

NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES

Resolution 2017-06

URGING THE STATES TO REGULATE THE PRICING
OF INTRASTATE INMATE CALLING SERVICES

Whereas, the pricing for inmate calling services has, in most instances, long been unjust and unreasonable;¹ and

Whereas, this unjust and unreasonable pricing is due to the absence of competitive choices for callers;² and

Whereas, the Federal Communications Commission has concluded it lacks jurisdiction over intrastate inmate calling services;³ and

Whereas, most of the calls made by inmates are intrastate calls;⁴ and

Whereas, there is therefore compelling reason for the states to regulate the pricing of intrastate inmate calling services;

Now, therefore, be it resolved, that NASUCA urges the states to regulate the pricing of intrastate inmate calling services including intrastate calls placed from local, state and federal correctional facilities; and

Be it further resolved, that NASUCA authorizes its Executive Committee to develop specific positions and to take appropriate actions consistent with the terms of this resolution. The Executive Committee shall advise the membership of any proposed action prior to taking such action, if possible. In any event, the Executive Committee shall notify the membership of any action taken pursuant to the resolution.

Submitted by the Telecommunications Committee

Approved by the Membership June 5, 2017

Denver, Colorado

Abstaining:

Nebraska

Tennessee

Maine

¹“For families, friends, clergy, and attorneys to the over 2 million Americans behind bars and 2.7 million children who have at least one parent behind bars, maintaining phone contact has been made extremely difficult due to prohibitively high charges on those calls. Family members report paying egregious amounts, adding up to hundreds of dollars each month, just to stay connected to incarcerated spouses, parents and children. For over a decade, they have pleaded with this agency for help fighting these excessive and unaffordable phone charges.” *In the*

Matter of Rates for Interstate Inmate Calling Services, FCC 15-136, 30 F.C.C.R. 12763 (FCC 2015), ¶ 1 (footnotes omitted).

²While the Commission prefers to rely on competition and market forces to discipline prices, there is little dispute that the ICS [inmate calling services] market is a prime example of market failure. Market forces often lead to more competition, lower prices, and better services. Unfortunately, the ICS market, by contrast, is characterized by increasing rates, with no competitive pressures to reduce rates. With respect to the consumers who pay the bills, ICS providers operate as unchecked monopolists. The record indicates that, absent regulatory intervention, ICS rates and associated ancillary fees likely will continue to rise. *Id.*, ¶ 2 (footnotes omitted).

³See Letter dated Jan. 31, 2017, from David M. Gossett, FCC Deputy General Counsel, to Mark J. Langer, Clerk, U.S. Court of Appeals, D.C. Circuit, *Globel TelLink v. FCC*, No. 15-1461 & consolidated cases.

⁴*In the Matter of Rates for Interstate Inmate Calling Services*, note 1 above, ¶ 7 (“over 80 percent of calls to and from correctional facilities are intrastate”).