



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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FCC TAKES ACTION TO PROTECT AND SUSTAIN VITAL SERVICE FOR THE DEAF *Commission Votes Unanimously on Immediate and Long-Term Approaches*

Washington, DC -- The Federal Communications Commission has taken two actions to protect and ensure the sustainability of a vital service for persons with hearing or speech disabilities. This service, called Video Relay Service (VRS), allows persons with these disabilities to use American Sign Language (ASL) to communicate with friends and family and to conduct business in near real time. The Commission's two unanimous votes – one to begin a fresh look at the VRS program, and another that sets out how VRS companies will be compensated during the next year while the review is underway – will protect a program that has developed through two decades of work initiated by the Americans With Disabilities Act (ADA).

Twenty years ago, the ADA established a fund, under the FCC's oversight, to ensure that persons with hearing or speech disabilities could use special telephone services at costs comparable to those that hearing people pay for regular telephone service. Today, the VRS service supported by that fund has become an essential part of the lives of people who have hearing or speech disabilities.

Recently, the fund that supports VRS has been threatened on two fronts. A number of individuals associated with VRS companies have been indicted for fraud and abuse of the system; they appear to have generated extra revenue from calls that were not legitimate uses of the fund. In addition, recent data has shown that the payments from the Fund to VRS companies were on a higher scale than the FCC intended, because they were based on cost estimates that turned out to be far higher than VRS companies' actual costs.

The Commission has now set interim levels for payments to VRS companies for the year July 2010 through June 2011. The FCC estimates that these new compensation levels, together with steps that have been taken to reduce fraud, will save the fund about \$275 million over last year's estimated costs. The FCC has worked with the Department of Justice to identify companies that may have acted fraudulently, and the number of questionable charges has already dropped as a result. The savings from reduced fraud and new payment levels will benefit American ratepayers, who support the fund through charges on their telephone bills.

At the same time, the Commission has released a Notice of Inquiry asking fundamental questions about the ways that the market for VRS should be structured and how companies that

provide VRS should be compensated. Together, the Commission's two actions today help put the future of VRS on a solid and sustainable course.

"Video relay service has greatly improved life for people who are deaf or hard of hearing and their friends and families," said Joel Gurin, Chief of the Consumer and Governmental Affairs Bureau of the FCC, which oversees access to communications services for persons with disabilities. "The Commission's actions will help ensure the continuity of this essential service while also ensuring that ratepayers are not overcharged. The Notice of Inquiry will begin an in-depth process to review the entire structure of the VRS program and ensure its long-term viability."

The Commission expects to complete the Notice of Inquiry proceeding before Fund year 2011-12, which begins on July 1, 2011. The Commission also adopted compensation rates for July 2010 through June 2011 for all other forms of TRS paid from the fund.

Action by the Commission June 28, 2010, by Notice of Inquiry (FCC 10-111) and Order (FCC 10-115).

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CG Docket 10-51

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