In the Matter of

Facilitating the Deployment of Text-to-911 and Other Next Generation 911 Application  ) PS Docket No. 11-153
Framework for Next Generation 911 Deployment  ) PS Docket No. 10-255
IP-Enabled Services  ) WC Docket no. 04-36
Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities  ) CG Docket No. 03-123
Petition for Rulemaking to Update the Commission’s Rules for Access to Support the Transition from TTY to Real-Time Text Technology, and Petition for Waiver of Rules Requiring Support of TTY Technology  ) GN 15-178

INITIAL COMMENTS OF IDT TELECOM, INC.

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INTRODUCTION

On June 12, 2015, AT&T filed a Petition for Waiver and a Petition for Rulemaking with the Commission.\(^1\) On July 24, the FCC issued a Public Notice seeking comment on the AT&T Petitions.\(^2\) IDT does not oppose or otherwise take any position on the substantive issues raised in the AT&T Petitions. IDT believes a rulemaking is the appropriate vehicle for considering how the issues raised and questions presented by AT&T should be resolved. However, we are aware that, in the past, the Commission has concluded that a relay service could be deemed compensable from the Interstate TRS Fund without undergoing a rulemaking\(^3\) and that the AT&T Petitions might present an opportunity for the Commission to address the issue of whether Real-Time Text (“RTT”), if deemed a replacement for text telephony (“TTY”), would be subject to compensation from the Interstate TRS Fund. Therefore, in an abundance of caution, IDT is presenting substantive arguments regarding relevant issues should the Commission conclude that it has the authority to find that RTT is a replacement for TTY and subject to compensation from the Interstate TRS Fund.


\(^3\) (“As a result of the Petition to Amend, we address in this Declaratory Ruling the provision and compensation of IP-based captioned telephone service. We will address whether captioned telephone service (including IP CTS) should be a mandatory form of TRS in a separate proceeding.”) In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Internet-based Captioned Telephone Service, Declaratory Ruling, CG Docket No. 03-123 (January 11, 2007) at note 3.
I. If The Commission Finds that RTT Is A Replacement for TTY And Is Subject To Compensation From The Interstate TRS Fund, It Must Find That Funding For Intrastate RTT Will Be Provided From The Intrastate Jurisdiction

As relay services have transitioned from PSTN-based to IP-based, the Commission has failed to maintain the balance between intrastate and interstate management and cost recovery, as was contemplated by Congress in the Americans with Disabilities Act. The Interstate TRS Fund budget has exploded since the introduction of IP-based services – VRS, IP Relay and IP CTS – particularly because the Commission has allowed for the recovery of intrastate calls. The Commission should not allow the budget to increase further by allowing for the recovery of intrastate RTT from the Interstate TRS Fund. States are already managing the provision of intrastate TTY services and if RTT is meant to replace TTY, states should be required to manage the provision of intrastate RTT. If there are any technical limitations regarding the provision of RTT which might limit providers’ ability to distinguish between intrastate, interstate and international RTT calls, those limitations should be addressed prior to the approval of the service for compensation from the Interstate TRS Fund. If there are technical or managerial obstacles that prevent states from managing intrastate RTT, the Commission must resolve those obstacles prior to approving the service for cost recovery. Or, as an alternative, as IDT has noted in filings before the Commission, the Commission can assert its authority to manage the provision of and compensation for intrastate RTT. However, the Commission’s authority to manage the provision of and compensation for intrastate RTT does

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not supersede Congress’s requirement that intrastate services must be recovered from the intrastate jurisdiction.

II. Compelling International Providers To Fund Domestic RTT Would Violate The Jurisdictional Separations Requirement Of 47 U.S.C. § 225

A. The FCC does not have the authority to administer or enforce the provision of or recovery for international RTT

47 U.S.C. § 225 refers to “intrastate” and “interstate” relay services and does not mention international relay services (or, by extension, recovery of relay services from international revenue.) When initially establishing the contribution methodology to support the Interstate TRS Fund, the Commission wrote “For the purpose of calculating TRS contributions, interstate telecommunications service includes ... international.”6 This interpretation of Congressional intent, memorialized in 47 C.F.R.§64.604(c)(5)(iii)(A) is, quite simply, unsupportable as a matter of law and remains subject to challenge before the Commission in two separate proceedings.7 The Commission’s decision appears to rest on its (mistaken) conclusions that either Congress authorized the Commission to make available international relay services (and, by extension, authorized the compensation of such services from the corresponding jurisdiction) or that international services are a subset of interstate services. Neither conclusion withstands even the most elementary scrutiny.

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7 “Telco Group Application for Review,” In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities CG 03-123, at pp 5-7 (June 4, 2009)(“Telco Group Application for Review”). See also, Telco Group Declaratory Ruling on Reconsideration at FN 21. Globecomm Systems filed a Petition for Declaratory Ruling that there is no obligation to pay into the Interstate TRS Fund based on revenues arising from traffic that does not originate or terminate in the United States. The Bureau stated that it would “address GSI’s petition in a separate order.” That neither the Bureau nor the Commission can, more than nine years later, deign to address significant issues involving billions of dollars indicates the both the gross negligence and indifference of the Commission as well as the need for judicial review.
47 U.S.C. § 225(B)(2) states that the “the Commission shall have the same authority, power, and functions with respect to common carriers engaged in intrastate communication as the Commission has in administering and enforcing the provisions of this subchapter with respect to any common carrier engaged in interstate communication.” This, and other statutory language, clarifies that the Commission’s authority over intrastate relay service mirrors its authority over interstate relay services. By this language, Congress explicitly did not include the international jurisdiction within the Commission’s authority. In fact, Congress explicitly excluded the international jurisdiction by stating that “The term ‘common carrier’ or ‘carrier’ includes any common carrier engaged in *interstate communication* by wire or radio as defined in section 153[.]” (Emphasis added) Notably, “interstate communication” is defined in 47 U.S.C. § 153(28) as follows:

**(28) Interstate communication**

The term “interstate communication” or “interstate transmission” means communication or transmission

**(A)** from any State, Territory, or possession of the United States (other than the Canal Zone), or the District of Columbia, to any other State, Territory, or possession of the United States (other than the Canal Zone), or the District of Columbia,

**(B)** from or to the United States to or from the Canal Zone, insofar as such communication or transmission takes place within the United States, or

**(C)** between points within the United States but through a foreign country; but shall not, with respect to the provisions of subchapter II of this chapter (other than section 223 of this title), include wire or radio communication between points in the same State, Territory, or possession of the United States, or the District of Columbia, through any place outside thereof, if such communication is regulated by a State commission.
This definition does not include “Foreign Communication,” i.e., “transmission from or to any place in the United States to or from a foreign country.”\textsuperscript{8} Congress could very easily have included international or foreign relay services as being available\textsuperscript{9} and subject to cost recovery,\textsuperscript{10} but Congress did not do so. However much the Commission believes Congress \textit{intended} to extend relay services to the international jurisdiction and however much the Commission believes Congress \textit{should} have extended relay services to the international jurisdiction is immaterial: the plain language of the statute demonstrates that Congress did not intend for the provisions of 47 U.S.C. § 225 to apply to international (or foreign) communications, the providers of such communications and/or the revenue generated from the provision of such communications.

\textbf{B.} Even if the Commission asserts jurisdiction over international RTT, it is a violation of 47 U.S.C. § 225(d)(3)(B) as implemented under 47 CFR §64.604(c)(5)(ii) to secure the funding of domestic RTT (in part) from the international jurisdiction.

If the Commission is going to read Section 225 as authorizing the provision of international relay services and compensation for relay services from the international jurisdiction, it can and must read Section 225 to extend the jurisdictional separations requirement to international revenue, thus requiring the recovery of costs incurred from the provision of international RTT from the international jurisdiction while prohibiting the

\textsuperscript{8} 47 U.S.C. § 153(21).

\textsuperscript{9} For example Congress could have stated in 47 U.S.C. §225(b)(1) “the Commission shall ensure that interstate, intrastate and international [or foreign] telecommunications relay services are available” but the Commission did not do so: it explicitly did not include international or foreign telecommunications relay services.

\textsuperscript{10} Likewise, Congress could have stated in 47 U.S.C. §225(d)(3)(b) “Such regulations shall generally provide that costs caused by interstate telecommunications relay services shall be recovered from all subscribers for every interstate service and costs caused by intrastate telecommunications relay services shall be recovered from the intrastate jurisdiction and costs caused by international [or foreign] telecommunications relay services shall be recovered from the international [or foreign] jurisdiction” but the Commission did not do so: it explicitly did not include international or foreign telecommunications relay services.
international jurisdiction from being tapped to recover costs from the domestic jurisdictions. As the Commission has cited, “[A]mbiguities in statutes within an agency's jurisdiction to administer are delegations of authority to the agency to fill the statutory gap in a reasonable fashion.” So, to the degree the failure to explicitly reference international relay services within Section 225 is “ambiguous,” the ambiguity can be resolved reasonably, i.e., by concluding that if Congress intended to allow for relay service users to make international calls Congress also intended to apply the jurisdictional separations mandate to the recovery of international relay services as well. If the Commission fails to extend the interpretation of Section 225 to jurisdictional separations, the resolution of the ambiguity is unreasonable, as it leads to inconsistent, contrary outcomes within the same statute.

As long-acknowledged by the Commission, the intent of Congress was unambiguous on the issue of jurisdictional separations: relay service costs are to be recovered from the corresponding jurisdiction. Thus, the only question can be whether Congress intended to impose a different recovery mechanism for the international jurisdiction. The answer is, quite simply, that there is no evidence to indicate this to be the case.

Additionally, it is unreasonable to conclude that international RTT calls are jurisdictionally the same as interstate RTT calls and are meant to be recovered from a joint interstate/international revenue base, which is presently the case for all approved relay services. International calls are not a subset of interstate calls: international calls are

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12 This appears to be what the Commission assumed when it noted that “[T]hese commenters propose that the Commission require TRS Fund contributions from providers of every interstate service including...international.” TRS III at ¶9.
jurisdictionally different from intrastate or interstate. International calls originate in a state, territory or possession of the United States (the “US”) and terminate outside the US (or vice versa) whereas interstate calls originate in one state, territory or possession and terminate within another. The Commission has acknowledged that international calls are separate and apart from interstate calls (“[W]e agree ... that by definition ... international telecommunications are not ‘interstate’ because they are not carried between states, territories or possessions of the United States”\(^{13}\) and “international services are supported by the Interstate TRS Fund.”\(^{14}\)) Moreover, the revenue generated from international calls is reported separately from intrastate and interstate revenue on the Form 499-A\(^{15}\) and is treated differently as well.\(^{16}\) The Commission has even explicitly addressed the provision of and recovery for certain international relay services by prohibiting the compensation for certain internationally-originated VRS calls\(^{17}\) and international IP Relay calls in their entirety.\(^{18}\) In sum, international relay service calls are a specific jurisdiction – neither intrastate nor interstate - and any attempt to treat the international jurisdiction as anything less than its own separate

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\(^{13}\) *In re: Federal-State Joint Board Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 22493 at ¶779 (May 8, 1997).


\(^{15}\) “Columns (b), (c), (d), and (e) are provided to identify the part of gross revenues that arise from interstate and international services for each entry on Lines 303 through 314 and Lines 403 through 417,” 2015 Telecommunications Reporting Worksheet Instructions (FCC Form 499-A) at 26, located at http://www.usac.org/_res/documents/cont/pdf/forms/2015/2015-FCC-Form-499A-Form-Instructions.pdf last viewed June 3, 2015.

\(^{16}\) See, 2015 Telecommunications Reporting Worksheet Instructions (FCC Form 499-A) at Appendix A.

\(^{17}\) 47 C.F.R. § 64.604(a)(7).

\(^{18}\) Even in 2005, when IP Relay represented 76% of recoverable relay minutes for the entire TRS Fund, none of these minutes were international because the FCC, as a matter of policy, did not compensate international IP Relay calls.
jurisdiction for the purpose of complying with the jurisdictional separations requirement must fail.

III. The Commission Should Not Allow for the Recovery of Intrastate RTT from the Interstate TRS Fund

A. The Commission Has Conceded That Its Authority To Authorize The Recovery Of Intrastate Service From The Interstate Jurisdiction Is Limited And Its Past Behavior Has Demonstrated Its Inability To Act Within The Limited Authority It Has Granted Itself

The Commission has conceded that its authority to authorize the recovery of intrastate services from the Fund is limited in scope and time. Yet the Commission has knowingly and willfully exceeded this very limited exception it established for itself. For example, in 2000, the Commission issued an Order approving the compensation of all (including intrastate) VRS calls from the Interstate TRS Fund.19 In 2002, the Commission issued an Order approving the compensation of all (including intrastate) IP Relay calls from the Interstate TRS Fund.20 And again, in 2007, the Commission issued a Declaratory Ruling approving the compensation of all (including intrastate) IP CTS calls from the interstate TRS.”21 The Commission has, for the last two years, been attempting to reverse this decision and has run into a brick wall of opposition from the states, relay service providers and consumers. Clearly, once the Commission opens the door to “temporarily” fund an intrastate relay service from the Interstate TRS Fund, it is unable to shut the door. Therefore, the only way to ensure that the Commission does not begin funding RTT in a manner contrary to the intent of Congress is to never start.

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20 Id. at ¶ 1 (Italics added.)
21 TRS Declaratory Ruling at ¶ 1 (Italics added.)
The Commission has the ability to determine the jurisdiction of RTT calls. Information required by service providers in order to receive compensation per 47 CFR 64.604(c)(ii)(D)(2)(i)-(x) provides sufficient information to allow the relay service provider and Fund Administrator to determine the jurisdiction of VRS calls. And even if the data obtained pursuant to 47 CFR 64.604(c)(ii)(D)(2)(i)-(x) is somehow insufficient to determine the jurisdiction RTT calls, the Commission must implement reporting requirements or proxies or some sort of mechanism that would prevent the recovery of intrastate RTT from the intrastate jurisdiction.

IV. The Inclusion Of Intrastate RTT Costs Within The Interstate TRS Fund’s Budget Would Violate The Jurisdictional Separations Requirement Of 47 U.S.C. § 225 – Such Costs Must Be Recovered From The Intrastate Jurisdiction

An Interstate TRS Fund budget and contribution factor that contains funding for intrastate RTT would violate the jurisdictional separations requirement of 47 U.S.C. § 225 because both would be calculated, in part, based on funding intrastate RTT from interstate and international revenue and not from intrastate revenue. 47 U.S.C. § 225(d)(3)(B) unambiguously states, regarding regulations for cost recovery of relay services “Such regulations shall generally provide that costs caused by interstate telecommunications relay services shall be recovered from all subscribers for every interstate service and costs caused by intrastate telecommunications relay services shall be recovered from the intrastate jurisdiction.” This mandate was equally and unambiguously implemented by the Commission in its rules (“Costs

22 For example, 47 CFR 64.604(c)(ii)(D)(2)(v)-(vi) require the incoming telephone and IP address (if call originates with an IP-based device) and the outbound telephone and IP address (if call originates with an IP-based device). This information alone should be sufficient to determine the jurisdiction of a call. To the degree the Commission believes that that the physical location of the calling or called party can vary from the location associated with the phone number or IP address, the Commission can address this issue. However, since there is no benefit to the calling or called party (or the service provider) to manipulate the jurisdiction of the call, IDT does not believe that any uncertainty (which exists in all aspects of the telecommunications business) presents cause for meaningful concern.
caused by interstate TRS shall be recovered from all subscribers for every interstate service ... costs caused by intrastate TRS shall be recovered from the intrastate jurisdiction.”)23 Thus, any final budget (and corresponding contribution factor) whose calculation is based solely on revenue from the interstate and international jurisdictions and which compensates costs incurred from the provision of intrastate RTT would be, on its face, in violation of 47 U.S.C. § 225(d)(3)(B) as implemented under 47 CFR §64.604(c)(5)(ii) because the costs caused by intrastate RTT would be recovered from the interstate and international jurisdictions.

V. The Commission Should Revisit Its Prohibition On Cost Recovery of Relay Services

Despite Section 225’s directive that TRS costs should be recovered from “subscribers” and that states have generally implemented the recovery of costs directly from subscribers, the Commission prevents the recovery of costs for the Interstate TRS Fund directly from subscribers. The Commission’s policy is contrary to Congressional mandate and must be reversed.

Looking at the legislative history of Section 225, it is clear that Congress intended for costs to be recovered from subscribers:

67. Recovery of costs

The House amendment includes the following changes applicable to recovery of costs.

(a) The House amendment specifies that costs caused by interstate relay services will be recovered from all subscribers for every interstate service, thereby

23 47 CFR §64.604(c)(5)(ii). It is notable that the inclusion of the word “generally” within 47 U.S.C. § 225(d)(3)(B) was deemed so immaterial by the Commission when it established its rules, that the Commission did not even include the word within its rules. But subsequent reliance by the Commission upon the inclusion of “generally” within the statute has resulted in the Commission forcing interstate and international service providers to remit billions of dollars to the Interstate TRS Fund to support the provision of intrastate IP-based relay services.
ensuring that even those businesses that have private telecommunications systems will contribute to the cost of providing interstate relay services.

The Senate recedes.

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(c) The Senate bill prohibits the imposition of a fixed monthly charge on residential customers to recover the costs of providing interstate relay services.

The House amendment deletes this provision.

The Senate recedes.\(^{24}\)

This legislative history indicates beyond any reasonable doubt that Congress rejected the policy of prohibiting a monthly surcharge and, in fact, Congress \textit{intended} for a monthly surcharge to be implemented as a means to ensure that \textit{all} “subscribers” helped pay the costs of TRS. Under the current policy which prohibits explicit line-item recovery, carriers have the ability to under-recover (or over-recover) their costs from certain classes of subscribers and/or upon certain products while declining to recover costs from other subscribers and/or products. Particularly as the Interstate TRS Fund Contribution Factor has grown approximately 460\% from .00356 in the 2004 – 2005 Year to .01635 in the 2015 – 2016 Year, carriers may find that they cannot recover their costs from highly competitive services (or competitive customer bases) whereas they can recover (or over-recover) from less competitive services (or less competitive customer bases.)\(^{25}\) The intent of Congress was to ensure that every class of subscriber paid their fair share into the Interstate TRS Fund, yet the FCC’s refusal to allow for direct line-item recovery


\(^{25}\) Moreover, as IDT has noted here and in other filings before the Commission, Congress explicitly granted states a wide berth in determining how to recover the costs of intrastate relay services, with many states choosing to recover costs directly from subscribers via a line item surcharge. With over 98\% of the projected costs in the current Interstate TRS Fund Budget attributed to IP-based relay services – including intrastate IP-based relay services – the Commission has effectively taken over the management of intrastate relay services yet it does not allow for the recovery of intrastate IP-based relay costs in a manner consistent with the states in which the calls occur.
ensures that no one can ever know how carriers are recovering and/or whether their recovery is consistent with the intent of Congress. This must change. As the FCC moves from TTY – whose intrastate costs are recovered directly from subscribers – to RTT, the FCC must ensure that the costs of all RTT calls can be recovered directly from subscribers.
CONCLUSION

While IDT believes that the issues of cost recovery for RTT should be determined as a result of a rulemaking and not based on the AT&T Petitions, in an abundance of caution, IDT has provided substantive comments regarding the issue of cost recovery for RTT. If the Commission finds that RTT is a replacement for TTY and is subject to compensation from the Interstate TRS Fund, it must find that funding for intrastate RTT will be provided from the intrastate jurisdiction. Compelling international providers to fund domestic RTT would violate the jurisdictional separations requirement of 47 U.S.C. § 225. The FCC does not have the authority to administer or enforce the provision of or recovery for international RTT. Even if the Commission asserts jurisdiction over international RTT, it is a violation of 47 U.S.C. § 225(d)(3)(B) as implemented under 47 CFR §64.604(c)(5)(ii) to secure the funding of domestic RTT (in part) from the international jurisdiction. The Commission should not temporarily allow for the recovery of intrastate RTT from the Interstate TRS Fund. The Commission has conceded that its authority to mandate the recovery of intrastate service from the interstate jurisdiction is limited and its past behavior has demonstrated its inability to act within the limited authority it has granted itself. The inclusion of intrastate RTT costs within the Interstate TRS Fund’s budget would violate the jurisdictional separations requirement of 47 U.S.C. § 225 – such costs must be recovered from the intrastate jurisdiction. The Commission should revisit its prohibition on cost recovery of relay services: the prohibition is contrary to Congressional intent and cannot stand.
Respectfully submitted,

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