

Arent Fox

May 10, 2012

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Stephanie A. Joyce

Attorney
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Re: CC Docket No. 96-128, Alternative Rulemaking Proposal of Martha Wright, et al.

Dear Ms. Dortch:

Securus Technologies, Inc. (“Securus”) hereby files, on the attached page, a sample of its current rates for inmate calling services.

Note the broad variation in the calling rates listed on the attachment. This variation in rates is in large part a function of the size of the correctional facility and the volume of inmate calls. Note also that the type of facility — state vs. county — is not necessarily the determinant of call volume: the local and long-distance rates at the Santa Fe County facility are lower than the rates at three of the state facilities listed in the table. For these reasons, it is difficult to derive one calling rate or set of calling rates (local, intrastate long distance, interstate long distance) for the inmate telecommunications industry.

Securus just recently won the service contracts for the Missouri Department of Corrections and the New Mexico Department of Corrections. The calling rates at those facilities are extremely low, which is a function of both the fierce competition for contracts and the new technologies that Securus has invented and deployed in order to increase its economies of scale and decrease its costs of service.¹

Every contract on the attachment but three involves a site commission. In two states, Maryland and Texas, site commissions are imposed by state statutes. We have provided citations to those statutes. For the remaining contracts, excluding New Mexico and Missouri, site commissions were requested in the public bidding process, and now are secured by the express terms of Securus’s contracts with the correctional authorities. In New Mexico, percentage-based site commissions were abolished by a statute enacted in 2001, NMSA 1978 § 33-14-1.

¹ Securus has experienced, however, an increase in overall costs of approximately 16.5% since 2008 due to increased costs of regulatory compliance and the costs associated with billing and collection agreements. CC Docket No. 96-128, Letter from Stephanie A. Joyce to Marlene H. Dortch (Oct. 11, 2011).

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Please do not hesitate to contact me with any questions: 202.857.6081.

Sincerely,

s/Stephanie A. Joyce

Counsel to Securus Technologies, Inc.

Cc: Chairman Julius Genachowski
Michael Steffen, Legal Advisor to Chairman Genachowski
Commissioner Robert McDowell
Christine Kurth, Legal Advisor to Commissioner McDowell
Commissioner Mignon Clyburn
Angela Kronenberg, Legal Advisor to Commissioner Clyburn
Austin Schlick, General Counsel
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Nicholas Alexander – Deputy Division Chief, Pricing Policy Division
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All via electronic mail