Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: CC Docket No. 96-128, Martha Wright Alternative Rulemaking Proposal

Dear Chairman Martin:

Securus Technologies, Inc. ("Securus"), by and through counsel, submits this letter in further opposition to the Alternative Rulemaking Proposal of Martha Wright, *et al.* ("Proposal") that requests unprecedented regulation of the inmate telecommunications industry.

Securus is the parent company of T-Netix, Inc. ("T-Netix") and Evercom Systems, Inc. ("Evercom"). T-Netix and Evercom submitted Comments and Reply Comments in response to the Proposal, as well as a letter dated November 6, 2007, that responded to Petitioners' *ex parte* submitted on November 1, 2007. In order not to burden the record with redundant pleadings, Securus limits this letter to a few aspects of the flawed Proposal that it did not previously address.

The Proposal requests adoption of two regulations: (1) a nationwide rate cap of \$0.25 per minute for inmate collect calls and \$0.20 for inmate debit calls "with no set-up or other per-call charge," Proposal at 20, 22; (2) a requirement to accommodate and offer debit calling accounts "at all of the prison facilities" served with interstate telecommunications service. *Id.* at 23-27. Securus, and all industry commenters, have opposed each of these proposals.

1. Petitioners' proposal for "benchmark" rates is a misnomer.

Petitioners refer to their suggested interstate rates as a "benchmark." *E.g.*, Proposal at 6, 16, 20. This term is not, however, appropriate for describing the Proposal. What Petitioners request is a definite "cap" of \$0.25 per minute for inmate collect calls, and \$0.20 per minute for debit calls. Proposal at 20, 22. These rates are not "benchmarks."

A benchmark rate is a non-mandatory rate that the Commission derives; it is simply a

tool for comparing rates within a segment of a communications in industry. *E.g.*, *Policy and Rules Concerning Rates for Dominant Carriers*, CC Docket No. 87-313, Memorandum Opinion and Order, 12 FCC Rcd. 8115 ¶ 57 (1997). Benchmarks are used, for example, to determine what is a reasonable level of Universal Service support in a particular geographic area based on average cost of service. *E.g.*, *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Ninth Report and Order, 14 FCC Rcd. 20,432 ¶¶ 10, 55 (1999).

A benchmark may be adopted as the “presumptively reasonable” rate for a particular service. *E.g.*, *McLeodUSA Pub. Co. v. Wood County Tel. Co.*, File No. EB-01-MD-004, Memorandum Opinion and Order, 17 FCC Rcd. 6151 ¶ 1 (2002); *Access Charge Reform*, CC Docket No. 96-262, Seventh Report and Order and Further Notice of Proposed Rulemaking, 16 FCC Rcd. 9923 ¶ 40 (2001) (setting benchmark access charge rate for competitive local carriers). Carriers are not, however, constrained to charge no more than that rate. *McLeod*, 17 FCC Rcd. 6151 ¶ 7; *Access Charge Reform*, 16 FCC Rcd. 9923 ¶¶ 41-43 (rates above benchmark can be charged outside of tariff context). In some instances, a carrier that seeks to impose a higher rate must, if requested, justify that rate with cost information. *McLeod*, 17 FCC Rcd. 6151 ¶ 7. The Proposal makes no provision for this mechanism.

The Proposal seeks a nationwide rate cap on interstate inmate calls, both collect and debit. This rate cap makes no accommodation for size of jail, call volume, or site-specific costs. Yet these factors are extremely variable in the inmate telephone services market, as Securus’s expert Dr. Richard Cabe explained in the Declaration appended to the Initial Comments of T-Netix, Inc. and Evercom Systems, Inc. (“T-Netix/Evercom Comments”). As Dr. Cabe stated, “[t]he size distribution of confinement facilities, measured by inmate populations, covers a wide range.” Declaration of Richard Cabe, Ph.D. ¶ 26 (Exhibit A) (“Cabe Dec.”). According to Department of Justice statistics, as of June 2006, 39% of jurisdictions held just 50 or fewer inmates, while only 5.6% of jurisdictions held 1000 inmates or more. *Prisoners in 2006*, Bureau of Justice Statistics, available at <<http://www.ojp.usdoj.gov/bjs/abstract/p06.htm>>. For Securus, its clients range in size from **5 beds to 3,300 beds at a single site**, and approximately **80%** of its client base is comprised of county-level facilities that only rarely are as large as state-run facilities. The Proposal makes no accommodation for smaller facilities, and would treat the largest state penitentiaries the same as small local jails for ratemaking purposes.

Petitioners’ declarant Douglas Dawson states that he drew his information largely from the record in the federal case that Ms. Wright filed against private jail administrator Corrections Corporation of America (“CCA”). Declaration of Douglas A. Dawson Dec. ¶ 4 (Feb. 16, 2007) (Proposal, Appendix B) (“Dawson Dec.”). Public information about CCA, however, indicates that it serves jails that are quite large. The smallest jail CCA serves has 200 beds, the largest has 3,060 beds, and the average CCA-run prison has 1,232 beds. See <<http://www.correctionscorp.com/facilities>>.¹ Mr. Dawson nonetheless relies on cost data for three CCA facilities, served by Evercom, that hold an average of 1,743 beds. Affidavit of Douglas A. Dawson ¶ 68 (Oct. 29, 2003) (Exhibit 2 to Dawson Dec.) (“2003 Dawson Aff.”). Yet Evercom serves only 28 CCA sites (out of more than 2,700 Securus sites), and they are hardly representative of its client base.

¹ Of the 66 facilities that CCA serves, only three have fewer than 400 beds. *Id.*

Thus, the economics that CCA facilities entail are likely to be quite different than the economics at most Securus-served facilities, rendering CCA a poor analog for approximating Securus's cost structure.

In addition to jail size, call volume is another crucial variable in the inmate telephone services industry. Call volume is a function not only of facility size but also of the policies governing inmate access to phones, for example an inmate's permitted number of calls per day and prescribed call duration. Petitioners make no allowance for variance in call volume. Nor do they suggest a means by which any inmate telephone service provider could adjust its rates for jails with call volumes that would render the \$0.20/\$0.25 rate cap uneconomic.

The Proposal should be considered with a clear view to its end: a nationwide rate cap for all interstate inmate calls. Its goal is to impose an historic level of regulation on an industry previously exempted from several federal regulations,² and to engage the Commission in telephone ratemaking. The severity of the relief sought should inform the Commission's consideration of the many flaws, outlined herein, contained in the Proposal's methodology and data.

2. Inmate telephone service is very dissimilar from residential telephone service.

The Commission has long recognized that inmate telephone service, being a component of the penological setting, is provided under "exceptional circumstances." *Policies and Rules Concerning Operator Service Providers*, 6 FCC Rcd. at 2752 ¶ 15 (1991), *aff'd*, *Amendment of Policies and Rules Concerning Operator Service Providers and Call Aggregators*, 10 FCC Rcd. at 1534-35 (1995). These "exceptional circumstances" principally regard jail security and public safety: inmates must be prevented from engaging in unlawful conduct via the telephone, and must be prevented from harassing judges, jurors, victims, and potential adverse witnesses. Initial Comments of T-Netix, Inc. and Evercom Systems, Inc. at 4 (May 2, 2007) ("T-Netix/Evercom Comments"). As one correctional authority put it, "security interests are paramount in the unique environment ... of inmate calling services." Letter from Sheriff Bobby L. Medford, Buncombe County, North Carolina, to Marlene H. Dortch (filed Mar. 29, 2004).

Inmate telephone service therefore must include several security features not present in typical residential services. The phone system must block certain numbers from being called. In addition, the phone system must prevent three-way calling, call forwarding, and chain dialing which also ensures that protected persons are not called. The system must also, at the discretion of the resident correctional authority, impose time limits on calls and record all telephone conversations other than calls with attorneys. Increasingly, law enforcement officials are requesting advanced features, such as the issuance of an alert when a particular inmate dials a particular number registered to a known criminal, that aid them considerably in their investigations. These features, and dozens more, were developed at considerable expense by

² The Commission exempted inmate phones from federal dial-around and call blocking prohibitions. *Policies and Rules Concerning Operator Service Providers*, CC Docket No. 90-313, Report and Order, 6 FCC Rcd. 2744, 2752 ¶ 15 (1991), *aff'd*, *Amendment of Policies and Rules Concerning Operator Service Providers and Call Aggregators*, CC Docket No. 94-158, 10 FCC Rcd. 1533, 1534-35 (1995).

Securus which holds approximately 50 patents on inmate calling technology. Securus is continually developing and updating its technology to ensure the best possible call security for correctional institutions.

For these reasons, facile comparisons between inmate telephone service and the residential services available to the general public are unhelpful. The services are not analogous, nor are their cost structures. Thus, Petitioners' comparisons to "the 1-800-COLLECT product" (Dawson Dec. ¶ 12) are inaccurate, and potentially misleading, for reviewing the rates for inmate telephone service.

3. Petitioners misrepresent the exemplar rates on which the rate caps are based.

Petitioners base their \$0.20/\$0.25 per-minute rate on several misrepresented call rates. They state that the Indiana Department of Corrections "provides prepaid long distance service for \$0.25 per minute, **with no per-call charge.**" Proposal at 19 (emphasis added). That statement is inaccurate, based on Petitioners' own evidence. Proposal, Exhibit 13. The rate sheet provided as Appendix 6 to that contract states that a **\$1.50 connect fee** applies to the \$0.25 per-minute rate. Petitioners simply misstate the rate in order to support their new proposal.

Petitioners also misstate the calling rates for inmates in Nebraska Department of Corrections facilities. Relying on a contract with AT&T dated November 27, 2002, Petitioners state that interstate debit calls are "\$0.16 per minute plus a \$0.60 service charge." Proposal at 19. AT&T no longer serves Nebraska, however,³ and the prevailing rate for an interstate call is \$.20 per minute with a \$0.75 service fee. **Exhibit A.** These rates, compared to the proposed \$0.20/\$0.25 rate structure, demonstrate that Petitioners' proposal is far below prevailing rates.

It does appear, however, that Petitioners are correct in asserting that the Nebraska DOC does not impose site commissions. Proposal at 19. As such, the \$0.75 service fee and \$0.20 per-minute interstate rate are the product of a site commission-free arrangement. And even without the requirement to pay site commissions, the actual Nebraska DOC rates are higher than Petitioners' proposal of \$0.20/\$0.25 per minute with no permissible service fee. Proposal at 20, 22.

For these reasons, Petitioners' proposed rate cap, even with the largely anecdotal and flawed rate data they used, is inappropriate. The prevailing rates for inmate telephone service, from which Securus derives only 2.28% profit,⁴ appropriately recover legitimate costs. These rates cannot be slashed as dramatically as Petitioners suggest.

³ AT&T (the pre-merger entity) sold nearly all of its inmate telecommunications assets to Global Tel*Link in 2006, approximately one year prior to the Proposal. Global Tel*Link now serves the Nebraska Department of Corrections sites at the rates stated above.

⁴ Reply Comments T-Netix, Inc. and Evercom Services, Inc. at 6 (June 20, 2007). Pay Tel Communications in 2005 and 2006 had only a 1.3% margin. Comments of Pay Tel Communications, Inc. at 9 (May 2, 2007).

4. Petitioners' reliance on average per-minute interstate charges is imprecise.

Throughout the Petition, the prevailing rates of inmate calls are expressed on a "per minute" basis. *E.g.*, Proposal at 19, 21. This metric is not appropriate for analyzing the charges applied to inmate telephone calls, because the billing structure is much different than that of residential telephones.

Inmate calls cannot be charged unless they are connected.⁵ Further, for security purposes an inmate call cannot be connected unless it is affirmatively accepted by the called party — usually by pressing a keypad number. Yet in order to be transmitted, every inmate call must progress through the calling security platform, in addition to the typical LIDB and other databases in the network, prior to ringing the called party. Securus thus incurs the principal cost of its inmate service — including call software development, database management, high-speed data connectivity to the platform — prior to call completion. Therefore, the most expensive part of an inmate call, by orders of magnitude, is the first minute. To express inmate call rates as a per-minute average clouds over this crucial fact that renders inmate telephone service extraordinary within the telecommunications market.

Exacerbating this cost structure is the low call completion rate for inmate telephones. In Securus's experience, less than 40% of inmate call attempts are accepted and connected, and thus eligible for billing. In other words, approximately one-third of billable calls must pay for all of Securus's development, maintenance, and network facility costs.⁶ Though costs are incurred on every attempted call, only completed calls contribute to cost recovery. It is for this reason that Securus, as well as every provider whose rates appear in the Petition, must charge a call setup fee.

For these reasons, inmate telephone rates should be compared to the rates applied to collect calls placed from public payphones. Appended hereto is a rate comparison that Securus has compiled (last updated April 15, 2008) listing its own inmate collect rates and the collect call rates of the major providers of interstate calling via public payphones. **Exhibit B.** For a 10-minute interstate call, T-Netix's rates are \$2.91 lower than the next lowest rate, and \$6.40 lower than the highest rate. Evercom's rate for a 10-minute interstate call is \$1.55 lower than the next lowest rate, and \$5.04 lower than the highest rate. Thus, even with the higher costs of software development, the application of numerous safety and security features, and the payment of site commissions, Securus's rates are significantly lower than the payphone rates paid by the general public.

⁵ Inmate calls are treated for regulatory purposes as payphones; collect calls from payphones cannot be billed unless they are completed. 47 C.F.R. 64.705(a)(1).

⁶ Of the roughly 40% of inmate call attempts that are billable, Securus receives no payment for a substantial portion. As T-Netix and Evercom stated in its Comments in this record, "carriers' bad debt ... often results in substantial loss to carriers in this particular market." T-Netix/Evercom Comments at 13. Securus estimates that its bad debt rate is 15% to 20% which is approximately three times the rate that incumbent local exchange carriers incur. The reason is simple — telephone service cannot be cut off for failure to pay charges for most inmate calls. *See Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd. 8776, 8793 ¶ 28 (1997) ("We concur with the Joint Board's recommendation to prohibit the disconnection of local service for non-payment of charges incurred for toll calls.").

The Proposal's reliance on "per-minute" rates in large part misstates or misrepresents the cost structure for inmate telephone calls, and thus leads to incorrect conclusions about the appropriate rate structure. For this reason, the Commission should be wary of granting Petitioners' proposed rate cap that permits no call connection/call set-up fee.

5. The Commission does not have an adequate record on which to set rates.

The process of ratemaking requires detailed cost analysis to ensure that the resultant rate is reasonable. *Federal Power Comm'n v. Hope Natural Gas Co.*, 320 U.S. 591, 605 (1944), *aff'd*, *Duquesne Light Co. v. Barlasch*, 488 U.S. 299, 310 (1989). Adequate cost data is particularly necessary where, as here, a utility rate is alleged to be "so low as to be confiscatory." *Duquesne*, 488 U.S. at 310. The Commission therefore will reject proposed rates absent appropriate cost justification. *E.g.*, *Bell Atlantic Tel. Cos. Revisions in Tariff FCC Nos. 1 and 11*, CC Docket No. 01-140, Order Designating Issues, 16 FCC Rcd. 12967 ¶¶ 17-26 (2001) (suspending Bell Atlantic collocation tariff due to lack of cost data); *see also MTS and WATS Market Structure*, CC Docket No. 78-72, Memorandum Opinion and Order, 2 FCC Rcd. 6642 ¶ 1 (1987) ("cost studies produce the most accurate financial information, and consequently, the most accurate telephone rates") (citation omitted).

The Commission has very little cost or operational data in this docket, and what data it does have has been strongly discredited. *E.g.*, T-Netix/Evercom Comments at 6-10; Comments of Public Communications Services, Inc. at 5-6 (May 1, 2007); Comments of the Southern Public Communications Ass'n at 2 (May 1, 2007); Comments of Global Tel*Link at 13-14 (May 2, 2007). In fact, the cost information on which the Dawson Declaration relies comes from comments filed July 1, 1996, by the "Inmate Calling Services Providers Coalition" ("ICSPC") that, to Securus's knowledge, no longer exists. Dawson Dec. ¶¶ 25-26 (citing 2003 Dawson Aff. ¶¶ 72, 74). **The data is 12 years old.** To rely on this record would result in rates that likely would not withstand appellate scrutiny. *See Illinois Pub. Serv. Comm'n v. FCC*, 117 F.3d 555, 564 (D.C. Cir. 1997) (remanding payphone compensation rates due to flawed economic analysis).

The Commission should note that carriers in the inmate telephone industry typically do not create "cost of service" studies in the way that rate cap/rate-of-return carriers historically have done. This is due principally to the fact that cost of service varies so widely in this industry, as we have explained above. Jail size, average length of incarceration, call volume, policies on inmate phone usage, and the security demands of each correctional institution drive Securus's costs, and these factors may vary tremendously from facility to facility and from state to state. As Dr. Cabe explained at some length in his Declaration, notions of "economies of scale" do not apply well to the inmate telephone industry, contrary to Mr. Dawson's assertion (Dawson Dec. ¶ 31), because of the variances in the needs of correctional institutions. Cabe Dec. ¶¶ 18-20. In this niche market, deriving "average" cost, much less incremental cost, is a nearly insuperable task. Indeed, and likely for this reason, Mr. Dawson's analysis is extremely anecdotal and generalized.

The Commission does not take ratemaking lightly, and has shown consistent adherence to the need for adequate, verifiable data as a prerequisite to setting any telecommunications rate. *E.g.*, *Bell Atlantic Tel. Cos.*, 16 FCC Rcd. 12967 ¶¶ 17-26. The Proposal does not, and likely cannot, meet that standard.

6. The Proposal does not account for site commissions which, as Petitioners know, are an external cost of doing business.

Petitioners assume, in reaching their conclusion that inmate service rates are “excessive,” Dawson Dec. ¶ 22, a site commission rate of 30%, *id.* ¶ 24, despite their actual knowledge that site commissions are often much higher. Petitioners know, for example, that the Maryland Department of Corrections imposes a 60% site commission. *Id.* ¶ 32. The lowest site commission for Indiana Department of Corrections sites is 35%, and it can be up to 60.5% depending on the call rate. Proposal, Exhibit 13. The Colorado Department of Corrections contract mandates a 43% site commission. *Id.*, Exhibit 12. And Mr. Dawson states that “commissions add an average of 43% to all other costs.” Dawson Dec. ¶ 23. From the outset, Petitioners’ rate analysis is flawed.

Site commissions are often set by state statute. In Texas, for example, the Department of Criminal Justice will allow installation of inmate telephones in September 2008 for the first time, after the State Legislature enacted a law requiring payment of a site commission of “**not less than 40 percent** of the gross revenue received[.]” Tex. Gov’t Code § 495.025(a)(2) (**Exhibit C**). The inmate rights’ group Citizens for the Rehabilitation of Errants (“CURE”) appeared at the hearing at which this legislation was considered and is listed as a supporter of the bill. House Committee Report (May 1, 2007) (**Exhibit D**). Proponents of the bill noted that “[t]he charges that families would pay for phone calls would be much less than the costs of gas, food and lodging incurred by many families visiting inmates.” *Id.* at 3.

Even absent statutory compulsion, site commissions at the least are required in every correctional facility contract except where prohibited.⁷ Petitioners therefore have no basis for treating them as anything but a cost of doing business in this industry.⁸ *See* Cabe Dec. ¶ 13. And as several correctional authorities stated in their comments, site commission revenue is a

⁷ New Mexico, for example, passed a law in 2001 that prohibits “a commission or other payment to the operator of the correctional facility or jail based on amounts billed by the telecommunications provider for telephone calls made by inmates in the correctional facility or jail.” NMSA 1978 § 33-14-1. In addition, as the Proposal notes, Governor Eliot Spitzer abolished site commissions at facilities run by the New York Department of Corrections. This action applies, however, only to state-run facilities.

⁸ Petitioners state that the Commission has found that site commissions “are not considered a legitimate cost of providing payphone service.” Proposal at 20. Though that statement may be correct in the context of public payphones, the Commission has never held that site commissions for inmate telephones are inappropriate. In fact, the Commission put this question out for comment. *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, Order on Remand & Notice of Proposed Rulemaking, 17 FCC Rcd. 3248 ¶ 73 (2002) (“We seek comment on commissions demanded by correctional institutions, whether and how any states have addressed the relationship between these commissions and inmate calling rates, and on any factors unique to the provision of inmate calling services that affect the profitability of ICS operations.”).

necessity. Site commissions “are not profit,” and “[t]he revenue is not diverted to resource non-inmate expenses.” Comments of James Reed, Kentucky Justice and Public Safety Cabinet at 3 (filed Mar. 30, 2007). According to the Director of the Idaho Department of Correction, loss of site commission revenue “would create a shortfall of \$1.086 million dollars,” to fund services “including religious and recreational activities.” Comments of Brent Reineke (Apr. 2, 2007); *see also* Comments of Jesse Griggs, Tennessee Department of Correction (Apr. 2, 2007); Comments of Virginia Department of Corrections (May 1, 2007).

Yet despite this evidence, Petitioners apparently make no allowance for site commissions. *See* Proposal at 20. It is telling that Petitioners never suggest that the Commission can lower or remove these commissions by regulatory fiat, and that Petitioners propose no solution to the plainly below-cost rates they propose other than allowing carriers one year to “renegotiate” their contracts. Proposal at 28-29. Petitioners are thus asking the Commission to set below-cost rates.

The Proposal would impose rates that preclude recovery of site commissions. In addition, their allowance for the costs of R&D, network facilities, and operations is inadequate. First, as stated above, the data on which Mr. Dawson relies is 12 years old. Secondly, Mr. Dawson’s conclusions about network costs are not supported with any evidence. For example, he states that “I typically can procure wholesale transport and terminating service for around \$0.0125 per minute.” Dawson Dec. ¶ 26. We do not know how he derived that number. Third, Mr. Dawson’s methodology is suspect — for example, he takes the ICSPC’s 1996 cost data point of \$0.126 per minute and simply “substitute[s] today’s lower long distance transport and termination cost” for which, as just explained, he has no evidence. *Id.* This data is not independently verifiable, and moreover is woefully stale.

Fourth, Mr. Dawson fails to abide by his own cost estimates. For example, he estimates that billing costs and uncollectible debt adds “roughly 6 cents” to collect calls. Dawson Dec. ¶ 26. Yet he provides only a 5-cent differential between collect calls and debit calls. *Id.* ¶ 31; *see also* Proposal at 22. Moreover, Mr. Dawson fails to consider that although debit calls entail no bad debt risk, they do entail considerable transaction costs, for example the setup and maintenance of debit account databases, for which he provides no cost recovery. T-Netix/Evercom Comments at 13.

The conclusion to derive from these errors is that Petitioners are setting the rate cap below the cost levels that they themselves perceive. Petitioners’ analysis of the costs of inmate telephone service is so paltry, as well as stale, that the resultant \$0.20/\$0.25 rate is unworkable even if site commissions did not exist. The fact that site commissions do exist, and at levels far higher than 30%, simply render Petitioners’ rate cap all the more impossible.

7. The proposed one-year “fresh look” for existing contracts is unworkable.

Petitioners request that every provider of interstate inmate telephone service be given one year to renegotiate any contract for which the mandatory nationwide rate cap would result in

below-cost service. Proposal at 28-29. Even assuming that the proposed new rules in themselves are reasonable, this transition period is grossly inadequate.

Securus serves approximately **2,700 facilities** across the nation, and holds approximately **2,000 contracts** with state, county, and local correctional authorities. Were the Commission to adopt one or both of the proposed new rules, all or nearly all of these contracts would require re-negotiation, either to accommodate debit calling, or to eliminate the required site commission, or both.

Securus is aware that the Commission has set 12-month deadlines to implement rule changes in other contexts — for example, the revised unbundling rules adopted in the *Triennial Review Remand Order. Unbundled Access to Network Elements*, WC Docket No. 04-313, Order on Remand, 20 FCC Rcd. 2533 ¶¶ 143, 227 (2005). Under the *TRRO*, however, competitive LECs were required to amend only their contracts with incumbent LECs of which only four existed at the time. In the inmate telephone service context, providers must amend their contracts with every correctional authority — at the federal, state, county, and city levels — across the nation. The situations are not apposite. If the *TRRO* was in fact the template for the Proposal's "fresh look" period, it was misapplied here.

Were the Commission to permit only 12 months for carriers to implement the \$0.20/\$0.25 interstate rate, it would likely force inmate service providers to abrogate many of their existing contracts. As such, the Commission may infringe on the constitutional right to contract of both the correctional authorities and the service providers.⁹ The 12-month "fresh look" period is therefore inappropriate for this industry and should be rejected.

* * * *

For all these reasons, as well as the many well-supported arguments presented in the comments by members of the inmate telecommunications industry and the law enforcement community, the Proposal should not be adopted. Thank you for your consideration of this matter, and do not hesitate to contact me with any questions or concerns you may have: 202.857.4534.

Very truly yours,



Stephanie A. Joyce

Counsel for Securus Technologies, Inc.

⁹ It is well settled that public utility commissions generally cannot impair the contract rights of regulated entities by regulatory mandate. See *Federal Power Comm'n v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956); *United Gas Pipe Line Co. v. Mobile Gas Serv. Corp.*, 350 U.S. 332 (1956). Absent a well articulated exigent public policy need, the Commission will reject a proposed agency action where existing contracts would be impaired. E.g., *Ryder Communs., Inc. v. AT&T Corp.*, File No. EB-02-MD-038, Memorandum Opinion and Order, 18 FCC Rcd. 13603 (2003) (rejecting request that Commission amend filed contract tariff).

cc: Commissioner Michael J. Copps
Commissioner Jonathan S. Adelstein
Commissioner Robert M. McDowell
Commissioner Deborah Taylor Tate
Dana R. Shaffer, Chief, Wireline Competition Bureau
Albert Lewis, Chief, Pricing Policy Division, Wireline Competition Bureau

EXHIBIT A

WEEKDAY RATE FOR (JBF0E) NEBRASKA CENTER FOR WOMEN , NE

Local (LO) Initial Minutes: 0 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.25000	0	0-9999	0.25000	0	0-9999	0.25000	0

Intralata\Intrastate (8A) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Intralata\Interstate (JA) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Interlata\Intrastate (8B) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.10000	0.10000	0-9999	0.10000	0.10000	0-9999	0.10000	0.10000

Interlata\Interstate (JO) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

Puerto Rico Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

WEEKDAY RATE FOR (JBH0E) NEBRASKA STATE PENITENTIARY , NE

Local (LO) Initial Minutes: 0 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.25000	0	0-9999	0.25000	0	0-9999	0.25000	0

Intralata\Intrastate (8A) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Intralata\Interstate (JA) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Interlata\Intrastate (8B) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.10000	0.10000	0-9999	0.10000	0.10000	0-9999	0.10000	0.10000

Interlata\Interstate (JO) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

Puerto Rico Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

WEEKDAY RATE FOR (CDI0F) TECUMSEH ST. CORR. FAC. (AT, NE

Local (LO) Initial Minutes: 0 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.25000	0	0-9999	0.25000	0	0-9999	0.25000	0

Intralata\Intrastate (8A) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Intralata\Interstate (JA) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Interlata\Intrastate (8B) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.10000	0.10000	0-9999	0.10000	0.10000	0-9999	0.10000	0.10000

Interlata\Interstate (JO) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

Puerto Rico Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

WEEKDAY RATE FOR (JBE0E) LINCOLN CORRECTIONAL CENTER(AT , NE

Local (LO) Initial Minutes: 0 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.25000	0	0-9999	0.25000	0	0-9999	0.25000	0

Intralata\Intrastate (8A) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Intralata\Interstate (JA) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.07000	0.07000	0-9999	0.07000	0.07000	0-9999	0.07000	0.07000

Interlata\Intrastate (8B) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.10000	0.10000	0-9999	0.10000	0.10000	0-9999	0.10000	0.10000

Interlata\Interstate (JO) Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

Puerto Rico Initial Minutes: 1 Additional Minutes: 1 Surcharge \$ 0.75

DAY			EVENING			NIGHT		
Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate	Rate Mileage	Initial Rate	Each Additional Rate
0-9999	0.20000	0.20000	0-9999	0.20000	0.20000	0-9999	0.20000	0.20000

EXHIBIT B

**Standard "Non-Inmate" Interstate Operator Assistance Rates
Includes "Automated" Operator Assistance**

Company	Per Minute Rate	Per Call Surcharge	Tariff/Price List Reference	10 minute call (automated)
AT&T	\$1.29	\$4.99 (auto) \$7.50 (Operator Asst.)	AT&T Special Handled Calls Using Operator Assistance Rate Table, Effective 08/01/07	\$17.89
Verizon Select Services, Inc. (MCI)	\$1.05	\$4.99 (auto) \$7.50 (Operator Asst.)	Federal Rate Schedule No. 1, Section 5.2.4, Effective 12/08/04	\$15.49
Embarq Communications, Inc. (f/k/a Sprint)	\$0.89	\$5.50 (Station-to-Station Surcharge)	Federal Rate Schedule No. 1, Section 6.2.5, Effective 09/05/07*	\$14.40
Qwest Communications Corporation	\$0.89	\$5.50	Interstate Operator Services Informational Tariff, Effective 02/02/06	\$14.40
T-NETIX Telecommunications Services, Inc.	\$0.74	\$4.09	T-NETIX Telecommunications Services, Inc. Federal Price List Internet Disclosure Document, Part A, Effective 06/30/07	\$11.49
Evercom Systems, Inc.	\$0.89	\$3.95	Evercom Systems, Inc. Federal Price List Internet Disclosure Document, Part A, Effective 11/27/07	\$12.85

* Embarq has published upcoming rate changes on their website effective June 1, 2008. As of that date it appears that the collect surcharge rate will apply and will be \$5.75 bringing a 10 minute call to: \$14.65.

EXHIBIT C

A BILL TO BE ENTITLED

AN ACT

relating to the provision of pay telephone service to inmates confined in facilities operated by the Texas Department of Criminal Justice.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 495, Government Code, is amended by adding Section 495.025 to read as follows:

Sec. 495.025. INMATE PAY TELEPHONE SERVICE. (a) The board shall request proposals from private vendors for a contract to provide pay telephone service to eligible inmates confined in facilities operated by the department. The board may not consider a proposal or award a contract to provide the service unless under the contract the vendor:

(1) provides for installation, operation, and maintenance of the service without any cost to the state;

(2) pays the department a commission of 40 percent of the gross revenue received from the use of any service provided;

(3) provides a system with the capacity to:

(A) compile approved inmate call lists;

(B) verify numbers to be called by inmates, if necessary;

(C) oversee entry of personal identification numbers;

(D) use a biometric identifier of the inmate making the call;

(E) generate reports to department personnel on inmate calling patterns;

(F) network all individual facility systems together to allow the same investigative monitoring from department headquarters that is available at each facility; and

(G) use cellular telephone detection technology that is integrated with the inmate pay telephone service;

(4) provides on-site monitoring of calling patterns and customizes technology to provide adequate system security;

(5) provides a fully automated system that does not require a department operator;

(6) provides for periodic review by the state auditor of documents maintained by the vendor regarding billing procedures and statements, rate structures, computed commissions, and service metering;

(7) ensures that a ratio of not greater than 30 inmates per communication device is maintained at each facility;

(8) ensures that no charge will be assessed for an

uncompleted call and that the charge for local calls will not be greater than the highest rate for local calls for inmates in county jails; and

(9) ensures that each eligible inmate or person acting on behalf of an inmate may prepay for the service.

(b) The board shall award a contract to a single private vendor to install, operate, and maintain the inmate pay telephone service. The initial term of the contract may not be less than five years. The contract must provide for automatic renewal of the contract annually until the vendor's capital expenditures are recouped. The board shall conduct an annual review to determine the vendor's capital payback for that year.

(c) Subject to board approval, the department may adopt rules setting additional requirements for a contract awarded under this section.

(d) The department shall transfer 50 percent of all commissions paid to the department by a vendor under this section to the compensation to victims of crime fund established by Subchapter B, Chapter 56, Code of Criminal Procedure, and the other 50 percent to the credit of the undedicated portion of the general revenue fund, except that the department shall transfer the first \$10 million of the commissions collected in any given year under a contract awarded under this section to the compensation to victims of crime fund established by Subchapter B, Chapter 56. This

section does not reduce any appropriation to the department.

(e) Subject to board approval, the department shall adopt rules governing the use of the pay telephone service by an inmate confined in a facility operated by the department, including a rule governing the eligibility of an inmate to use the service. The rules adopted under this subsection may not unduly restrict calling patterns or volume and must allow for calling patterns to be not less than the national average call usage rate.

(f) The department shall ensure that the inmate is allowed to communicate only with persons who are on a call list that is preapproved by the department. Except as provided by Subsection (g), the department shall ensure that all communications under this section are recorded and preserved for a reasonable period of time for law enforcement and security purposes.

(g) The department shall ensure that no confidential attorney-client communication is monitored or recorded by the department or any person acting on the department's behalf and shall provide to the vendor the name and telephone number of each attorney who represents an inmate to ensure that communication between the inmate and the attorney is not monitored or recorded.

SECTION 2. (a) Except as provided by Subsection (b) of this section, the Texas Board of Criminal Justice shall award a contract under Section 495.025, Government Code, as added by this Act, not later than January 1, 2008.

(b) If this Act does not take effect immediately, the Texas Board of Criminal Justice shall award a contract under Section 495.025, Government Code, as added by this Act, not later than March 1, 2008.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2007.

EXHIBIT D

SUBJECT: Requiring TDCJ to install inmate pay telephone service

COMMITTEE: Corrections — committee substitute recommended

VOTE: 4 ayes — Madden, Hochberg, Dunnam, Jones

0 nays

3 absent — McReynolds, Haggerty, Oliveira

WITNESSES: For — Joan Burnham, Austin/Travis County Reentry Roundtable; Delia Cabello, Concerned Christians for Inmates; Edwin S. Davis, Restorative Justice Ministries Network of TX; Helga Dill, TX CURE (Citizens Untied For Rehabilitation of Errants); Curtis Hopfinger, Securus Technologies, Inc; Nicole Porter, American Civil Liberties Union of Texas; Cheryl White Mynar, Global Tel*Link; Cynthia Cabello; (*Registered, but did not testify*: Verna Lee Carr, People Against Violent Crime; Will Harrell, ACLU, NAACP, LULAC; Dean McWilliams, Unisys Corp.; Susan “Suzi” Paynter, Christian Life Commission Baptist General Convention of Texas; Janice Sager, Texans for Equal Justice; Ana Yanez Correa, Texas Criminal Justice Coalition;)

Against — None

On — Brad Livingston, Texas Department of Criminal Justice

DIGEST: CSHB 1888 would require the board of the Texas Department of Criminal Justice (TDCJ) to award a contract to a single private vendor to install, operate, and maintain an inmate pay telephone service. The contract would be for at least seven years and would have to contain an option to renew the contract for additional two-year terms. The contract would be awarded by September 1, 2008.

TDCJ would be required to request proposals from private vendors for the inmate pay telephone service. Under the contract, a vendor would have to provide installation, operation, and maintenance of the phone service without any cost to the state and would have to pay TDCJ a commission of at least 40 percent of the gross revenue from the service. There would

have to be a ratio of no more than 30 eligible inmates per communication device at each facility.

The phone system would have to:

- compile approved inmate call lists;
- verify numbers to be called by inmates, if necessary;
- oversee the entry of personal identification numbers;
- use a biometric identifier of the inmate making the call;
- generate certain types of reports;
- network the systems in all individual units to allow the same monitoring from department headquarters that was available at all facilities; and
- use cellular telephone detection technology.

CSHB 1888 would make other requirements of the system, including that it be fully automated and that it provide on-site monitoring of calling patterns. No charges could be assessed for uncompleted calls, and charges for local calls could not be greater than the highest rate for local calls for inmates in county jails. Inmates and persons acting on their behalf would have to be able to prepay for the service.

TDCJ, with board approval, would have to adopt policies governing inmate use of the pay phones. The policies could not unduly restrict calling patterns or volume and would have to allow each eligible inmate to make an average of eight calls per month, at an average of 10 minutes each.

TDCJ would have to ensure that inmates were allowed to call only persons who were on a pre-approved call list. All calls, except for confidential attorney-client communications, would have to be recorded and preserved for a reasonable time for law enforcement and security purposes.

The system also would have to allow for periodic review by the state auditor of information about billing procedures and statements, rate structures, commissions, and service metering.

Fifty percent of the commissions paid to TDCJ by the vendor would go to the crime victims compensation fund and the rest to general revenue, except that the first \$10 million each year would have to go to the crime victims compensation fund.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2007.

**SUPPORTERS
SAY:**

CSHB 1888 would give prison officials a useful management tool while generating new revenue for crime victims and the state and supporting the reintegration and rehabilitation of offenders. The bill would ensure that the inmate telephone service would be implemented in a secure way that contributed to crime detection and prevention by taping all calls except those between prisoners and their attorneys.

Currently, eligible inmates in state prisons are allowed one, five-minute collect phone call every 90 days, and offenders in state jails are allowed one five-minute collect call every 30 days. To facilitate these calls, inmates must be escorted individually to a regular phone in a room at a unit and a staff member must remain in the room to monitor the call. This is a labor-intensive practice that pulls correctional officers away from other important duties.

The system to be established under CSHB 1888 would be similar to the ones operated by many county jails in Texas — including jails in all major counties — and by the vast majority of states. Inmate telephone services in these venues have been safely and successfully operated, and there is no reason that TDCJ would have similar results. Texas is the only state that does not operate a pay phone system for its prisoners.

CSHB 1888 would provide a useful prison management tool. Currently phone calls are limited to inmates with good behavior records, and the bill would increase the potential to use phone access as a carrot to induce good behavior because phones in the new system would be placed in common areas, such as day rooms, and inmates would be allowed at least eight calls per month. TDCJ would retain its current authority to decide who had earned the privilege of using the phones.

Access to more telephone calls would help inmates stay in touch with their families. This is especially important for parents who are inmates and need to stay connected to their children, and for elderly or infirm family members who may have trouble traveling to visit an inmate. The charges that families would pay for phone calls would be much less than the costs of gas, food, and lodging incurred by many families visiting inmates.

Maintaining family relationships through phone calls can be a great help for inmates upon reentry into society.

CSHB 1888 would be a new source of revenue for the state, and crime victims especially would benefit from the bill. State revenue from the phones would go first to the crime victims compensation fund for payments to victims and programs that aid victims. The rest would go into the general revenue account. When fully implemented, the system is expected to generate between \$25 and \$30 million in revenue for the state.

The bill could help in the investigation and prosecution of crimes. Other entities with inmate phone systems have used the monitoring function to overhear inmates planning and discussing crimes, which later enabled them to make arrests in the cases. By reducing the demand for cell phones and requiring cell phone detection capabilities, CSHB 1888 also would help reduce incidents of cell phones being smuggled into correctional facilities, a practice that creates a serious security risk.

There are many features in CSHB 1888 to ensure the implementation of a safe, secure phone system that would not be abused to plan crimes or further harm victims. Inmates would be able to call only pre-approved numbers, and the systems would have call forwarding and three-way calling detection capabilities to ensure that calls made to pre-approved numbers were not be forwarded to other numbers. In addition, all calls would be monitored and calls would be restricted to inmates who had earned phone privileges.

The specific requirements in the bill are included to ensure that the system would meet the needs of the state. With current technology, vendors should have no difficulty meeting all of the bill's parameters. Because TDCJ has not used its current authority to implement an inmate pay telephone system, it is appropriate for the Legislature to use HB 1888 to signal its intent that the agency do so.

**OPPONENTS
SAY:**

Increasing inmate access to phones could increase crime and potential harm to victims and others in the outside world. Offenders are experts at exploiting weaknesses in correctional facilities and likely would find ways to use expanded phone access to plan illegal activities.

CSHB 1888 is unnecessary because TDCJ could implement an inmate pay telephone system under its current authority. It would be best to let

corrections professionals make decisions about implementing a phone system and what shape such a system should take. CSHB 1888 contains many specific requirements that might make awarding a contract difficult.

NOTES:

The committee substitute made several changes to the original bill, including changing the minimum contract from five to seven years, eliminating a requirement that the contract must allow for automatic renewal until the vendor's capital was recouped, and adding the requirement that inmates be allowed a minimum of eight, 10-minute calls.

The companion bill, SB 1580 by Van de Putte, passed the Senate on the Local and Uncontested Calendar on April 26 and was reported favorably, without amendment, by the House Corrections Committee on April 30.

According to the Legislative Budget Board, the bill would generate approximately \$15 million for the crime victims compensation fund in fiscal 2008-09.