

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
BEFORE THE IOWA UTILITIES BOARD

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| IN RE:  |                          |
| RULE MAKING REGARDING INMATE<br>CALLING RATE CAPS [199 IAC<br>CHAPTER 22]         | DOCKET NO. RMU-2017-0004 |
| RELIANCE TELEPHONE OF GRAND<br>GRAND FORKS, INC.                                  | DOCKET NO. TF-2019-0026  |
| INMATE CALLING SOLUTIONS, LLC   | DOCKET NO. TF-2019-0030  |
| COMBINED PUBLIC<br>COMMUNICATIONS, LLC  | DOCKET NO. TF-2019-0031  |
| PRODIGY SOLUTIONS, INC.   | DOCKET NO. TF-2019-0032  |
| SECURUS TECHNOLOGIES, INC.  | DOCKET NO. TF-2019-0033  |
| CORRECT SOLUTIONS, LLC  | DOCKET NO. TF-2019-0034  |
| LEGACY LONG DISTANCE<br>INTERNATIONAL, INC.                                       | DOCKET NO. TF-2019-0035  |
| PAY-TEL COMMUNICATIONS, INC.  | DOCKET NO. TF-2019-0036  |
| NETWORK COMMUNICATIONS<br>INTERNATIONAL CORP. D/B/A NCIC<br>INMATE COMMUNICATIONS | DOCKET NO. TF-2019-0037  |
| GLOBAL TEL*LINK CORP.   | DOCKET NO. TF-2019-0039  |
| PUBLIC COMMUNICATIONS SERVICES,<br>INC.   | DOCKET NO. TF-2019-0040  |

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**CONDITIONAL OBJECTIONS**

The Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice,  
states in support of its Conditional Objections:

1. On June 13, 2017, the court issued its decision in *Global Tel\*Link v. FCC*, 866 F.3d 397 (D.C. Cir. 2017), invalidating the FCC's efforts to secure just and reasonable rates for intrastate inmate calling services (ICS) because "the field of intrastate communication service remains the province of the states."

2. By order dated January 2, 2019, the Board declined to adopt rate caps as previously proposed for intrastate ICS. The order observed, however, that many of the ICS providers in Iowa generate a majority of their revenue from ICS, which qualifies them as alternative operator service (AOS) companies. Such companies are required to file proposed tariffs, subject to Board approval. Iowa Code § 476.91. The order directed all such companies, within thirty days, to file current tariffs with the Board for review and approval. The order stated: "A comprehensive review of the tariffs, subject to complaint and investigation, will help ensure compliance with the applicable statutes and rules while allowing the Board to consider whether the rates are reasonable."

3. By order dated March 14, 2019, the Board reaffirmed its intent for all companies providing ICS to file a complete set of tariffs for Board review "so the Board can determine if the inmate calling rates and service requirements are just and reasonable." As explained in the order, the Board "terminated the rule making based upon the determination that a rate cap on inmate calling rates was not appropriate and the Board could ensure inmate calling rates are reasonable based upon a review of each company's tariff." The order directed all companies providing inmate calling service, on or before April 1, 2019, to file a complete set of proposed tariffs for Board review to determine if the provisions and rates are just and reasonable.

4. On March 28 and April 1, 2019, each of the companies in the above identified tariff dockets, except Global Tel\*Link Corp. (Global Tel) and Public Communications Services,

Inc. (PCS), filed proposed tariffs. By order dated April 2, 2019, the Board granted an extension of time to Global Tel, on its own behalf and that of its wholly owned subsidiaries, PCS, Value-Added-Communications, Inc. (VAC), and DSI-ITI, Inc., (DSI). On April 16, 2019, Global Tel and PCS filed proposed tariffs.<sup>1</sup>

5. OCA has been reviewing and analyzing the proposed tariffs and thus far has been unable to determine to what extent the proposed tariffs are just and reasonable or to what extent investigation and discovery may be required. Additional time is needed for OCA to complete an initial investigation, for the following reasons.

A. A comprehensive review of the tariffs raises numerous issues of considerable complexity. The amounts proposed to be charged vary greatly from company to company and even, as to some companies, from site to site. There are issues regarding ancillary fees and per call transaction fees on single payment calls, which have historically been excessive and which may need investigation.

B. The proposed tariffs are not accompanied by cost or other justifications for the amounts proposed to be charged. As the Board observed in its Order Terminating Rule Making in Docket No. RMU-2017-0004, one of the companies argued the Board should collect and analyze cost information before making a determination regarding a rate cap. The same may be true before approving a proposed tariff.

C. In accordance with the Board's orders, all of the proposed tariffs were filed at approximately the same time, placing contemporaneous resource demands on OCA.

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<sup>1</sup>VAC and DSI filed requests to cancel registration and tariff, reciting they no longer provide ICS in Iowa. See Docket Nos. M-3258 and 4135. OCA does not resist these requests.

D. Although most of the proposed tariffs were filed on April 1, 2019, the Board's electronic filing system did not give notice to OCA of most of the filings until April 8, 2019, constricting the review time made available to OCA.

Accordingly, in order to secure sufficient time to review the proposed tariffs, conduct any initially required investigations and prepare any objections, OCA files a general conditional objection to each of the proposed tariffs.

6. As to each of the individual tariff dockets, OCA will advise the Board when its initial investigation and analysis is complete. If there are no issues requiring Board attention, the OCA will withdraw its conditional objection. If there are issues requiring Board attention, the OCA will advise the Board and request a procedural schedule. As to each of individual tariff dockets, OCA will so advise the Board no later than 30 days from the date of this filing.

WHEREFORE, OCA files this conditional objection to each of the proposed tariffs identified above.

Respectfully submitted,

Mark R. Schuling  
Consumer Advocate

/s/ Craig F. Graziano

Craig F. Graziano  
Attorney

1375 East Court Avenue  
Des Moines, IA 50319-0063  
Telephone: (515) 725-7200  
E-mail: [IowaOCA@oca.iowa.gov](mailto:IowaOCA@oca.iowa.gov)

OFFICE OF CONSUMER ADVOCATE