

## RESOLUTION

**WHEREAS:** Excessive phone rates for calls made by prisoners (Inmate Telephone Services or “ITS”) constitute a significant social policy issue that impacts prisoners, their families and our communities.<sup>1</sup>

Studies indicate that prisoners who maintain close connections with their families have a lesser chance of reoffending after release,<sup>2</sup> thereby reducing recidivism.<sup>3</sup> However, high ITS rates impose a financial burden that impedes such connections.<sup>4</sup> Lower ITS rates would facilitate more communication between prisoners and their families and children (an estimated 2.7 million children have an incarcerated parent).<sup>5</sup>

Further, approximately 84% of immigrant detainees are not represented by counsel<sup>6</sup> and rely on phone calls to obtain vital evidence in immigration proceedings. Lower phone rates would provide detainees greater access to their families, consulates and legal resources.

ITS rates are typically much higher than non-ITS phone rates, partly due to commissions paid by ITS providers to corrections agencies or operators based on a percentage of ITS revenue, a flat fee, per-prisoner charge or other basis (“Commissions”).<sup>7</sup> For example, one facility operated by Corrections Corporation of America (the “Company”) receives a Commission of 48% of ITS revenue, and a *15-minute* call from that facility can cost as much as \$9.75.<sup>8</sup>

Eight states have banned all or most ITS Commissions for their Departments of Correction, typically resulting in lower ITS rates.<sup>9</sup>

Tens of thousands of people have urged the Federal Communications Commission to regulate ITS costs,<sup>10</sup> and in September 2013 the FCC ordered a limited cap on ITS rates for long-distance calls.<sup>11</sup> However, a vast majority of prisoner phone calls are in-state (intrastate) and thus remain unregulated.<sup>12</sup>

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<sup>1</sup> [http://prisonphonejustice.org/includes/\\_public/\\_publications/Telephones//pln%20april%202011%20prison%20phone%20cover%20story%20revised.pdf](http://prisonphonejustice.org/includes/_public/_publications/Telephones//pln%20april%202011%20prison%20phone%20cover%20story%20revised.pdf)

<sup>2</sup> [http://prisonphonejustice.org/includes/\\_public/\\_publications/Telephones//pln%20letters%20to%20fcc%20combined.pdf](http://prisonphonejustice.org/includes/_public/_publications/Telephones//pln%20letters%20to%20fcc%20combined.pdf)

<sup>3</sup> [www.niagarafallsreporter.com/Stories/2013/Nov5/morephones.html](http://www.niagarafallsreporter.com/Stories/2013/Nov5/morephones.html)

<sup>4</sup> [www.pewstates.org/projects/stateline/headlines/costly-prison-phone-calls-frustrate-families-8589943510](http://www.pewstates.org/projects/stateline/headlines/costly-prison-phone-calls-frustrate-families-8589943510)

<sup>5</sup> [www.pewresearch.org/fact-tank/2013/06/21/sesame-street-reaches-out-to-2-7-million-american-children-with-an-incarcerated-parent/](http://www.pewresearch.org/fact-tank/2013/06/21/sesame-street-reaches-out-to-2-7-million-american-children-with-an-incarcerated-parent/)

<sup>6</sup> [www.vera.org/sites/default/files/resources/downloads/LOP\\_Evaluation\\_May2008\\_final.pdf](http://www.vera.org/sites/default/files/resources/downloads/LOP_Evaluation_May2008_final.pdf)

<sup>7</sup> [www.prisonlegalnews.org/25643\\_displayArticle.aspx](http://www.prisonlegalnews.org/25643_displayArticle.aspx)

<sup>8</sup> [www.prisonlegalnews.org/includes/\\_public/\\_publications/telephones/cca%20silverdale%20phone%20contract.pdf](http://www.prisonlegalnews.org/includes/_public/_publications/telephones/cca%20silverdale%20phone%20contract.pdf)

<sup>9</sup> <http://prisonphonejustice.org/>

<sup>10</sup> <http://nationinside.org/campaign/prison-phone-justice/press/as-comment-deadline-closes-hundreds-of-prisoners-plead-to-the-fcc-for-relief/>

<sup>11</sup> [https://www.prisonlegalnews.org/25544\\_displayArticle.aspx](https://www.prisonlegalnews.org/25544_displayArticle.aspx)

<sup>12</sup> [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2013/db1121/DA-13-2236A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2013/db1121/DA-13-2236A1.pdf)

**RESOLVED:** That the stockholders of the Company request that the Board of Directors adopt and implement the following provisions related to ITS contracts at correctional and detention facilities (“Facilities”) operated by the Company, to facilitate communication between prisoners/detainees and their families by reducing ITS costs:

1. That when the Company contracts with ITS providers, the Company shall not accept Commissions at its Facilities.
2. That when the Company contracts with ITS providers, the Company shall give the greatest consideration to the overall lowest ITS phone charges among the factors it considers when evaluating and entering into ITS contracts. When evaluating ITS phone charges, the Company shall give the greatest consideration to the overall lowest ITS connection fees or surcharges, per-minute rates and account-related fees.
3. That within 90 days after the 2014 annual shareholder meeting, the Company shall evaluate its existing ITS contracts for compliance with above provisions (1) and (2), and to the extent any such ITS contracts are not in compliance, the Company shall implement above provisions (1) and (2) for all such contracts within 90 days after said 90-day evaluation period.
4. That beginning in 2014, within 30 days after the Company’s annual shareholder meeting, the Company shall report to shareholders the ITS phone rates, Commission percentages and Commission payments for each of its Facilities during the preceding calendar year.