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January 12, 2015

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: WC Docket No. 12-375
Comments re Second Further Notice of Proposed Rulemaking ¶¶ 5-6,
47-48, intrastate phone call regulation

We commend the Federal Communications Commission on its powerful 2013 regulation of interstate phone rates and urge the Commission to now tackle in-state rates; it is now the obvious and necessary next step to take.

Since the 2013 order took effect in February 2014, the price of keeping in touch with incarcerated loved ones across state lines has fallen, but not for those making in-state calls. The FCC is succeeding at interstate regulation, and now it's time to expand those regulations to the rest of the calls. Interstate-only regulation has left vast expanses of the market unregulated. As a result:

1. In-state calls account for 92% of all domestic calls in the prison and jail phone market.
2. Rates for in-state calls remain high. Even as interstate rates have dropped in response to the Commission's regulation, companies are increasing high rates for in-state calls.
3. The current patchwork leads to illogical and inequitable outcomes. It now costs less to call someone incarcerated across the country than if they are in a jail just a few towns over.

92% of calls still unregulated

Based on our analysis of Global Tel*Link's data submissions to the Commission, we estimate that 92% of domestic calls are in-state calls.¹ The

¹ Global Tel*Link reported the number of local, state intra-LATA, state inter-LATA, interstate, and international revenue calls across 4 sizes of jails and 3 sizes of prisons for both debit and prepaid calls for 2012. By adding up all of the figures, we were able to determine that 91.95% of all domestic calls and 89.2% of all calls are in-state in-nature. It would appear that 3% of Global Tel*Link's calls in 2012 were international in nature, although there was tremendous variation between the facility types and sizes, leading us to believe that some of GTL's categories may have a large number of immigration detainees. Global Tel*Link, "Redacted-For Public Inspection, WC Docket 12-375, Global Tel*Link Corporation Response To One-Time Mandatory Data Collection", August 22, 2014, available at <http://apps.fcc.gov/ecfs/document/view?id=7521805461>.

vast majority of calls from prison and jail, therefore, are still unregulated, leaving families' ability to afford keeping in touch with their incarcerated loved ones subject to the whims of the companies.

High costs prevail on in-state calls

Phone rates for in-state calls reach at least \$30, far higher than the \$17-18 calls that prompted your regulation of the interstate rates.

In California, for example, we found that a call from the La Verne City Jail to an in-state number bears a connection fee of \$12.59 and a per minute charge of \$1.15, amounting to \$29.84 for a 15 minute call.² And in Texas, calls from the Terrell County Jail or the Pecos Justice Center to in-state numbers have \$13.56 connection fees and a \$1.15 per minute charge, totaling \$30.81 for a 15 minute call.³

These exorbitant rates clearly warrant FCC intervention and demonstrate that the market cannot be left unregulated.

Illogical patchwork

As the comment⁴ of one family member illustrates, the FCC's failure to regulate intra-state calls even makes its regulation of *interstate* calls ineffective. A mother explains:

My son has been incarcerated in the Hays County Jail in Texas since January of 2014. I live in Rhode Island, but Securus Technologies still charges me \$10.99 for a 15-minute call with my son. I lived in Texas for 12 years, and obtained my cell phone number (my only phone) there, so I have a Galveston, Texas area code (409), which, in the hands of Securus, results in these high rates. But if I had a RI area code (401) on my phone, I would be paying a much more reasonable rate of \$3.15 for 15 minutes.

As long as an incomplete patchwork of regulation remains, prison and jail phone companies will continue to thread the needle in order to charge as much as possible.

² Based on Legacy's rate quotes provided through their website, attached as Exhibit 1.

³ Based on Legacy's rate quotes provided through their website, attached as Exhibits 2 and 3.

⁴ Comment of Joanne Jones, January 8, 2015, available at <http://apps.fcc.gov/ecfs/document/view?id=60001012334>

Conclusion and Recommendation

The FCC has acknowledged and addressed these abuses in the interstate market. But the problem persists where intra-state rates remain unregulated; intervention is still needed. The FCC should extend all interstate regulation to intra-state calls.

Sincerely,

A handwritten signature in black ink, appearing to read 'PWagner', with a stylized, cursive script.

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A handwritten signature in black ink, appearing to read 'Aleks Kajstura', with a stylized, cursive script.

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