

FCC's May Open Meeting Addresses Prison Phone Rates, Video Relay Service Rates, Robocall Restrictions, and Mixed Universal Service Fund Support Transaction Conditions

May 17, 2021

The FCC [Open Meeting](#), scheduled for May 20, 2021 and led by Acting Chairwoman Jessica Rosenworcel, includes four agenda items and two enforcement actions. First, the FCC will consider a Third Report and Order, Order on Reconsideration, and Fifth Further Notice of Proposed Rulemaking ("FNPRM") that will lower interstate rates and charges, limit international rates, and seek comment on further reforms to the FCC's calling services rules for inmate calls. Second, the FCC will consider a Notice of Proposed Rulemaking ("NPRM") and Order to set Telecommunications Relay Services ("TRS") Fund compensation rates for video relay service ("VRS"). Third, the FCC will consider a Further Notice of Proposed Rulemaking to combat robocalls by accelerating the date by which small voice service providers that originate an especially large amount of call traffic must implement the STIR/SHAKEN caller ID authentication framework. Fourth, the FCC will consider an Order on Reconsideration to allow certain affiliates of merging companies that receive model-based and rate-of-return universal service support to be excluded from a "mixed support" merger condition cap.

You will find more details about these items on the May meeting agenda after the break.

Reducing Interstate Rates and Charges for Incarcerated People - The [Third Report and Order, Order on Reconsideration, and Fifth FNPRM](#) all have different purposes related to reducing the telephone service rates for inmate phone calls. The Third Report and Order would lower the interstate interim rate caps to \$0.12 per minute for prisons and \$0.14 per minute for jails with populations of 1,000 or more. It would permit an additional allowance of \$0.02 for negotiated site commission payments, and eliminate the separate interstate collect calling rate cap. The Report and Order would cap international calling rates, change ancillary service charge rules for third-party financial transaction fees, and adopt a new mandatory data collection to gather data and set permanent rates. The Report and Order would also reaffirm providers' obligations regarding access for incarcerated people with disabilities. The Order on Reconsideration would reaffirm the FCC's findings in the 2020 Inmate Calling Services Order that the jurisdictional nature of a telephone call for purposes of charging consumers depends on the physical location of the originating and terminating endpoints of the call. The FNPRM seeks comment on the provision of communications services to incarcerated individuals with disabilities, permanent interstate and international rate caps, and reforms to site commission payments and rules regarding ancillary service charges.

Strengthening Support for Video Relay Service – The [NPRM](#) suggests a continued use of a tiered rate structure for the next VRS compensation plan. It also seeks comment on whether to adjust tiered rate levels, bring average provider compensation closer to allowable costs, or defer rate changes for two years while waiting for a resolution of uncertainty about post-pandemic changes in VRS costs and demands. The Order would extend current VRS compensation rates through December 31, 2021, or the effective date of compensation rates adopted by the NPRM, whichever is earlier.

Shortening STIR/SHAKEN Extension for Small Providers Likely to Originate Robocalls – The Third [FNPRM](#) proposes to shorten the extension for small voice service providers that are most likely to originate illegal robocalls. These small providers would have to implement STIR/SHAKEN in the IP portions of their networks by June 30, 2022—shortening the extension by one year. The FNPRM seeks comment regarding the best methods to identify and define the small voice service providers that are at a heightened risk or originating an especially large amount of illegal robocall traffic. It proposes three measures to identify such providers that would be subject to a shortened implementation deadline:

- small voice service providers that originate more than 500 calls per day for any single line in the normal course of business;
- small voice service providers that receive more than half their revenue from customers purchasing services that are not mass market services; or
- small voice service providers that offer certain service features to customers commonly used for unlawful robocalls, such as the ability to display any number in the called party’s caller ID, or to upload and broadcast a prerecorded message.

It also seeks comments on whether to adopt measures such as data submissions to facilitate oversight in attempts to ensure that small voice providers implement STIR/SHAKEN in a timely manner.

Section 214 Petition for Partial Reconsideration for Mixed USF Support Companies – The [Order on Reconsideration](#) addresses a request related to a transaction involving a Section 214 transfer of control. The Order would grant the petition and exclude the petitioner from the mixed support condition because the cost shifting harm that the mixed support condition was designated to address is not present in the current case. The Order would also reaffirm the FCC’s delegation of authority to the Wireline Competition Bureau to continue applying the mixed merger condition where it is deemed necessary to remedy a potential public interest harm.