



Law and Justice Interim Committee

67th Montana Legislature



SB 303 Study of Inmate Telecommunications Costs and Contracts

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Who is NCIC Inmate Communications?

- ✓ Largest *independently-owned* Inmate Communications Provider in the United States
- ✓ Headquartered in Longview, Texas
- ✓ Approximately 120 employees (domestic and internationally) covering all job positions
- ✓ Services more than 800 facilities across the United States and 9 other countries
- ✓ The *only* large Inmate Telephone Provider that has not been sued for over-charging inmates (and their friends and families) on calling rates and fees

Inmate Communications Technologies offered by NCIC Inmate Communications

- | | |
|--|---|
| ✓ Inmate Telephone System | ✓ Video Arraignment |
| ✓ Video Visitation System | ✓ Inmate Mail Scanning |
| ✓ Inmate Tablets | ✓ Inmate Voicemail |
| ✓ Secure Inmate Messaging | ✓ Broadcast Messaging |
| ✓ Inmate Ticketing (grievances, medical, etc.) | ✓ Links to 3 rd Party Services |

NCIC's Current Customers in Montana

Direct Customers:

- Black Feet Detention Center
- Fort Belknap Corrections
- Northern Cheyenne
- Northern Cheyenne Juvenile

Through a Reseller

- CCCS - Nexus Program Jail
- CCCS - START Program Jail
- CCCS - WATCH West Jail
- Granite County Jail

Key Considerations

- The FCC enacted new rate caps, lowering call calls within the USA and local, to a maximum of \$.21 per minute: <https://docs.fcc.gov/public/attachments/DOC-372625A1.pdf>
- The FCC dictated that if a provider could not determine the physical location of a cell phone, then the providers have to charge the Interstate rate (\$.21). Basically a reverse pre-emption of State law.
- The FCC is studying the possibility of regulating Video Visitation and Messaging, which have traditionally been classified as “Information Services” that were not regulated by the FCC.
- The California PUC Public Advocates Office recently decided they have the authority to regulate Information Services: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M445/K893/445893872.PDF>
- The goal of State lawmakers should be to adopt the **Calling Rate** and **Fee** caps enacted by the FCC, but to eliminate fees for single-pay call products, where providers are tacking on \$3.00 - \$6.95 on single calls because of faulty wording in the most recent FCC ruling.

The current FCC Calling Rate and Fee caps were established after more than 10 years of public comment, data collections and studies regarding the issue of correctional communications.

Calling Rates in Montana – July 2018

Facility	First Minute	Additional Minutes	Cost of a 15-Minute Call
Anaconda PD	\$2.99	\$0.10	\$4.39
Beaverhead County	\$2.99	\$0.10	\$4.39
Broadwater County	\$3.02	\$0.12	\$4.70
Butte Silverbow County	\$3.15	\$0.11	\$4.69
Cascade County	\$0.10	\$0.10	\$1.50
CCCS Start	\$1.08	\$0.08	\$2.20
Chippewa Cree Tribal	\$1.09	\$0.10	\$2.49
Chouteau County	\$2.95	\$0.10	\$4.35
Custer County	\$0.21	\$0.21	\$3.15
Fallon County	\$2.85	\$0.01	\$2.99
Fergus County	\$2.85	\$0.01	\$2.99
Flathead County	\$3.07	\$0.17	\$5.45
Hill County	\$3.48	\$0.19	\$6.14
Jefferson County	\$0.21	\$0.21	\$3.15
Lake County	\$0.21	\$0.21	\$3.15
Lewis & Clark	\$2.95	\$0.05	\$3.65
Lincoln County	\$0.21	\$0.21	\$3.15
Mussellshell County	\$3.09	\$0.01	\$3.23
Park County	\$2.95	\$0.01	\$3.09
Pondera County	\$4.85	\$0.01	\$4.99
Powell County	\$4.75	\$0.01	\$4.89
Ravalli County	\$2.99	\$0.01	\$3.13
Richland County	\$2.99	\$0.10	\$4.39
Sanders County	\$3.10	\$0.50	\$10.10
Toole County	\$2.95	\$0.01	\$3.09

Recent State actions following the FCC's new rules:

- Indiana House Bill 1181 becomes effective on July 1, 2022 and caps inmate calling service at the FCC rate caps.
- Wisconsin 2021 Senate Bill 800 introduced on December 17, 2021 seeks to cap inmate communications rates.
- Colorado House Bill 21-1201 requires providers to match the FCC Interstate rate caps for all Local and Intrastate calls effective January 1, 2022.
- Arkansas Senate Bill 550, effective July 29th, 2021, mirrors the FCC rate & fee caps.
- Nevada Senate Bill No. 387 introduced March 26, 2021 requires providers to match the FCC rate & fee caps.
- Iowa Utilities Board mirrored the FCC rate & fee caps in March of 2021.
- Missouri House Bill 1114, introduced in March of 2019, started the conversation about rate caps.
- Montana House Bill 426, effective July 1, 2017 to cap rates in State Prisons lead to a discussion between Craig Storer and Michael Dalton of the Montana PSC about mirroring the FCC rates & fees for County Jails.

Other states that have already mirrored FCC rules / rate caps:

Alabama
Louisiana
Ohio
Georgia

Abuses still needing to be addressed:

Single-Call Products.

- i. Some providers still charging up to a \$6.95 per-call transaction fee due to an error in the FCC's wording.
- ii. NCIC has a Petition for Reconsideration pending with the FCC to eliminate these fees: <https://ecfsapi.fcc.gov/file/1082733619116/Petition%20for%20Reconsideration.pdf>
- iii. The FCC has addressed in a Further Notice of Proposed Rulemaking.
- iv. Price Fixing Lawsuit against 3CInteractive, Securus and GTL for charging abusive rates, up to \$14.99 for a 1 minute calls, without disclosing actual fees to correctional agencies in contracts: <https://www.washlaw.org/families-of-prisoners-sue-nations-largest-providers-of-inmate-calling-services-for-fixing-and-lying-about-prices/>

Credit Card Fees on top of FCC Caps on Funding Fees.

- i. Providers adding as much as 5% under the guise of a "Credit Card Transaction Fee"
- ii. The FCC originally established funding fee caps of \$3.00 for web / automated funding events and \$5.95 for use of a live agent to establish and fund an account. The FCC ruling vaguely addressed allowance to pass-through third-party fees.
- iii. The FCC has addressed in a Further Notice of Proposed Rulemaking.