

Before the MAY - 1 1995
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

Billed Party Preference for)	
0+ InterLATA Calls)	
)	CC Docket No. 92-77
)	
)	

**REPLY COMMENTS OF CITIZENS
UNITED FOR REHABILITATION OF ERRANTS**

Citizens United for Rehabilitation of Errants ("C.U.R.E."), by its attorneys, hereby submits these Reply Comments in response to the Commission's request for comments^{1/} on the filing made by the Competitive Telecommunications Association, et al., (collectively "CompTel") proposing the adoption of a rate ceiling on 0+ operator service calls as an alternative to billed party preference ("BPP").^{2/}

C.U.R.E. is a national, non-profit organization dedicated to promoting reform of the criminal justice system.^{3/} In earlier filings in this proceeding, C.U.R.E. has vigorously opposed the notion that inmate operator service providers should be granted a

^{1/} Public Notice, DA 95-473, released March 13, 1995.

^{2/} See ex parte proposal by CompTel, Bell Atlantic, NYNEX, Bell South, MFS Communications, US West, Teleport Communications Group and American Public Communications Council, CC Docket No. 92-77 (March 8, 1995) (the "CompTel Rate Cap Proposal").

^{3/} C.U.R.E.'s membership includes current and former prison inmates, their families and friends, national and local politicians, religious and community leaders, affiliated non-profit charitable organizations, and other supporters who are interested in improving the nation's penal system.

special exemption that would deny the benefits of BPP to the families and friends of prison inmates.^{4/} Instead, C.U.R.E. has argued, and continues to believe, that BPP offers the best means of bringing significant rate relief to the families and friends of inmates, who for too long have been victimized by predatory and oppressive rates and substandard service in a distorted marketplace that denies these consumers the benefits of competitive choice.

At the same time, C.U.R.E. recognizes that even if the FCC adopts BPP immediately without a special exemption for inmate phone providers, the anticipated benefits for families and friends of prison inmates would not be available immediately. Consequently, C.U.R.E. has been exploring with inmate phone providers the possibility of an FCC imposed ceiling on inmate-only phone rates and whether such a ceiling could provide swift and effective relief from excessive inmate phone charges.

As a result of this dialogue, C.U.R.E. has concluded that a properly fashioned rate cap applicable to inmate calling services might offer an effective and timely solution to the significant problem of excessive charges in the inmate calling market. However, C.U.R.E. agrees strongly with the comments of inmate-phone provider Gateway Technologies, Inc. ("Gateway") that the rate ceiling proposed by CompTel, which apparently would exceed even the burdensome charges permitted under the rate benchmark that has already been proposed by the inmate phone providers

^{4/} See ex parte filing of C.U.R.E. dated May 6, 1993; Comments of C.U.R.E. filed August 1, 1994, in response to Further Notice of Proposed Rulemaking, FCC 94-117, released June 6, 1994.

themselves,^{5/} should not apply to the inmate services market.^{6/} Rather, C.U.R.E. believes that if the Commission is inclined to consider an inmate services rate cap as an alternative to BPP, then it should fashion a structure that will promote true rate competition among inmate providers and offer effective protection to inmate families and friends from excessive charges and predatory rate practices.

C.U.R.E. agrees emphatically with Gateway that the rate benchmark scheme that has been proposed by APCC/ICSPTF would not afford inmate families effective relief from excessive inmate 0+ phone rates.^{7/} The APCC/ICSPTF does not appear designed to stimulate competition and reduce rates in the inmate calling market, but rather to encourage price collusion and rate increases by creating a permissible rate ceiling that substantially exceeds dominant carrier rates. C.U.R.E. agrees with Gateway that no inmate services rate cap should permit inmate carriers to increase their charges above dominant carrier rates, or protect inmate carriers from the rigors of true rate competition.^{8/} At a minimum, a fair inmate services rate ceiling

^{5/} See ex parte letter of the American Public Communications Council's Inmate Calling Service Providers Task Force ("APCC/ICSPTF"), CC Docket Nos. 92-77 & 94-158 (February 21, 1995).

^{6/} See Comments of Gateway Technologies, Inc., on CompTel's Proposal for an Operator Services Rate Ceiling, CC Docket No. 92-77, filed April 12, 1995 (the "Gateway Comments").

^{7/} See Gateway Comments at 9-10.

^{8/} See Gateway Comments at 10.

should not permit surcharges or per-minute rates in excess of those charged by the dominant carrier.

C.U.R.E. commends Gateway for its efforts to fashion a rate structure that apparently will be substantially lower than the benchmark proposed by APCC/ICSPTF.^{9'} C.U.R.E. looks forward to working with Gateway on an alternative rate cap proposal, and with the Commission on developing an enforceable rate structure that will establish fair inmate calling rates. In the meantime, C.U.R.E. agrees that the Commission should reserve judgment on inmate services rate regulation until Gateway and other interested parties have had an opportunity to submit specific proposals that provide meaningful rate relief to the families and

^{9'} See Gateway Comments at 10.

friends of prison inmates, who truly need the protections that a fair and effective rate ceiling would afford.

Respectfully submitted,

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