STATE OF NEW YORK
DEPARTMENT OF CORRECTIONS AND COMMUNITY SUPERVISION
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July 8, 2013

Mr. Gregory V. Haledjian
Attorney-Advisor
Pricing Policy Division – Wireless Competition Bureau
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Mr. Haledjian:

The New York State Department of Corrections and Community Supervision (DOCCS) welcomes the opportunity to contribute to the Federal Communications Commission's ***Workshop on Reforming Rates for Inmate Calling Services***. The Department has considerable experience within this area and offers the following information for the Commission's consideration.

In 2007 DOCCS eliminated its commissions on inmate calls. Prior to that, DOCCS received a 57.5 percent commission on every completed call. The cost of the call included a connection fee ($1.28 per call) and a per-minute charge ($.16 per minute), resulting in an average 20 minute call costing the family $4.48.[i] These fees became the source of acrimony between the Department and inmate advocacy groups and the focus of a class action lawsuit against the Department and the State of New York.

Amidst heavy scrutiny by the offender advocacy groups regarding the cost of inmate calling, in 2007 the Department worked closely with the Governor and Legislature to pass an inmate calling bill (NY Correction Law 623) that requires the per/minute cost of a call to be the preeminent focus of our inmate phone contract. The statute indicates that "The department shall not accept or receive revenue in excess of its reasonable operating cost for establishing and administering such telephone system services." The statute further requires that the "department {can} establish rules and regulations or departmental procedures to ensure that any inmate phone call system established by this section provides reasonable security measures to preserve the safety and security of each correctional facility, all staff and all persons outside a facility who may receive inmate phone calls."

These provisions of the statute prohibit the Department from collecting commissions from the system, but they do allow the Department to roll its administrative and security expenses (call listening and investigations for example) into the cost of the call. Although the Department is not at present attaching these operational costs to the per-minute price of the call, it may add them in the future.

Today the cost of a 20-minute call for an inmate in DOCCS is $.96. The call rate includes a flat $.048 per minute charge, for both local and long distance calls, with no connection fee.[ii]

The impact of the rate change has been significant. The number of completed calls has risen steadily from 5.4 million in 2006, to what we are projecting to be over 14 million in 2013. It should be noted that this increase appears to have stabilized. Interestingly, the average call duration remains at 20 minutes (see endnote i below).

Operationally, the Department has experienced both benefits and challenges from this approach. The elimination of the commission created an immediate $20 million annual revenue short-fall in the Department's operating budget that had to be addressed. The commission revenue had been used to pay for inmate services related to health care and family visitation. This was addressed by executive budget increases and the elimination of some inmate services.

Clearly, lower phone rates have made calling a more attractive option for inmates as the numbers previously provided indicate. However, it has also made control of the phones a strategic option for gangs and unauthorized groups working inside DOCCS facilities who have sought to extort other inmates by attempting to control access to the phones. This requires vigilant monitoring by DOCCS intelligence staff and at times, intervention by DOCCS security staff.

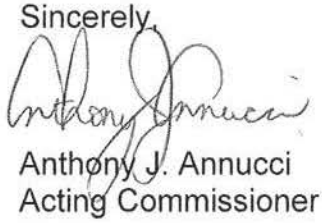
Lower call rates have had benefits for the inmate population. The Department believes that its low calling rates have helped contribute to family reunification, and at less than a nickel per minute, the Call Home Program is among the most cost-effective family reunification options that we offer. Lower rates have also contributed to an improved relationship between the Department and the offender advocacy groups.

The Department believes that a lower calling rate has also contributed to a lower rate of illicit cell phone use by inmates in New York. In 2012, the Department confiscated less than 100 cell phones, compared to over ten thousand annual seizures in comparably-sized correctional systems.[iii]

In conclusion, the Department's experience indicates that inmate calling rates can be reduced substantially if states eliminate their commissions on the calls, and structure competitive bidding processes that ensure that the cost of the call is among the primary attributes of their inmate calling contracts. Moreover, there are significant benefits that can be attributed to lower calling rates that seem to outweigh the operational challenges that also attach to the process.

Thank you for providing the Department with the opportunity to contribute to your Workshop and we look forward to seeing the results of your process.

Sincerely,



Anthony J. Annucci
Acting Commissioner

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[i] 20 minutes is the average length of a call completed on the DOCCS system. This was true in 2006 and is still true in 2013.

[ii] International calling is done under a separate system, per minute rates are higher and are based upon long distance calling rates under a separate state contract. International calling is less than 1 percent of DOCCS inmate call volume.

[iii] Phone rates are a contributing factor, but so too are good security measures for both visitation and perimeter security, adequate training and compensation for line staff, and a zero tolerance policy that does not allow anyone to possess a cell phone inside a New York State prison.