



September 22, 2014

VIA ECFS

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

Stephanie A. Joyce

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Re: Notice of Permitted *Ex Parte* Meeting, WC Docket No. 12-375

Dear Ms. Dortch:

On September 18, 2014, Securus Technologies, Inc. (“Securus”), represented by Richard Smith, Chief Executive Officer, Dennis Reinhold, Vice President and General Counsel, and the undersigned counsel, met with Valery Galasso, Confidential Assistant and Special Advisor to Commissioner Jessica Rosenworcel.

In response to Ms. Galasso’s questions, Securus discussed its view of site commissions and the costs that correctional facilities might incur in making telephones available to inmates. The cost of installing and maintaining equipment always lies with the inmate calling services (“ICS”) provider. Facilities might incur costs, largely personnel costs, involved with escorting inmates to telephones and monitoring calls. They also derive great benefit from permitting ICS carriers to serve inmates in the form of increased inmate morale and maintaining prison order.

Securus emphasized a few of the items outlined in the joint industry proposal filed September 15, 2014, in this docket by counsel for Global Tel*Link Corporation. Most importantly, the certification process will be a vital tool for ensuring compliance with the forthcoming rules. Securus also explained that it is able to propose a unified rate of \$0.20 per minute if the Commission maintains its current rule that site commissions, whether in monetary form or in-kind contributions, cannot be paid out of ICS calling rates. Securus’s cost data, filed July 17, 2014, made no allowance for site commissions of any kind, in compliance with the Commission’s instructions. Accordingly, if the Commission determines that a site commission is appropriate in order to compensate correctional facilities for their costs incurred in connection with making telephones available to inmates, then the proposed \$0.20 per-minute rate likely must be increased, depending upon the amount of such commission.

With regard to “ancillary fees”, Securus reiterated the proposal contained in the September 15 letter. The proposal would eliminate the several kinds of fees listed in the Attachment to that letter, would cap current Funding Fees for a three-year period, and would permit an 8%

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Validation Fee on ICS calls to cover the costs of all of the types of call validation that ICS providers must perform in order to ensure call security. Existing fees for Premium Payment Options would remain in place.

Were the Commission to eliminate Funding Fees and reject the proposed 8% Validation Fee, Securus explained, ICS carriers must recoup the direct costs of funding transactions and call validation through another means. For example, an additive rate of \$0.05 per minute on ICS calls would likely enable providers to recover these direct costs.

This disclosure is made in compliance with 47 C.F.R. § 1.1206(a)(1).

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

Sincerely,

s/Stephanie A. Joyce

Counsel to Securus Technologies, Inc.

Cc: Valery Galasso, Legal Advisor to Commissioner Clyburn
Pamela Arluk, Acting Chief, Pricing Policy Division, Wireline Competition Bureau
Lynne Engledow, Acting Deputy Division Chief, Pricing Policy Division, Wireline
Competition Bureau
All via electronic mail