Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

Structure and Practices of the Video Relay Service Program

Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities

CG Docket No. 10-51

CG Docket No. 03-123

JOINT COMMENTS OF ALL SIX VRS PROVIDERS ON ROLKA LOUBE PAYMENT FORMULAS AND FUNDING REQUIREMENTS

All six providers of Video Relay Service (“VRS”) (collectively, “the Providers”) submit these comments in response to the Public Notice released May 20, 2015. The Providers are disappointed that the Commission has decided to adopt a contribution factor for the upcoming fund year without seeking comment on the Joint Proposal of All Six VRS Providers for Improving Functional Equivalence and Stabilizing Rates (“Joint Proposal”), which has the support of all six VRS providers, the Consumer Groups, the Registry for Deaf Interpreters (“RID”), and the iTRS Advisory Council. Because the Bureau does not intend to consider the Joint Proposal before the next set of rate cuts takes effect, the Providers will have to plan for imminent rate reductions. As we have explained previously, rate cuts will inevitably degrade the quality of VRS service, and innovation is not possible in an environment of continually falling


2 Id. at 4.

3 Id.
rates. As Telecommunications for the Deaf and Hard of Hearing, Inc. (“TDI”) explained its recent letter urging the Commission to adopt the Joint Proposal, “further rate cuts threaten to erode deaf, hard of hearing, deaf-blind, and deaf and mobile-disabled consumers’ access to telecommunications services.”

The Commission’s failure to release the Joint Proposal for comment will not preclude the Commission from adopting the Joint Proposal in the middle of the Fund Year. The cost of the proposed rate stabilization would be less than 20 percent of the 2-month reserve that Rolka Loube has proposed to keep on hand. So the Commission could adopt the Joint Proposal in the middle of the fund year without raising the contribution factor, though given the adverse impact of the rate cuts, it is still imperative to act as quickly possible and to make any rate stabilization retroactive to the beginning of the Fund Year.

But the mere possibility of future rate stability will not avert the negative consequences of the scheduled rate cuts. Providers must plan ahead in order to make the changes that are necessary to continue operating at the new rates. While each individual provider will have to make its own independent decisions about how to manage its business in the wake of the rate cuts, basic economics constrains those decisions. The economic reality is that drastic rate cuts

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5 Compare Rolka Loube Associates LLC, Interstate Telecommunications Relay Services Fund Payment Formula and Fund Size Estimate: Supplemental Filing at Ex. 2 UPDATED, CG Docket Nos. 03-123, 10-51 (filed May 1, 2015) (calculating Net Fund Requirements of $1,048,050,673 without Joint Proposal) with id. Ex. 2-1 UPDATED (calculating Net Fund Requirements of $1,079,681,870 if Joint Proposal is adopted). Based on these numbers, the cost of the Joint Proposal would be $31,631,197, which is less than 20 percent of Rolka Loube’s proposed two-month provider payment reserve of $160,685,000). Moreover, even if the Commission did adjust the contribution factor, the required adjustment would be less than .05 percentage points.
inevitably lead to degradation of service, which has historically manifested itself through less customer care, lower pay for interpreters, slower technical upgrades, and less support for community projects. To avoid negative impacts, the providers need certainty about rates now. Accordingly, the Providers continue to urge the Commission to expeditiously put the Joint Proposal out for public comment on a shortened pleading cycle and to adopt the proposal before further cuts go into effect.

Respectfully Submitted,

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