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For Immediate Release**FCC SEEKS TO REDUCE RATES AND CHARGES
FOR INMATE CALLING SERVICES**

WASHINGTON, August 6, 2020—The Federal Communications Commission today took a major step toward comprehensively reforming rates and charges for the inmate calling services (ICS) within its jurisdiction. The U.S. Court of Appeals for the District of Columbia Circuit has twice rejected and remanded the FCC’s past efforts to address rates and charges for ICS. Recognizing the need of incarcerated individuals and their families to stay connected, the Commission today responded to the court’s remands and made several proposals to ensure just and reasonable rates and charges for these services, as required by the Communications Act.

First, the Commission responded to the D.C. Circuit’s remand on the issue of ancillary service charges. These are separate fees that are not included in the per-minute rates that ICS providers charge for individual calls. The court directed the Commission to consider whether these charges can be segregated into interstate and intrastate components for the purpose of excluding the intrastate components from the reach of the FCC’s rules. Today’s Order finds that, as a practical matter, these charges cannot be segregated between interstate and intrastate calls except in a limited number of cases. As a result, ICS providers are generally subject to the FCC’s rules when it comes to ancillary service charges. This means that ICS providers generally cannot charge incarcerated individuals and their families ancillary service charges other than the types allowed by the Commission’s rules and providers generally cannot charge ancillary service fees above the Commission’s applicable fee caps.

Second, in an accompanying Further Notice of Proposed Rulemaking, the FCC proposed new rate caps for interstate ICS calls based on extensive analysis of the most recent cost data submitted by ICS providers. Specifically, the Commission proposed to substantially reduce its interstate rate caps—currently \$0.21 per minute for debit and prepaid calls and \$0.25 per minute for collect calls—to \$0.14 per minute for debit, prepaid, and collect calls from prisons, and \$0.16 per minute for debit, prepaid, and collect calls from jails. The FCC’s proposed interstate rate caps use a methodology that addresses the flaws identified by the D.C. Circuit underlying the Commission’s 2015 and 2016 rate caps and that is consistent with the Communications Act. The Further Notice also proposes to adopt rate caps for international ICS calls for the first time.

Because the D.C. Circuit has ruled that the FCC lacks the authority to cap rates for intrastate ICS calls, the Commission urges its state partners to take action to address the egregiously high intrastate ICS rates across the country.

Action by the Commission August 6, 2020 by Report and Order on Remand and a Fourth Further Notice of Proposed Rulemaking (FCC 20-111). Chairman Pai, Commissioners O’Rielly, Carr, Rosenworcel, and Starks approving. Chairman Pai, Commissioners Carr, Rosenworcel, and Starks issuing separate statements.

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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. Cir. 1974).