

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Misuse of Internet Protocol (IP) Captioned Telephone Service*, CG Docket No. 13-24;
*Telecommunications Relay Service and Speech-to-Speech Services for Individuals with Hearing
and Speech Disabilities*, CG Docket No. 03-123

At the outset, I am sympathetic to the concern at the heart of this proceeding: the cost of the IP CTS program, which has risen exponentially in recent years, leaving interstate providers, and ultimately their consumers, disparately burdened to foot the bill. I have repeatedly spoken out about the need to control the growth of the program and have urged the Commission to consider how new technologies, apps, and services—including automatic speech recognition—can meet IP CTS users' communications needs in a more cost-effective manner.

While the action we take today will certainly reduce burdens for a subset of TRS Fund ratepayers, the decision essentially fixes one issue while sidestepping the real problem of unsustainable program costs. As with the Universal Service Fund, controlling spending is the only true long-term way to minimize burdens and uncertainty for ratepayers.

For the item itself, I still find the legal authority arguments presented to be at best creative and perhaps even somewhat suspect. Nonetheless, I agree with the finding that in the absence of modifying the TRS cost separations rules, it would be “unnecessary” and “pointless” to refer the new single factor approach to the Federal-State Joint Board on Jurisdictional Separations.

In sum, the action taken in the item should help eliminate certain market distortions caused by our regulatory framework, and I will ultimately support it. At the same time, I hope the Commission will soon take meaningful steps to address the root problem of unsustainable costs in the IP CTS program and seriously consider proposals in the record, including ideas for reverse auctions, that would truly help reduce ratepayer burdens.