STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

IN RE:	
GLOBAL TEL*LINK CORPORATION	DOCKET NO. TF-2019-0039

REPLY COMMENTS

The Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice,

replies as follows to the comments filed October 20, 2020 Global Tel*Link Corp. (GTL).

1.   ***Section 2.10.4***. OCA adheres to its comment filed September 30, 2020, which

explains why proposed section 2.10.4 does not provide the clarity the Board required. *See* Order

Requiring Filing of Tariff Revisions and Annual Registration, Aug. 20, 2020 ("Order"), at 7.

GTL claims that proposed section 2.10.4 "*only* concerns calls placed by inmates to bail

bondsmen." GTL at 1 (emphasis in original). The language of proposed section 2.10.4,

however, is not limited to calls placed to bail bond agents but instead generally refers to "all

inmate calls." The language regarding the blocking of calls is similarly not limited to calls

placed to bail bond agents but instead vaguely references "certain telephone numbers." If the

intent is to say that GTL or the correctional facility will block calls to a bail bond agent if the

account of the bail bond agent exceeds a predetermined amount or is in arrears, the tariff should

say that. The issues are not too fact specific for GTL to be able to articulate a standard or set

criteria for how a predetermined amount is determined. *See* Order at 7; GTL at 2.

2.   ***Section 2.11.*** OCA adheres to its comment filed September 30, 2020, which

seeks to require that the ICS provider observe the same restrictions on the billing of taxes and

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fees on intrastate calls that the FCC has required by rule for interstate calls.[1] GTL responds only

by alleging that OCA makes a different argument for GTL than it made in Docket No. TF-2019-

0032 for Prodigy, Inc. The Board is not bound by OCA's arguments, even if they were to differ

from one docket to another. The Board is free to require appropriate tariff provisions from all

providers. Moreover, OCA has advanced the same argument in the Prodigy docket (and in other

ICS dockets) as it advanced in this docket. Thus, in its comments filed August 5, 2020, in

Docket No. TF-2019-0032, OCA stated: "OCA suggests an additional provision in the tariff

making clear that these [FCC] restrictions will be observed for intrastate as well as interstate

inmate calling." As of August 5, 2020, OCA had not drafted a specific sentence for suggested

inclusion in the tariffs and therefore did not include a specific suggested sentence in its

comments in the Prodigy docket. Prodigy did not resist OCA's suggestion and included a new

sentence in its revised tariff filed October 5, 2020. On initial review, OCA concluded that

Prodigy's added statement made clear that the interstate call restrictions would be observed for

intrastate calls. In light of GTL's apparent reading of the Prodigy sentence as not reaching

intrastate calls, OCA is filing an additional comment in the Prodigy docket suggesting that the

sentence be replaced with the sentence drafted by OCA.

OCA adheres to its comment filed September 30, 2020, that, because the federal

universal service charge does not apply to intrastate calls, and because the Iowa tariff is limited

to intrastate calls, the reference to this surcharge should be deleted from the Iowa tariff or at least

stated to be inapplicable to intrastate calls. GTL's only responsive comment is that OCA did not

offer a similar objection in the Prodigy docket. GTL Comments at 4. OCA did not previously

notice that Prodigy added a reference to the federal universal service charge in its most recent

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[1] Specifically, OCA suggests the addition of the following sentence: "The billing of taxes and fees on intrastate calls will be in accordance with the same restrictions as are required by FCC rules for interstate calls."

revised tariff filing. OCA is including in its current filing in the Prodigy docket a suggestion that the reference be removed.

OCA adheres to its comment filed September 30, 2020, that GTL should clarify whether and under what circumstances taxes or fees are assessed at the time when money is deposited to an account, as opposed to the time when calls are placed.[2] GTL offers no responsive comment.

3.   ***Sections 3.6 and 3.7.1.*** OCA adheres to its comment filed September 30, 2020, that, as to each type of account, the tariff should provide that, at an appropriate point in time, such as when the inmate is released from custody, the account holder will be notified of an unused balance and of the need to request a refund, or, preferably and more efficiently, that the unused balance will be refunded by issuance of a debit card or transfer of funds to the inmate's canteen or trust account.[3] GTL argues there is no "forfeiture" because the account holder may seek a refund or reactivation at any time. GTL Comments at 4. The ability to seek a refund or reactivation is of no benefit to an account holder who does not know that an unused balance remains. That is presumably why the Board concluded that the tariff should include a provision stating that any remaining balance will be refunded. Order at 11.

Much of the rest of GTL's argument is a rehash of inapposite claims that the Board "desire[s] to move away from telecommunications regulations in an ever-more competitive marketplace." GTL Comments at 6-7. As OCA replied in its comments filed July 21, 2020:

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[2] The last sentence of the third paragraph of section 3.6 of the proposed tariff, addressing "AdvancePay®
Accounts," states: "All payments will be subject to applicable taxes," suggesting that taxes may be assessed at the
time when money is deposited to an account.

[3] As a court has observed, the most common payment method is GTL's Advance Pay system, which allows non-
inmates to set up prepaid accounts that can be used to dial the friend or family member who establishes the Advance
Pay account. At the very least, these account holders can be identified by the telephone number associated with
each account, which doubles as the account number internally in GTL's databases. In many cases, setting up an
Advance Pay account also involves providing GTL with the account holder's name, address, and other personal
identifying information. Information regarding all payments, fees and transactions associated with an Advance Pay
account can be easily retrieved using the telephone number associated with the account. Indeed, GTL must possess
this information in order to respond to routine inquiries about account balances and other account services. *James v.
Glob. Tel*Link Corp.*, No. 13-4989, 2018 WL 3727371, at *10 (D.N.J. Aug. 6, 2018).

Arguments that markets for inmate calling service have been deregulated are not meritorious . . . . The Iowa statutes carefully preserve regulatory authority over these markets. *See* Iowa Code §§ 476.91, 476.1(3)(b), 476.3(1), 476.4(1), 476.8(1), and 476.95(3)(g). The Iowa Supreme Court explains why:

> Whereas traditional companies have competitors and natural market forces dictating reasonable rates, [an inmate calling service provider] has exclusively "captive" customers (here, in a very real sense). Under these circumstances, customers are subject to the potential rate abuses that would be unregulated by the board in the absence of a statute such as section 476.91.

Equal Access Corp. v. Utilities Board, 510 N.W.2d 147, 152 (Iowa 1993).

See Letter from FCC Chair Ajit Pai to NARUC President Brandon Presley, filed July 28, 2020 ("I implore . . . state regulatory commissions to take action on intrastate inmate calling services rates to enable more affordable communications for the incarcerated and their families").

WHEREFORE, OCA requests that the issues identified by OCA be given further consideration prior to approval of any proposed tariff.

Respectfully submitted,

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