

**STATEMENT OF
ACTING CHAIRWOMAN MIGNON CLYBURN**

Re: *Rates for Interstate Inmate Calling Services*, WC Docket No. 12-375

For ten years, family, friends and legal representatives of inmates have been urging the courts and waiting for the FCC to ease the burden of an exorbitant inmate calling rate structure. Their wait is at long last over. Borrowing from a 1964 anthem inspired by challenges of his time, the immortal songwriter Sam Cooke sang that it's been a long, long time in coming, but change has finally come.

Today's Order reforms the rates and charges for interstate inmate calling services and provides immediate and meaningful relief, particularly for low income families across this nation. This Order fulfills our obligation to ensure just, reasonable and fair phone rates for all Americans, including the millions with loved ones in prison.

This all began with one Washington, D.C. grandmother, Mrs. Martha Wright, who spoke truth to power in 2003, and reminded us that one voice can still spur a movement and drive meaningful change.

Mrs. Wright once talked with her grandson Ulandis, who is here with us today, a couple of times a week, about 15 minutes each call. For this minimal contact she often paid more than \$100 a month – no small change for a retired nurse. In 2003, she filed a petition with the FCC asking for help. Others who were paying a high toll for interstate inmate calls would follow her lead and after many twists and turns – we are finally here.

I am happy that Mrs. Wright's grandson and many of her fellow petitioners are our special guests today. Millions will benefit from your perseverance and your willingness to take a stand. Thank you for seeing us through to this important day.

Mrs. Wright's story and those of many others reveal many common themes that illustrate why the change we put forth is so very necessary. Too often, families are forced to choose between spending scarce resources to stay in touch with their loved ones or covering life's basic necessities. One family member described how communicating with her husband is a "great hardship," but that the few minutes that they are able to talk each week, "have changed his life." Another parent told us how he has spent significant amounts of money to receive collect calls from his son -- calls that he "cannot afford," but accepts because his son's "emotional health and survival in prison is important" to him.

And, just yesterday, I spoke with Monalisa Johnson, a woman I met behind the stage at the Urban League convention. You see, nine months ago her daughter began serving a 10-year sentence in Georgia, and now the "new line item" in Ms. Johnson's monthly budget includes a \$600 per month charge to stay in touch from New York. She pays \$21 for a 15-minute call, which she describes as "highway robbery."

We've heard from inmates – many of whom are concerned about the financial burden that calling their parents, significant others, and children can impose. Too often, they are unable to make a simple phone call on birthdays and other special occasions and from these stories and thousands more we have learned just how much of a difference telephone contact can make. As one inmate said: “To be able to actually hear your loved ones helps to strengthen the relationship...unlike any letter that one can write.”

These are not isolated anecdotes.

There are 2.7 million children with at least one parent in prison and they often want and need to maintain a connection. In addition to coping with the anxiety associated with a parent who is not there on a daily basis, these young people are often suffering severe economic hardships, which are exacerbated by unaffordable inmate calling costs.

In the meantime, 700,000 inmates are released from correctional facilities each year. It's critical for them to have strong support structures in order to re-assimilate successfully. Studies have shown that having meaningful contact beyond prison walls can make a real difference in maintaining community ties, promoting rehabilitation, and reducing recidivism. Making these calls more affordable can facilitate all of these objectives and more.

So how much money are we really talking about? We've learned that rates can be as high as \$17 for a 15-minute call, and that inmates can pay as much as a \$4 connection charge *each* time and that calls made to or coming from one who is deaf or hard of hearing can and are often even more expensive. For families on a fixed income or barely struggling to get by, personal engagement is much too often beyond reach.

But today's Order takes action. It requires interstate rates to be cost-based. In other words, rates and other charges to and from these facilities will be tied to the actual costs of providing inmate calling service. The Order sets forth a framework that provides for immediate relief from high long distance phone rates.

We adopt interim interstate rate caps and safe harbors to provide relief without delay to families from exorbitant rates while permitting providers to secure reasonable compensation. This Order will reduce rates that may run from over \$17 to a maximum cap of \$3.75. The rate structure we adopt is grounded in the record, based on data that include security costs, yields fair compensation to providers, and provides to these families the just and reasonable rates that this Commission is charged with ensuring under the Communications Act.

All rates and charges, including ancillary charges must be based on the provider's actual costs. Those in violation of this requirement could be subject to enforcement and required to provide refunds to consumers.

Today's Order takes a measured but firm approach to reform. We also make clear that site commissions are not related to the cost of providing inmate calling services, and therefore cannot be included in the interstate rate. We also address related practices that drive up rates and make it difficult for families and friends to communicate.

At the same time, this Order recognizes and puts measures in place to ensure that security is not compromised. Inmate calling services require additional security to prevent inmates from using phones to break the law or violate facility rules. Tying rates to actual costs is fair, is guided by the law and will provide significant financial relief for families without sacrificing the requisite security protocols.

I am also pleased that today's Order takes steps toward future reforms. First, the reform includes a mandatory data collection that will enable the Commission to refine these interim rates going forward and to take additional action, including ensuring that rates for intrastate calls are just, reasonable and fair. And, through our Further Notice, we will collect information to determine how to best move forward on additional reforms, including for deaf and hard of hearing communities.

I would like to thank the many Members of Congress for their attention to this issue and our partners in the states, who have provided us with valuable examples of their own reforms. Thank you to my colleagues for their expedited consideration of this Order, and a special thank you to Commissioner Rosenworcel for her support on this important milestone.

Finally, thank you to the Wireline Competition Bureau, in coordination with the Office of General Counsel, as well as other Offices and Bureaus for your tireless work on this item. These dedicated public servants, truly went above and beyond the call of duty, working long nights (well after the air conditioning went off), weekends, sacrificing quality time with their family and friends, including: Julie Veach, Pam Arluk, Larry Barnes, Randy Clarke, Robin Cohn, Lynne Engledow, Doug Galbi, Victoria Goldberg, Kalpak Gude, Greg Haledjian, Derian Jones, Melissa Kirkel, Rhonda Lien, Travis Litman, Eric Ralph, Deena Shetler, Jamie Susskind, Don Sussman, David Zesiger, Sean Lev, Suzanne Tetreault, Diane Griffin Holland, Marcus Maher, Rick Mallen, Claude Aiken, Larry Schecker, Jim Carr, Nick Alexander, and Rosemary McEnergy. I would like to thank my staff, especially Rebekah Goodheart. I am grateful to you for seeing this through, and Angie Kronenberg, formerly of my office, who passed to Rebekah an incredibly stable baton.

But the most important people in the room for me today are the petitioners and their families, led by Mrs. Martha Wright. Because of your courage and persistence, millions of families across the country, will soon realize more just and reasonable rates.

And to you, those hundreds of persons in at least five cities across this nation, participating in watch parties organized by the campaign for Prison Phone Justice, and thousands more who worked for and will forever benefit from today's action, we thank you.

It's been a long time in coming, not in time to directly benefit Mrs. Wright, but a change has finally come. Thank you.