

January 14, 2013

Hon. Julius Genachowski  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> St. S.W.  
Washington, D.C. 20554

Dear Mr. Chairman:

**EX PARTE**

RE: Lifeline Support for Pay Telephone Service (WC Dkt. No. 11-42; WC Dkt. No. 06-122; WC Dkt. No. 03-109; WC Dkt. No. 96-45; WC Dkt. No. 12-23; CC Dkt. No. 96-128; GN Dkt. No. 09-151)

In recent weeks, the Commission's attention has been focused on the profoundly critical issue of prison phone service. The Wright Petition and a movie, "The Middle of Nowhere," which documented the story of Ms. Martha Wright to stay connected during her grandson's time in prison, have galvanized public opposition to extraordinarily high charges – in some instances \$15 per minute – for phone calls between incarcerated persons and their loved ones. In many cases, families of incarcerated persons must choose between paying to remain connected to their loved ones, and paying for food and medicine.

As we know, prison "payphone" systems are not payphones at all – they are PBXes. While the inmate phones may have some physical appearances similar to public payphones, the inmate phones are part of a system controlled by individualized switching equipment operated by the inmate phone system provider. Thus these phones are more akin to a phone in a hotel room, hospital, or other transient location where the host institution determines the long distance carrier, the rates, etc. The inmate phone system is generally operated pursuant to a contract between the inmate phone system provider and the prison.

Just as the exploitation of the poor by prison "payphones" is wrong, it would be just as wrong if the nation lost the legitimate pay telephone business upon which the lowest income Americans depend for essential communications. The loss of legitimate pay telephone service will probably occur within one or two years unless the Commission acts now to prevent it.

It's important to understand why the legitimate pay telephone business is in danger. The problem, simply put, is that most calls formerly made on payphones are now made on cell phones. That still leaves payphones as the primary means of communication by those who are so desperately poor that they cannot afford, or are not eligible, even for Lifeline cellular service. And as was demonstrated by Hurricane Sandy, payphones are the last hard-wired line of highly reliable, wired, emergency communications for stranded individuals when the cellular network goes down. See Attachment 1.

Thus it has been necessary to decommission most payphones. Consider, for example, airports, where payphones are primarily used by low-income workers to call home to check on their children or obtain transportation to and from work. In 2000, there were over 2,000,000 payphones in our nation. Today there are no more than 400,000 or so. Payphones available for the use of low income people are being abandoned everywhere.

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Even in airports where there is only one payphone left (see Attachment 2) someone must visit the site and collect the coins. That was cost-efficient when there were 10 payphones, but it is no longer efficient when there is only one left. Today, even in large cities, payphone density is so low that the cost of collecting the coins and maintaining the payphone exceeds the income generated by the payphone, as the rate of removal of payphones demonstrates.

There are only two solutions to this dilemma. One solution would be for payphone operators to raise rates to a point where the very low-income people the payphones are serving cannot afford the service. The other solution is federal support.

In its February 6, 2012 order in the Lifeline Proceeding, the Commission decided not to include payphones in the Lifeline program because payphones were not linked to specific individual program beneficiaries. This decision overlooked the fact that the nature of a payphone is that it is there to serve everyone. Thus, simply because the technology doesn't fit in the narrow definitional "box" used for Lifeline, we may see the service die out. That would be a grave mistake, a disservice to the poor and to those finding themselves lost in an emergency.

We therefore call upon the Commission to reconsider its decision to deny Lifeline support for payphones and to initiate a proceeding to examine the future of payphones. Such a proceeding could explore all aspects of payphone service and how they can continue to provide service.

Thank you very much for your consideration.

Respectfully submitted,<sup>1</sup>

A. Philip Randolph Institute  
Minority Media and Telecommunications Council  
National Association of Multicultural Digital Entrepreneurs  
National Black Chamber of Commerce  
National Black Church Initiative  
National Black Religious Broadcasters  
National Coalition of Black Women  
National Conference of Black Mayors  
Rainbow PUSH Coalition  
Vision Maker Media (formerly Native American Public Telecommunications)  
Women's Institute for Freedom of the Press

cc: Commissioner Robert M. McDowell  
Commissioner Mignon Clyburn  
Commissioner Jessica Rosenworcel  
Commissioner Ajit Pai

Attachments

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<sup>1</sup> The contact person for this letter is David Honig, President, Minority Media and Telecommunications Council, 3636 16<sup>th</sup> St. N.W., Suite B-366, Washington, DC 20010; phone 202-332-7005; email [dhonig@crosslink.net](mailto:dhonig@crosslink.net).

Attachment 1



## Attachment 2

