

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket No. 03-123; Structure and Practices of the Video Relay Service Program, CG Docket No. 10-51; Misuse of Internet Protocol Relay Service, CG Docket No. 12-38.

Today, we move once again to ensure that telecommunications relay services (or TRS) for those Americans who are deaf or hard of hearing will continue to be available in the manner and on the cutting-edge platforms consumers most want.

We propose to modernize the funding structure for video relay service (or VRS) and IP relay. VRS has matured to become the second largest TRS program, and IP relay now accounts for more annual minutes than all state TRS programs combined. Currently, the TRS Fund spends about \$575 million a year on these two programs. The steady growth of these programs and their associated costs indicate that the time has come to put the funding for these programs on a more equitable, sustainable footing.

Specifically, we begin the process of moving away from funding VRS and IP relay through contributions based solely on interstate telecommunications revenue. Just as we did last year for Internet protocol captioned telephone service, we propose to expand the contribution base for VRS and IP relay to include intrastate telecommunications revenues.

This step would allocate the burden of funding these two programs more fairly without increasing the size of the TRS Fund. No longer would providers of interstate-only services have to contribute end-user revenues to fund VRS and IP relay while providers of intrastate-only services contribute nothing. Moreover, by broadening the base of the support, we would place the future of these two programs on a sounder footing and eliminate artificial regulatory distinctions that can cause unintended market distortions.

I'd like to thank all of the guardians of the public interest who have worked on this item: Bob Aldrich, Kelley Bregenzer, Diane Burstein, Eliot Greenwald, Michael Scott, Bill Wallace, and Patrick Webre of the Consumer and Governmental Affairs Bureau; Sharon Lee of the Enforcement Bureau; Susan Lee, Virginia Metallo, Eric Ralph, and Emily Talaga from the Office of Economics and Analytics; Michael Carlson, Valerie Hill, Richard Mallen, Linda Oliver, and Bill Richardson from the Office of General Counsel; and Andrew Mulitz and David Schmidt from the Office of the Managing Director.