



Squire Patton Boggs (US) LLP
2550 M Street, NW
Washington, DC 20037

O +1 202 457 6000
F +1 202 457 6315
squirepattonboggs.com

Paul Besozzi
T +1 202 457 5292
Paul.Besozzi@squirepb.com

VIA ECFS AND IBFS

July 20, 2017

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Ex Parte Submission – WC Docket No. 17-126; ITC-T/C-20170511-00094; ITC-T/C-20170511-00095 - Securus Investment Holdings, LLC; Securus Technologies, Inc.; T-NETIX, Inc.; and T-NETIX Telecommunications Services, Inc.

Dear Ms. Dortch:

Securus Investment Holdings, LLC, Securus Technologies, Inc., T-NETIX, Inc., and T-NETIX Telecommunications Services, Inc. (collectively “STI”) and SCRS Acquisition Corporation (“SCRS”) (collectively, with STI, the “Applicants”), by and through the undersigned counsel, and pursuant to Section 1.1206(b) of the Commission’s rules, hereby respond to the Ex Parte Response of the Wright Petitioners, filed on July 14, 2017 (“Wright Ex Parte”)¹ by their counsel in connection with the pending indirect transfer of control application filed by the Applicants.²

¹ Wright Petitioners Ex Parte Submission, WC Docket No. 17-126, ITC-T/C-20170511-00094, ITC-T/C-20170511-00095 (filed July 14, 2017).

² *Joint Application of Securus Investment Holdings, LLC, Transferor, Securus Technologies, Inc., Licensee T-NETIX, Inc., Licensee T-NETIX Telecommunications Services, Inc., Licensee, and SCRS Acquisition Corporation For Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Sections 63.04 and 63.24 of the Commission’s Rules to Transfer Indirect Ownership and Control of Licensees to SCRS Acquisition Corporation*, WC Docket 17-126 (filed May 11, 2017),

The Wright Petitioners are among the petitioners to deny or delay approval of the pending Joint Application (“Petitioners”).³ This Ex Parte Response focuses in particular on correcting certain assertions made in the Wright Ex Parte.

1. STI Did Not Violate FCC Rules On Flat Rate or Per-Call Charges – STI reiterates that even if Sections 64.6080 and 64.6090 were applicable to intrastate inmate calling services (“ICS”) rates, STI did not violate—and thus could not be continuing to violate—those provisions.

The Wright Ex Parte cites three facilities—Boulder County Jail, Boulder, Colorado; Cypress Creek, Texas; and Sandy Creek, Texas—as “evidence” that “local ICS rates...*remained* as per-call or flat rate charges” (emphasis in original). But currently, STI does not provide ICS services at any of these facilities.

At the Boulder County Jail, STI has not provided ICS for almost a decade (i.e., service was deactivated November 1, 2007). STI currently only provides unregulated information services, accessible to inmates and friends and families without charge, regarding, for example, court dates or release dates. Because STI does provide non-ICS services at Boulder County, the billing system has remained active but STI does not, and has not provided ICS at Boulder for 10 years.

The two Texas facilities were actually Cypress Creek Park and Sandy Creek Park. The rates cited applied to public payphones that were located in the parks and the phones were removed on April 16, 2016. In any case, the rules the Wright Ex Parte claims were violated by STI do not apply to public payphones, which are of course, not ICS.

The Wright Ex Parte asserts that the fees cited in their Reply establish violations of FCC rule Sections 64.6080 and 64.6090 because “inmates and their families in more than

ITC-T/C-20170511-00094, ITC-T/C-20170511-00095 (filed May 11, 2017) (“Joint Application”).

³ *Petition To Deny By The Wright Petitioners, Citizen United For Rehabilitation Of Errants, Prison Policy Initiative, Human Rights Defense Center, The Center For Media Justice, Working Narratives, United Church Of Christ, OC, Inc., and Free Press*, dated June 16, 2017, WC Docket 17-126; ITC-T/C-20170511-00094; ITC-T/C-20170511-00095 (“Petition”); *See Opposition To Petition To Deny By The Wright Petitioners, Citizen United For Rehabilitation Of Errants, Prison Policy Initiative, Human Rights Defense Center, The Center For Media Justice, Working Narratives, United Church Of Christ, OC, Inc., and Free Press*, dated June 16, 2017, WC Docket 17-126; ITC-T/C-20170511-00094; ITC-T/C-20170511-00095, filed June 26, 2017 (“Opposition”); *Reply To Opposition By The Wright Petitioners, Citizen United For Rehabilitation Of Errants, Prison Policy Initiative, Human Rights Defense Center, The Center For Media Justice, Working Narratives, United Church Of Christ, OC, Inc., and Free Press*, dated June 16, 2017, WC Docket 17-126; ITC-T/C-20170511-00094; ITC-T/C-20170511-00095 (“Reply”).

200 correctional facilities are charged significantly less for the second minute and subsequent minutes of each intrastate ICS call.” This statement in and of itself concedes that STI is not imposing a “single fee for Inmate Calling Services call[s]” and thus is not in violation of Section 64.6090.⁴ Nor does a varied per-minute charge reflect a “one-time fee charged to a Consumer at call initiation.”⁵ As a result, there has been no violation of Section 64.6080.

Again, even if these requirements applied to intrastate calling, neither is violated by the rate structures challenged by the Petitioners. For that reason alone, the Petition should be promptly dismissed and/or denied, and there should be no further delay in granting the Joint Application.

2. States Continue To Play A Role In ICS Rates – The Wright Ex Parte does not contest that 20 states in which STI operates continue to impose rate caps or tariffing requirements on intrastate ICS rates. By any reasonable definition that is a “role” in regulating such rates. That is the point that STI made and the accounting is fully correct. STI remains in full compliance with these requirements in all 20 states, including the existing New Jersey rate cap law.

The Wright Ex Parte claims that this state role over STI rates should in effect be ignored because STI had an advocacy role in state regulatory and legislative decisions to exempt regulation of Voice over Internet Protocol (“VoIP”) and Internet-Protocol (“IP”)-enabled service rates from state regulation. STI has had no such role in those state decisions.

First, STI did not participate in the rulemaking proceeding initiated by the Iowa Utilities Board (“Board”) in May of 2016 to consider rule changes, including restriction of the Board’s own jurisdiction over IP-enabled services.⁶ Nor, to STI’s knowledge, did any other ICS provider. These rule changes were a deregulatory initiative by the Board itself. After the revised Board rules became effective on March 22, 2017,⁷ STI determined that its IP-enabled ICS met the definitional requirements and notified the Board of its intent to withdraw its tariff. The Board suspended any such withdrawal, established a proceeding and set a schedule to consider STI’s request. Unless or until the Board finally agrees with that conclusion, STI remains in full compliance with its existing approved tariff in Iowa and will continue to remain subject to the Board’s jurisdiction.

⁴ 47 C.F.R. § 64.6000(h).

⁵ 47 C.F.R. § 64.6000(o).

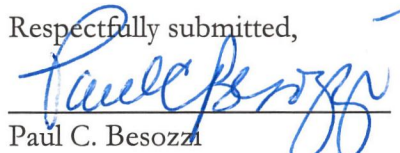
⁶ In Re: Amendments To Telecommunications Services Regulations [199 IAC 22], Order Commencing Rulemaking, May 18, 2016.

⁷ Iowa Admin. Code r. 199-22.1(3) (2017).

Similarly, STI did not play any role in the Massachusetts 2016 decision to enact a similar statutory provision regarding jurisdiction over IP-enabled services.⁸ This was a decision undertaken by the Massachusetts legislature and the governor, well before STI sought to withdraw its tariff.

The fact that these two states decided to adopt such jurisdictional exemptions and that STI has sought to qualify thereunder does not warrant any conclusion that STI was not forthright with the Commission about the role states continue to play. Further, and consistent with all of the allegations made in Petitioners' filings, those state actions have no bearing whatsoever on whether the proposed parent-level transfer of control is in the public interest.

Respectfully submitted,



Paul C. Besozzi

Squire Patton Boggs (US) LLP
2550 M Street, NW
Washington, DC 20037
202-457-5292

Counsel for Securus Investment Holdings, LLC; Securus Technologies, Inc.; T-NETIX, Inc.; and T-NETIX Telecommunications Services, Inc.

cc: Chairman Ajit Pai
Commissioner Mignon Clyburn
Commissioner Michael O'Rielly
Brendan Carr, General Counsel
Kris Monteith, Chief, Wireline Competition Bureau
Tom Sullivan, Chief, International Bureau
Jay Schwarz, Office of Chairman Pai
Kristine Fargotstein, Office of Chairman Pai
Jim Bird, Office of General Counsel
Madeleine Findley, Wireline Competition Bureau
Daniel Kahn, Wireline Competition Bureau
Jodie May, Wireline Competition Bureau
Sherwin Siy, Wireline Competition Bureau
Tracey Wilson, Wireline Competition Bureau
David Krech, International Bureau
Sumita Mukhoty, International Bureau
Lee G. Petro, Counsel for Petitioners
William B. Wilhelm, Counsel for Transferee

⁸ Mass. Ann. Laws ch. 25C, § 6A (2016).