



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

August 5, 2010

The Honorable Jim Matheson
U.S. House of Representatives
2434 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Matheson:

Thank you for your letter regarding the reimbursement rate for Video Relay Service (VRS). I share your support for VRS, which has become a critical communications tool for many who are deaf or hard of hearing.

On June 28, 2010, the Commission unanimously adopted two items to address immediate and long-term approaches for sustaining the vital Telecommunications Relay Services, of which VRS is one form. In an *Order*, the Commission sets interim VRS rates for the July 1, 2010 – June 30, 2011 period at \$6.2390 for Tier I, \$6.2335 for Tier II, and \$5.0668 for Tier III. These rates represent the average of the current tiered rates and NECA's proposed rates based on actual, historical costs. The *Order* notes that these rates also reflect a balance between the goal of ensuring that VRS providers recover from the VRS Fund only the reasonable costs caused by their provision of VRS and the goal of ensuring quality and sufficient service during a one-year period.

The other item adopted on June 28 is a *Notice of Inquiry* to take a fresh look at the VRS rules with an eye to ensuring that this vital program remains effective, efficient, and sustainable in the future. The *Notice* poses questions that delve into many cost and reimbursement related issues, seeking to make the program less susceptible to the waste, fraud, and abuse that have plagued the current program. Bringing clarity and predictability to VRS compensation is high on the Commission's list of priorities, and we will resolve this proceeding as expeditiously as possible. I am enclosing a copy of the Commission's News Release for your information.

I appreciate your continuing interest in this very important matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Julius Genachowski".

Julius Genachowski