

**JOINT DISSENTING STATEMENT OF COMMISSIONERS
MIGNON L. CLYBURN AND JESSICA ROSENWORCEL**

Re: *Joint Application of Securus Investment Holdings, LLC, Securus Technologies, Inc, T-NETIX, Inc., T-NETIX Telecommunications Services, Inc. and SCRS Acquisition Corporation for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, and Sections 63.04 and 63.24 of the Commission's Rules to Transfer Indirect Ownership and Control of Licensees*, WC Docket No. 17-126; *Securus Technologies, Inc., et al.*, File No.: EB-IHD-17-000225128

Today, the FCC's majority gives its blessing to an approximately \$1.6 billion deal involving Securus, one of the nation's largest providers of inmate calling services. This is the same company that attempted to mislead the Chairman into prematurely granting its transaction. For violating our rules, and our trust, the Commission also adopts a consent decree that is worth:

- 0.1% of the value of the transaction;
- 0.39% of the company's 2015 revenues; and
- 0.12% of the kickbacks Securus paid to correctional facilities from 2004-2014.

To give an idea of how relatively small this penalty is, consider that we routinely fine companies up to several percent of their gross annual revenues for egregious infractions of our rules.

But to anyone familiar with how this company operates, this is unsurprising. It is a company that has shown it is willing to operate on the bleeding edge of legality when it comes to this agency's rules. For example, when the FCC banned connection fees, this company simply renamed them "first minute rates" and continued to charge them. This is unacceptable and wrong.

Is this transfer of control and consent decree just a slap on the wrist? More like a pat on the back. And it is precedent-setting. Until now, the FCC has never granted a transfer of control when a company has made misrepresentations during the review process. We could have adopted conditions on the transaction to mitigate public interest harms. Indeed, we suggested several, but the Chairman respectfully declined to act on any of them, including a condition to ensure that the company could not decline to serve incarcerated people with disabilities.

When it comes to the plight of prisoners and their families paying usurious rates for phone service, the current leadership of the Commission has not made a single move to help. Instead, we've seen a string of half-hearted words that add up to a refusal by the Commission to do its job under the law. This Commission is failing in its duty to protect prisoners and their families from usurious phone rates.

Unfortunately, disregard for inmates and their families is not the only thing wrong with this item.

The Communications Act instructs the Commission to consider the public interest when it reviews a transaction. A deeply-rooted preference to protect and promote competition in relevant markets, accelerate deployment of advanced services, ensure a diversity of license holdings, and manage spectrum in the public interest, have traditionally been a part of this consideration. However, today's item sets an ominous precedent by narrowing the Commission's standard of review to effectively take the public interest out of the equation. By doing so, we shirk our responsibility under the Act.

For all of the above reasons, we dissent.