

STATE OF IOWA
DEPARTMENT OF COMMERCE
BEFORE THE IOWA UTILITIES BOARD

IN RE:

RELIANCE TELEPHONE OF GRAND
FORKS, INC.

DOCKET NO. TF-2019-0026

**PRISON POLICY INITIATIVE’S COMMENTS REGARDING
RELIANCE TELEPHONE OF GRAND FORKS, INC. PROPOSED TELEPHONE
TARIFF (REVISED)**

Pursuant to the Board’s order of February 5, 2021, Reliance Telephone of Grand Forks, Inc. (“Reliance”) filed a revised tariff in the above-captioned proceeding on February 22, 2021 (the “Revised Tariff”). The Prison Policy Initiative (“PPI”), having previously been granted leave to intervene in this proceeding, submits the following comments for the Board’s consideration. PPI encourages the Board to withhold approval of the Revised Tariff because of the proposed treatment of unused prepaid funds raises serious questions about Reliance’s earning of unreasonable profits, and because Reliance’s tariff is not specific enough. The Board should not allow Reliance to reap unearned and unjust profits by retaining unspent consumer funds, nor should it allow Reliance the ability to evade the Board’s oversight by merely referencing to its own website in lieu of specific tariff provisions setting out refund procedures and policies.

Broadly speaking, Reliance allows end-users to pay for calls through two different types of prepayments: prepaid collect call accounts and tangible prepaid calling cards (distributed inside correctional facilities). As explained below, PPI objects to Reliance’s refund provisions governing the tangible prepaid calling cards.

I. The Board Should Require Reliance to Refund Unused Consumer Funds on Tangible Prepaid Calling Cards

In its Order Requiring Filing of Revisions to Revised Tariff, entered on December 11, 2020 (the “December 11 Order”), the Board highlighted a void in Reliance’s previous proposed tariff: there were no provisions notifying customers about how to obtain a refund of unused balances in prepaid accounts. Accordingly, the Board required Reliance to include a provision

establishing “notification requirements regarding how refunds are to be requested and whether there are any restrictions on requesting refunds.” In Reliance’s Proposed Telephone Tariff (Revised), filed on January 6, 2021 (the “January 6 Tariff”), the sole mention of refunds was “[c]ustomer can call at any time to request a refund at (800)-896-3201.”

Then, in its Order Approving Tariff and Requiring Revised Tariff Sheet, entered on February 5, 2021 (the “February 5 Order”), the Board again directed Reliance to include language describing when and how an account holder is notified of how they may obtain refunds. In Reliance’s latest Proposed Telephone Tariff (Revised), filed on February 22, 2021 (the “February 22 Tariff”), Reliance kept the language from the January 6 Tariff, and added, “[a]dditional refund instructions are available at www.reliancetelephone.com/policies.”

Contrary to both the January 6 Tariff and the February 22 Tariff, Reliance’s website states that no refunds will be given for the tangible prepaid calling cards. Either Reliance’s website contradicts the language and representations made in Reliance’s Tariff or the language in the February 22 Tariff is misleading by implying that a customer can actually obtain a refund if they call Reliance. The Tariff is also unclear as to whether Reliance will handle unused funds in compliance with Iowa’s unclaimed property laws.

Reliance offers no explanation, let alone a persuasive one, for why unused funds on tangible prepaid calling cards are not refunded to customers. See Dkt. No. TF-2019-033, *In Re: Securus Technologies, Inc.*, Order Requiring Filing of Revisions to Revised Tariff (Nov. 13, 2020), at 6 (stating that the Board does not consider a 180-day limit on requesting refunds for prepaid calling cards to be a reasonable provision, and reiterated that it is “important that any unused balances on calling cards be refunded to the inmate”); Dkt. No. TF-2019-0033 *In Re: Securus Technologies, Inc.*, Order Approving Tariff and Requiring Revised Tariff Sheets and Explanations (Mar. 2, 2021), at 7-8 (requiring Securus to explain whether it remits unused balances in accordance with Iowa Code § 556.4, and if not, to explain what authority supports the practice of not remitting funds). In the absence of a compelling justification, the Board should not approve the February 22 Tariff’s refund provision, and should order Reliance to

explain whether it remits unused balances in accordance with Iowa Code § 556.4, and if not, to explain what authority supports their practice of not remitting such funds.

II. The Board Should Not Allow Reliance to Evade Board Oversight by Linking to Its Website

In lieu of including specific provisions in its' tariff detailing the notification procedure for customers to obtain refunds, Reliance merely refers to its own website. However, webpages are dynamic; Reliance's website can change whenever and however best suits the company. Thus, by including only a website, and not specific provisions laying out policies, this allows Reliance the ability to change their policies as they see fit without seeking review and approval from the Board.

Further, people in jail often do not have access to the internet or websites. After leaving jail, when people would naturally request refunds of jail-specific services, these same people are less likely than others in the population at large to have access to the internet. This leaves people in jail and who have recently left jail with minimal ability to actually obtain refunds, especially if the very policies relating to those refunds are listed only on company websites. Thus, the Board should not approve the February 22 Tariff's refund provision linking only to Reliance's website, and should instead require that Reliance provide more detail about their refund procedure within the tariff itself.

III. Conclusion

As discussed above, the provisions regarding refunds in the February 22 Tariff are not just and reasonable. PPI encourages the Board to carefully consider the issues raised herein and withhold its approval of the February 22 Tariff until such time that Reliance modifies the unreasonable provisions regarding prepaid funds and single call products.

Dated: March 4, 2021

Respectfully submitted,

PRISON POLICY INITIATIVE, INC.

/s/ Peter Wagner

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