**Before the**

Federal Communications Commission

Washington, D.C. 20554

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| In the Matter of  Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities  Structure and Practices of the Video Relay Service Program | **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)** | CG Docket No. 03-123  CG Docket No. 10-51 |

Order

**Adopted: July 7, 2025 Released: July 7, 2025**

By the Chief, Consumer and Governmental Affairs Bureau:

# Introduction

1. In this Order, the Consumer and Governmental Affairs Bureau (CGB or Bureau) of the Federal Communications Commission (Commission) establishes the total funding requirement and contribution factors for the Interstate Telecommunications Relay Services (TRS) Fund for the period July 1, 2025, through June 30, 2026 (Fund Year 2025-26). These contribution factors determine the amounts that telecommunications carriers and other covered service providers must contribute to the Fund. Based on the compensation formulas set in a recent Bureau order,[[1]](#footnote-3) projected demand for each service, projected Fund administration expenses, and application of the projected carryover balance from the previous Fund year, the net funding requirement is $1,479,568,862, a reduction of $11 million over the prior fund year. For support of TRS provided through state programs, we approve a carrier contribution factor of 0.00025, applied to contributors’ interstate and international end-user revenues.[[2]](#footnote-4) For support of Internet-based TRS—IP CTS, IP Relay, and VRS—we approve a carrier contribution factor of 0.02086, applied to contributors’ intrastate, interstate, and international end-user revenues.[[3]](#footnote-5)

# Background

1. On April 30, 2025, the TRS Fund administrator, Rolka Loube Saltzer Associates LLC (Rolka Loube), submitted to the Commission an annual report on the TRS Fund with recommendations for provider compensation, the TRS Fund budget, and contribution factors for the 2025-26 Fund Year.[[4]](#footnote-6) On May 22, the Bureau sought comment on the administrator’s recommendations.[[5]](#footnote-7) On June 6, the Commission received comments from Hamilton Relay, Inc. (Hamilton) and the Small Company Coalition.[[6]](#footnote-8)On June 9, Rolka Loube submitted to the Commission a Supplemental Report that updates the figures for IP CTS CA demand, IP CTS CA supplemental demand, the projected Fund balance, anticipated intrastate and interstate revenues, and the analog and IP-based contribution factors.[[7]](#footnote-9) On July 1, the Bureau released an Order approving compensation rates for each form of TRS for Fund Year 2025-26.[[8]](#footnote-10) The Bureau stated that it would shortly issue an order addressing the total TRS funding requirements and contribution factors for the new Fund Year.[[9]](#footnote-11)

# Funding Requirement and Carrier Contribution Factors

1. To calculate the annual net funding requirement, the Fund administrator sums the projected payments to TRS providers for each form of TRS (determined by multiplying the proposed compensation plan formula for each service category by the projected minutes of use for that category), adds administrative overhead, other funding requirements, and a budgetary reserve, and subtracts the projected carryover balance from the previous Fund Year.[[10]](#footnote-12)
2. *Projected Demand and Payments*. For traditional TRS, STS, and CTS, Rolka Loube projects demand using recent historical data, an approach that has provided reasonably accurate results for these services.[[11]](#footnote-13) For IP Relay, VRS, and IP CTS, Rolka Loube takes as a starting point the providers’ aggregate demand projections for 2025-26, which in recent years have generally produced reasonably accurate results.[[12]](#footnote-14) For IP Relay, Rolka Loube adjusts the demand projections downward, concluding that the demand projections of two providers recently certified to offer IP Relay were overly optimistic.[[13]](#footnote-15) For VRS, Rolka Loube uses a weighted average of the providers’ demand projections, without adjustment, to calculate the compensation requirement.[[14]](#footnote-16) For IP CTS, Rolka Loube accepts the providers’ projections for CA-assisted IP CTS and assumes all CA-assisted minutes will qualify for the CA supplemental rate.[[15]](#footnote-17) For ASR-only IP CTS, Rolka Loube adjusts a portion of the demand projections downward to better align with the service trends it has observed.[[16]](#footnote-18) No commenter disputes Rolka Loube’s projections.
3. We find that the demand projections for traditional TRS, STS, CTS, and IP Relay are reasonably reliable for budgeting purposes. Therefore, we approve Rolka Loube’s proposed provider compensation requirements for relay services that use the MARS methodology—traditional TRS, STS, and CTS—which total $8,054,990.[[17]](#footnote-19) We also approve the proposed provider compensation requirements for IP Relay, totaling $11,275,168.[[18]](#footnote-20)
4. Regarding VRS, we accept most of the demand projections submitted by Rolka Loube. However, we note that the administrator adjusts projected demand for IP Relay and ASR-only IP CTS—but not VRS—to address what it considers to be overly optimistic growth projections by newly authorized providers.[[19]](#footnote-21) We find that a similar type of adjustment is also warranted for the projected VRS minutes subject to the small-provider rate,[[20]](#footnote-22) which include demand projections by two recently authorized VRS providers, as these projections are similarly likely to be overly optimistic. Based on the current demand trend for VRS,[[21]](#footnote-23) we conclude that a reasonably reliable projection of aggregate demand for small-provider minutes is approximately 29% lower than the providers’ aggregate projection, resulting in a modified small-provider funding requirement of $46,588,840 and an overall VRS funding requirement of $660,660,436.
5. Regarding IP CTS as well, we accept most of the demand projections submitted by Rolka Loube. However, the administrator’s projections assume that all CA minutes will qualify for the supplementary compensation rate of $0.22 per minute,[[22]](#footnote-24) an add-on rate that is applied to those IP CTS minutes handled by CAs whose wages are at least $17.78 per hour.[[23]](#footnote-25) Rolka Loube states that this was done “to ensure sufficient monies are in the Fund to meet obligations.”[[24]](#footnote-26) We conclude that the two-month payment reserve is sufficient for that purpose. Therefore, we reduce the projected demand for IP CTS subject to the supplementary compensation rate to a level that appears more likely, representing 70% of the total projected demand for CA-assisted IP CTS. This results in a modified IP CTS funding requirement of $787,473,731.
6. *NDBEDP and Fund Administration*. In addition to projected payments for TRS, Rolka Loube includes in its proposed funding requirement a $10,000,000 funding allocation for the National Deaf-Blind Equipment Distribution Program (NDBEDP).[[25]](#footnote-27) Rolka Loube recommends a total of $30,079,185 for Fund administrative costs, including allowances for research and number administration contracts; data collection, validation, and maintenance; Fund administration and the TRS Fund Advisory Council; service provider audits; an independent financial audit of the Fund; an information security audit; and various reporting obligations.[[26]](#footnote-28) No party disputes the inclusion or calculation of the Fund administration costs. We find the recommendation to be fair and consistent with prior year Fund administrative expenses.[[27]](#footnote-29)
7. *Payment Reserve*. In its report, in keeping with prior practice, Rolka Loube recommends that funding requirements include a two-month payment reserve, totaling $257,710,730.[[28]](#footnote-30) Hamilton supports this recommendation.[[29]](#footnote-31) The Small Company Coalition raises questions as to the need for a payment reserve and how the reserve is calculated.[[30]](#footnote-32) As Hamilton notes, the payment reserve is intended to ensure there is sufficient funding to pay for TRS minutes that will be provided in May and June of 2026, and for which compensation will be owed but payment not due until July and August, after the start date of the following Fund Year.[[31]](#footnote-33) The reserve reflects the practice of budgeting demand to ensure the TRS Fund administrator is able to meet all payment obligations that will be incurred in the new TRS Fund Year, including obligations for which, by necessity, payments cannot occur until the first two months of the following year.[[32]](#footnote-34) The payment reserve also serves as a reasonable precautionary measure to guard against the possibility of unanticipated demand for TRS, which can unexpectedly increase the need for Fund payments in the course of the Fund Year.[[33]](#footnote-35) To the extent that it goes unused, the payment reserve is not wasted. Rather, the remaining portion is turned over for use in the next Fund Year.[[34]](#footnote-36) Therefore, we approve the use of a two-month reserve. However, we modify the total amount of the reserve to be $250,025,352, reflecting the somewhat reduced demand estimates for VRS and IP CTS, as discussed above.
8. *Gross and Net Funding Requirements*. With the adjustments discussed above, we approve a gross funding requirement of $1,757,568,862. Rolka Loube anticipates that there will be a carryover balance from the current Fund Year, estimated at approximately $278,000,000,[[35]](#footnote-37) which is deducted from the funding requirement when determining the contribution factors.[[36]](#footnote-38) Deducting the carryover Fund balance of $278,000,000, the net funding requirement is $1,479,568,862.
9. *Contribution Factors*. In the report, Rolka Loube proposed contribution factors for TRS Fund Year 2025-26—0.02137 for Internet-based TRS and 0.00025 for non-Internet-based TRS.[[37]](#footnote-39) The contribution factor for Internet-based TRS, applicable to contributors’ intrastate, interstate, and international end-user revenues, is the ratio of the estimated IP CTS, VRS, and IP Relay funding requirements to the total intrastate, interstate, and international end-user revenues for the prior calendar year.[[38]](#footnote-40) The contribution factor for non-Internet-based TRS, which is applicable to interstate and international end-user revenues, is the ratio of the estimated funding requirement for interstate, non-Internet-based TRS to total interstate and international end-user revenues for the prior calendar year. Hamilton supports the adoption of the contribution factors.[[39]](#footnote-41) We find that Rolka Loube’s calculation of the contribution factor for non-Internet based TRS is accurate and approve the contribution factor. We modify the contribution factor for Internet-based TRS to 0.02086, which aligns with the changes to the demand estimates and required revenue for VRS and IP CTS, as discussed above.

# Procedural Matters

1. *Accessible Materials.* To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer and Governmental Affairs Bureau at 202-418-0530.

# Ordering Clauses

1. Accordingly, IT IS ORDERED, pursuant to section 225 of the Communications Act of 1934, as amended, 47 U.S.C. § 225, and sections 0.141, 0.361, 1.3 and 64.604(c)(5)(iii) of the Commission’s rules, 47 CFR §§ 0.141, 0.361, 1.3, 64.604(c)(5)(iii), that this ORDER IS hereby ADOPTED.
2. IT IS FURTHER ORDERED that the net TRS Fund revenue requirement for Fund Year 2025-26 shall be $1,479,568,862, and the TRS Fund contribution factors shall be 0.00025 for non-Internet-based TRS and 0.02086 for Internet-based TRS.
3. IT IS FURTHER ORDERED that, pursuant to section 1.102(b)(1) of the Commission’s Rules, 47 CFR § 1.102(b)(1), this Order is effective upon release.

FEDERAL COMMUNICATIONS COMMISSION

Eduard Bartholme, Acting Chief

Consumer and Governmental Affairs Bureau

1. *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Structure and Practices of the Video Relay Service Program*, CG Docket No. 03-123 and 10-51, Order, DA 25-571 (CGB July 1, 2025) (*2025 TRS Compensation Order*). [↑](#footnote-ref-3)
2. *See* 47 CFR § 64.604(c)(5)(iii)(A)(i). [↑](#footnote-ref-4)
3. *See id*. § 64.604(c)(5)(iii)(A)(ii). [↑](#footnote-ref-5)
4. Rolka Loube Saltzer Associates LLC, Interstate Telecommunications Relay Services Fund: Payment Formula and Fund Size Estimate, CG Docket Nos. 03-123 and 10-51 (filed Apr. 30, 2025), <https://www.fcc.gov/ecfs/document/‌10506166960326/1> (2025 TRS Fund Report). Each May, the Fund administrator recommends TRS payment formulas and revenue requirements for the next Fund Year. 47 CFR § 64.604(c)(5)(iii)(E), (H). [↑](#footnote-ref-6)
5. *TRS Fund Administrator Submits* *Payment Formulas and Funding Requirements for the Telecommunications Relay Services Fund*, CG Docket No. 03-123, Public Notice, DA 25-408 (CGB May 22, 2025) (*2025 TRS Report Public Notice*). [↑](#footnote-ref-7)
6. Hamilton Relay, Inc. Comments, CG Docket Nos. 03-123 and 10-51 (rec. June 6, 2025) (Hamilton Comments); Small Company Coalition Comments, CG Docket Nos. 03-123 and 10-51 (rec. June 6, 2025) (Small Company Coalition Comments). [↑](#footnote-ref-8)
7. Rolka Loube Saltzer Associates LLC, Interstate Telecommunications Relay Service Fund Payment Formula and Fund Size Estimate Supplemental Report, CG Docket Nos. 03-123 and 10-51 (filed June 9, 2025). <https://www.fcc.‌gov/‌ecfs/search/search-filings/filing/106102067923415> (2025) (TRS Fund Report Supplement). [↑](#footnote-ref-9)
8. *2025 TRS Compensation Order*, DA 25-571. [↑](#footnote-ref-10)
9. *Id*. at 1, para. 1. [↑](#footnote-ref-11)
10. *See*2025 TRS Fund Report at 11, 21-22; *see also* 47 CFR § 64.604(c)(5)(iii)(H). [↑](#footnote-ref-12)
11. 2025 TRS Fund Report at 10-11. For traditional TRS and CTS, Rolka Loube used logarithmic forecasting methodologies based on the historical demand. *Id*. at 10. For STS, Rolka Loube calculated demand as the five-year average of historical demand form 2020 through 2024. *Id*. [↑](#footnote-ref-13)
12. *Id*. at 21; 2025 TRS Fund Report Supplement at 5-6. [↑](#footnote-ref-14)
13. 2025 TRS Fund Report at 14, 21. [↑](#footnote-ref-15)
14. *Id.* [↑](#footnote-ref-16)
15. *Id.* at 14-15, 21. [↑](#footnote-ref-17)
16. *Id*. at 21. [↑](#footnote-ref-18)
17. 2025 TRS Fund Report Supplement at 6, Exh. 2. [↑](#footnote-ref-19)
18. *Id*. [↑](#footnote-ref-20)
19. 2025 TRS Fund Report at 21. [↑](#footnote-ref-21)
20. *See* 2025 TRS Fund Report Supplement, Exh. 2. The small-provider rate is also known as the “Emergent Tier.” [↑](#footnote-ref-22)
21. *See* 2025 TRS Fund Report, Exh. 1-4.a. [↑](#footnote-ref-23)
22. *Id*. at 21; 2025 TRS Fund Report Supplement, Exh. 2. [↑](#footnote-ref-24)
23. 2025 TRS Compensation Order at 4-5, para. 10. [↑](#footnote-ref-25)
24. 2025 TRS Fund Report at 21. [↑](#footnote-ref-26)
25. *Id*. at 22; *see also* 47 CFR §§ 64.6201-6219. [↑](#footnote-ref-27)
26. 2025 TRS Fund Report Supplement, Exh. 2; *see also* 2025 TRS Fund Report at 22-23. [↑](#footnote-ref-28)
27. *See, e.g., Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Structure and Practices of the Video Relay Service Program,* CG Docket Nos. 03-123 and 10-51, 36 FCC Rcd 10194,10201, para. 19 (2021); *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Structure and Practices of the Video Relay Service Program*, CG Docket Nos. 03-123 and 10-51, Order, 35 FCC Rcd 6649, 6658, para. 23 (CGB 2020) (*2020 TRS Compensation Order*); *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Structure and Practices of the Video Relay Service Program*, CG Docket Nos. 03-123 and 10-51, Order,, 34 FCC Rcd 5171, 5181-82, para. 24 (CGB 2019); *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Structure and Practices of the Video Relay Service Program*, CG Docket Nos. 03-123 and 10-51, Order, 33 FCC Rcd 6300, 6306-07, para. 18 (CGB 2018). [↑](#footnote-ref-29)
28. 2025 TRS Fund Report at 22; 2025 TRS Fund Report Supplement at 6 & Exh. 2. [↑](#footnote-ref-30)
29. Hamilton Comments at 6. [↑](#footnote-ref-31)
30. Small Company Coalition Comments at 2. [↑](#footnote-ref-32)
31. Hamilton Comments at 6; *see also* 2025 TRS Fund Report at 4. [↑](#footnote-ref-33)
32. *See* *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Structure and Practices of the Video Relay Service Program*, CG Docket No. 03-123 and 10-51, Order, 29 FCC Rcd 8044, 8053, para. 23 (2014). [↑](#footnote-ref-34)
33. *See* *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Misuse of Internet Protocol (IP) Captioned Telephone Service*, CG Docket Nos. 03-123 and 13-24, 28 FCC Rcd 707, n.20 (2013) (discussing that the Anti-Deficiency Act, 31 U.S.C. § 1341(a)(1)(A), provides that an officer or employee of the federal government may not make or authorize an expenditure or obligation exceeding an amount available in an appropriation or fund for the expenditure or obligation). On a number of occasions, collection of a payment reserve has proven to be necessary to ensure that TRS Fund obligations are paid, i.e., where the Fund balance at the end of a Fund Year has been lower than the amount of the payment reserve collected from contributors during that Fund Year. Absent the collection of a reserve in those years, the Fund would have been insufficient. *See, e.g.*, *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Structure and Practices of the Video Relay Service Program*, Order, 38 FCC Rcd 6058, 6065-66, para. 22 (adopting a payment reserve of $306,929,538 for Fund Year 2023-24); *Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*; *Structure and Practices of the Video Relay Service Program*, Order, 39 FCC Rcd 6774, 6780 , para. 19 (noting an estimated Fund balance of $200,000,000 remaining at the end of Fund Year 2023-24). [↑](#footnote-ref-35)
34. *See* 47 CFR § 64.604(c)(5)(iii)(B). [↑](#footnote-ref-36)
35. 2025 TRS Fund Report Supplement at 6, Exh. 2. [↑](#footnote-ref-37)
36. 2025 TRS Fund Report at 22; 2025 TRS Fund Report Supplement, Exh. 2 (updating the gross funding requirement). [↑](#footnote-ref-38)
37. 2025 TRS Fund Report at 23-24; 2025 TRS Fund Report Supplement at 7-8, Exh. 2 (updating the contribution factors). [↑](#footnote-ref-39)
38. 2025 TRS Fund Report at 23-24. [↑](#footnote-ref-40)
39. Hamilton Comments at 6. Hamilton also encourages the Commission to explore other methods of expanding the TRS contribution base generally to continue keeping the contribution factors low. *Id.* [↑](#footnote-ref-41)