

For Immediate Release

Contact: Chris Puyear
christopher.puyear@mt.gov
(C): 406-431-2499

July 25, 2017

Commission Proposes to Cap Inmate Calling Rates

HELENA, Mont. – The Montana Public Service Commission voted unanimously today to initiate a rulemaking to limit charges for phone calls between inmates and their families.

“Some families are paying more for a few moments of contact with a loved one behind bars than they do cellphone services for an entire month,” said Chairman Brad Johnson, R-East Helena.

Last month the Commission issued a notice requesting comment on the maximum allowable rate charged for calls between places in Montana and local correctional facilities in the state. Many of those comments expressed frustration with the price and quality of service of the companies that provide telephone services in detention facilities.

The Commission has the power to set maximum rates, or caps, for operator service providers. It is unlawful for such a provider to charge an “exorbitant rate,” which the law defines as one above the Commission-determined rate cap.

The proposed rulemaking mirrors per minute and ancillary service charge rate caps established by the Federal Communications Commission (FCC) for interstate inmate calling. According to the PSC’s notice, rates would be capped at \$.25 per minute for collect calls and \$.21 per minute for calls placed using a pre-paid phone card.

The Commission’s decision would not affect calls to or from the state prison in Deer Lodge, which are by contract capped at \$0.14 per minute. Meanwhile, information obtained by the PSC suggests there is a wide variance between calling rates at different detention facilities. In some places, inmates or their families pay nearly \$15 for a 15-minute phone call. Jails typically earn a commission off of the revenue earned by the companies providing inmate calling services.

“The price that inmates’ families pay for these services should not exceed the cost of actually providing the service. That is how the PSC sets prices for monopolies in this state, and this is no exception,” said Vice-chairman Travis Kavulla, R-Great Falls.

In June, District of Columbia Circuit Court of Appeals rejected an FCC attempt to impose rate caps on intra-state calls, ruling that such decisions are within the purview of state utility commissions like the Montana PSC. Meanwhile, the FCC, which changed membership after the November elections, dropped its defense of its own rule.

“The FCC and the judiciary kicked the ball into our court, and now it’s up to us to pick it up and run with it,” said Commissioner Tony O’Donnell, R-Billings.

Interested parties will have until Sept. 18 to submit public comment. The PSC will hold a public hearing following the close of the comment period.

To view the full docket, visit: <http://bit.ly/2h06xML>

###

For PSC updates please follow us on twitter [@MT_PSC](#), and “like” our Facebook page [Montana PSC](#)

Made up of five elected commissioners, the PSC works to ensure that Montanans receive safe and reliable service from regulated public utilities while paying reasonable rates. Utilities regulated by the PSC generally include private investor-owned natural gas, electric, telephone, water, and sewer companies. In addition, the PSC regulates certain motor carriers, and oversees natural gas pipeline safety and intrastate railroad safety.