



State of New Jersey
DIVISION OF RATE COUNSEL
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TRENTON, NEW JERSEY 08625

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

STEFANIE A. BRAND
Director

January 7, 2016

Senator Shirley K. Turner
1230 Parkway Ave., Suite 103
Ewing Twp., NJ 08628

Assemblyman Gordon M. Johnson
545 Cedar Lane
Teaneck, NJ 07666

Senator Lorretta Weinberg
545 Cedar Lane
Teaneck, NJ 07666

Assemblyman Benjie E. Wimberly
191 Market St.
Paterson, NJ 07505

**Re: Rate Counsel's Letter In Support of A4576 / S1771
Bill which amends Title 30 of the Revised Statutes by requiring
the lowest possible price not exceeding a certain cap for intrastate
inmate telephone calls.**

Dear Assemblymen Johnson and Wimberly and Senators Turner and Weinberg:

The Division of Rate Counsel ("Rate Counsel") writes in support of the adoption of **S1771/A4576** which will reform inmate calling rates to ensure that the rates paid are just and reasonable. Rate Counsel notes that the lack of regulation in this area has incentivized non-competitive, non-cost-based bidding resulting in an inequitable burden and expense on vulnerable telephone consumers.

As you are aware, Rate Counsel represents and protects the interests of all utility customers – residential customers, small business customers, small and large industrial customers, schools, libraries, and other institutions in our communities. Rate Counsel is a party in cases where New Jersey utilities seek changes in their rates or services. Rate Counsel also gives consumers a voice in setting energy, water, and telecommunications policy that will affect the rendering of utility services well into the future.

The passage of this legislation will end the longstanding practice employed by private and public institutions throughout the state that choose to contract for higher rates in exchange for commissions and/or other add-on fees imposed by inmate calling service (ICS) providers. Rate Counsel commends the efforts of the sponsors to close the loopholes that exist and resolve this serious problem through passage of this legislation. As noted by some commenters throughout the State, the ability to maintain contact with loved ones and friends throughout an inmates' incarceration is vital and plays a critical role in an inmate's or detainee's ability to reintegrate into society. Rate Counsel further notes that this legislation is also consistent with

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recent rules adopted by the Federal Communications Commission.¹ Accordingly, Rate Counsel supports this legislation and urges the Legislature to proceed with the adoption of S1771/A4576 as soon as possible so that inmates, detainees, their families, and friends are only charged just and reasonable rates for telephone calls.

Thank you for the opportunity to share our comments on this important matter on behalf of the State's ratepayers. Please feel free to contact our office if you have any questions.

Sincerely,



Stefanie A. Brand, Director
New Jersey Division of Rate Counsel

- c: Members of the New Jersey Assembly
- Yvette Roland, Chief of Staff, Assemblyman Wimberly
- Scott Devilin, Legislative Director, Assemblyman Johnson
- Dana Burley, Clerk of the General Assembly
- Maria T. Novas-Ruiz, Staff Attorney Telco/Cable, Rate Counsel
- Robyn Roberts, Legislative Liaison, Rate Counsel

¹ *In the Matter of Rates for Interstate Inmate Calling Services*, WC Docket No. 12-375, Second Report and Order and Third Further Notice of Proposed Rulemaking, FCC 15-136 (Rel. Nov. 5, 2015) (2015 ICS Order).
https://apps.fcc.gov/edocs_public/attachmatch/FCC-15-136A1.pdf