

STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

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

The Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice, has no objection to the proposed revised tariff filed by Global Tel*Link Corp. (GTL) on January 26, 2021. OCA suggests that the tariff be approved subject to complaint and investigation and that the following issues may merit ongoing attention.

1. GTL should “clarify when and what taxes . . . are assessed at the time of deposit into the account,”¹ as opposed to the time when calls are placed. The last sentence of the third paragraph of section 3.6 of the proposed tariff, addressing “AdvancePay® Accounts,” continues to state: “All payments will be subject to applicable taxes,” still suggesting that taxes may be assessed at the time when money is deposited to an account.

2. Prison Policy Initiative identifies a concern regarding the apparent addition on the same transaction of a Third-Party Transaction Fee to the \$3.00 maximum Automated Payment Fee.² OCA believes that the FCC rules regarding Automated Payment Fees and the FCC rules regarding Third-Party Transaction Fees address two distinct types of transactions—properly addressed in separate tariff provisions, such as those proposed by GTL at sections 3.8.1 and 3.8.4. In accordance with 47 C.F.R. § 6000(a)(1), “Automated Payment Fees means credit card

¹ Order Requiring Filing of Revisions to Revised Tariff and Denying Confidential Treatment, Dec. 11, 2020, at 4-5.

² Prison Policy Initiative’s Comments regarding Global Tel*Link’s Revised Tariff, Oct. 5, 2020, at 1, and attached verified Declaration of Alexi Jones. The attachment shows a fee of \$4.63 for a \$50.00 deposit using a credit card.

payment, debit card payment, and bill processing fees, including fees for payments made by interactive voice response (IVR), web, or kiosk.” For interstate calls, these fees are subject to the \$3.00 cap set forth at 47 C.F.R. § 64.6020(b)(1). The separate provision at 47 C.F.R. § 64.6020(b)(5) addresses “Third-Party Financial Transaction Fees” from money transfer companies such as Western Union or MoneyGram and limits such fees to “the exact fees, with no markup that results from the transaction.” In accordance with the definition at 47 C.F.R. § 64.6000(a)(5), “Third-Party Financial Transaction Fees means the exact fees, with no markup, that Providers of Inmate Calling Services are charged by third parties to transfer money or process financial transactions to facilitate a Consumer’s ability to make account payments via a third party.” There should be no occasion when a person making a deposit to an ICS account would be required to pay both of these fees for the same transaction. If the person making the deposit is using a money transfer third party such as Western Union or MoneyGram, the ICS provider will be prohibited from adding any fee over and above the fee charged³ by the money transfer third party, so the Automated Payment Fee will not apply. As stated by the Alabama Public Service Commission, there is “no justification whatsoever for ICS providers to share in the fees for a service they do not provide.”⁴ Alternatively, if the person making the deposit is not

³ OCA has begun using the term “charged” rather “passed through” based on OCA’s more recent understanding of how the transaction with Western Union or MoneyGram typically works. In OCA’s understanding, if the person making the deposit goes to the grocery store in order to make a deposit through Western Union of \$50.00 to an ICS account with GTL, Western Union will charge the person \$50.00 plus \$X, transfer the \$50.00 to the ICS account with GTL, and retain the \$X.

⁴ *In re Generic Proceeding Considering the Promulgation of Telephone Rules Governing Inmate Phone Service*, Docket 15957, Further Order Adopting Revised Inmate Phone Service Rules (Ala. Pub. Serv. Comm’n June 12, 2015) paras. 8.17, 8.20. The order is available at <http://psc.alabama.gov/telecom/Engineering/documents/Dec%202014%20Order%2015957%20updated%20thru%206-12-2015.pdf>.

using a money transfer third party, the \$3.00 Automated Payment Fee cap will apply, but there will be no money transfer third party to generate a Third-Party Financial Transaction Fee.

Respectfully submitted,

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OFFICE OF CONSUMER ADVOCATE