



# THE FCC VOTE ON PRISON PHONE RATES: A FACT SHEET

*The Federal Communications Commission passed rules that reduce the cost of interstate prison phone calls & ensure "just and reasonable" rates for all consumers in six critical ways:*

- BEFORE:** Phone companies generated revenues from prison phone calls that exceeded the cost of delivering service, and considered that "fair compensation".

**NOW:** Prison phone companies can still generate a reasonable profit, but the new FCC rules prevent these companies from *receiving unfair compensation through excessive rates and fees*.
- BEFORE:** Prison telephone companies were allowed to determine phone rates based on what they considered "just and reasonable" for themselves, without regard for affordability or the needs of consumers.

**NOW:** Prison phone rates *must be affordable* in order to be considered "just and reasonable".
- BEFORE:** There was an assumption that the prison phones marketplace delivered competitive phone rates and choices to the consumer.

**NOW:** In their order, the FCC acknowledged that the prison telephone industry has *failed to deliver either competitive rates or choices to inmates and their families*.
- BEFORE:** There was no federal regulation on what companies could charge for long-distance calls from prison, and no mandates for them to justify their rates with data. As a result, prison phone rates varied greatly from state to state.

**NOW:** The FCC set a standard "safe harbor" rate for all long distance prison phone calls at a minimum of 12 cents per minute, and a "hard price cap" rate that cannot exceed 25 cents per minute. Prison phone companies can now only charge higher rates if they can provide yearly data that certifies the need for higher prices.
- BEFORE:** A 15-minute call could cost as much as \$18 dollars, depending on the state.

**NOW:** In all states, a 15-minute call can cost \$2.10 for collect and \$1.80 for a debit call under the "safe harbor" rate, and no more than \$3.75 for collect calls and \$3.15 under the "hard price cap" rate.
- BEFORE:** "Kickbacks" from telephone companies to prisons and other detention facilities were considered part of the "cost" of doing business and led to excessive phone rates and fees.

**NOW:** Costs resulting from kickbacks cannot be passed on to inmates and their families, and are no longer considered part of the cost of providing phone service.

There are over 2 million people incarcerated in the U.S.—including 400,000 immigrants detained in U.S. jails and prisons.

2.7 million children have an incarcerated parent.

More than half of all people incarcerated are parents of a child under 18.

One in nine black children have an incarcerated parent, and 40% of incarcerated parents are black fathers. As a result, exorbitant prison phone costs have a significant impact on black communities.

States with worst rates currently: AL, AK, GA, MN, OH (15 minute call costs over \$17).

States with the best rates: NM, SC, NY, NE.

People who are deaf and hard of hearing take three times longer to talk via phone.

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