

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Structure and Practices of the Video Relay Service Program*, CG Docket No. 10-51;
Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123

With the end of the four year glide path for Video Relay Service (VRS) rates soon approaching, the Commission takes the opportunity to comprehensively reexamine the rates and other aspects of the VRS program. As the Commission takes this next step, which I generally support, the focus should be on ensuring an efficient and sustainable program that is targeted to meeting the actual needs of the deaf and hard of hearing community.

Telecommunications relay services, including VRS, have been described as a means to “bridge the gap” between communications technologies available to people who have communications disabilities and the community at large.¹ Therefore, I want to ensure that the VRS program is targeted to bridge *actual, demonstrated gaps*. As consumers as a whole migrate to new technologies, apps, and services, the Commission should consider to what extent these innovations are being used by and can benefit those with communications disabilities as well. We already know that they are quite popular among the hearing impaired community, but we need to know to what degree they operate as a replacement function for voice, which seems to be quite substantial just as it is in the overall population. To the extent that off the shelf technologies, such as free texting applications, can serve as a better and more effective means of service, embracing these innovations could be a way to promote true functional equivalency, without depending on the Fund to provide the sole solution. The burden on carriers, and ultimately ratepayers, to pay for VRS and other telecommunications relay services must be targeted to what is actually necessary to meet the statutory obligation, and relying in part on non-VRS technology is one way to help advance that goal.

In approaching this proceeding, I am also focused on the statutory requirement to ensure that TRS be provided “in the most efficient manner.”² There are a couple of aspects to this.

First, at my request, the NOI on performance goals and metrics now includes efficiency and cost-effectiveness as explicit goals for the program, consistent with the statute.

Second, the item seeks comment on possible rate changes, including the Joint VRS Providers Proposal, as well as other possible methodologies, including price caps and market based mechanisms. I welcome input on ways to create a cost-effective structure that is sustainable over the long-term. I have been sympathetic to the idea that the smaller providers should have a reasonable opportunity to reach the optimum scale to compete effectively. For that reason, I supported an interim rate freeze last year. As we look ahead, however, I want to be assured that all providers are on track to sustain their operations based on reasonable costs and funding levels.

We also have to accept that certain structural reforms proposed by prior Commissions may never happen. Instead of continuing to point to the absence of these reforms as a justification for various rate changes, we need to look at new ideas to place the program on solid footing. For example, the item seeks comment on improving interoperability.

¹ *Supra* para. 1 (citing S. Rep. No. 116, 101st Cong., 1st Sess. at 78 (1989)).

² 47 U.S.C. § 225(b)(1).

In this vein, let me be very clear, in approving this item, that I, in no way, endorse the concept that the Commission has any authority over domain names. I previously opposed expanding the Commission's authority over telephone numbers to IP addresses and domain names as part of the net neutrality fiasco, so it is an issue that I will review closely as the record develops. If there is a specific and narrowly targeted change to the statute that could improve routing without setting dangerous precedent in other contexts, then the Commission should respectfully recommend it to Congress.

Third, the item also embarks on various trials, justified in part on the premise that potential changes could make the program more efficient and ultimately save money. To be clear, I still have significant reservations about the Commission's legal authority to conduct trials in any capacity, including in the TRS program, and the cost and benefits of the expansive new data collections. Since the Commission is determined to proceed down this path, I will reluctantly agree to see how it plays out. However, count me as one that will not be supportive of making permanent changes unless the trials definitely demonstrate that such changes would actually make the program more efficient and cost-effective.

I thank the Chairman for accommodating a number of my proposed changes and the staff for their diligent work.