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DA 22-534

Released: May 16, 2022

ROLKA LOUBE ASSOCIATES SUBMITS PAYMENT FORMULAS AND FUNDING REQUIREMENTS FOR THE INTERSTATE TELECOMMUNICATIONS RELAY SERVICES FUND FOR THE 2022-2023 FUND YEAR

CG Docket No. 03-123

Comments Due: May 31, 2022 Reply Comments Due: June 7, 2022

The Consumer and Governmental Affairs Bureau (CGB or Bureau) of the Federal Communications Commission (Commission) seeks comment on the Interstate Telecommunications Relay Services Fund (TRS Fund or Fund) administrator's proposed provider compensation formulas, funding requirements, and contribution factors for the period from July 1, 2022, through June 30, 2023, (2022-23 Fund Year), for TRS compensated by the Fund.¹

TRS Using MARS Plan Methodology

Rolka Loube Associates LLC (Rolka Loube), the TRS Fund administrator, proposes per-minute compensation formulas for services subject to the Multi-state Average Rate Structure (MARS) plan methodology,² as follows: \$4.5098 for interstate traditional TRS;³ \$5.6408 for interstate speech-to-speech relay service (STS);⁴ and \$2.3419 for interstate captioned telephone service (CTS).⁵ We seek comment on whether these proposed formulas correctly apply the MARS methodology.

¹ See Rolka Loube Associates LLC, Interstate Telecommunications Relay Services Fund Payment Formula and Fund Size Estimate, CG Docket Nos. 03-123 and 10-51 (filed May 2, 2022), https://files.fcc.gov/ecfs/download/f2c9b5a4-8238-40e6-b900-c165d2950812.pdf?orig=true&pk=cb77b2ec-1a58-dbc6-139b-ad192cfd5d9b (2022 TRS Report); see also 47 CFR § 64.604(c)(5)(iii)(H).

² Under the MARS plan methodology, interstate TRS Fund compensation formulas for relay services provided through state TRS programs are calculated based on a weighted average of the per-minute intrastate compensation paid by state TRS programs for the same or a similar relay service. *See Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, CG Docket No. 03-123, Report and Order and Declaratory Ruling, 22 FCC Rcd 20140, 20151-58, paras. 16-37 (2007) (2007 TRS Compensation *Methodology Order*).

³ 2022 TRS Report at 7. The current compensation level for interstate traditional TRS is \$4.1944 per minute. *Id.* at 7

⁴ *Id.* at 7-8. Consistent with the 2007 TRS Compensation Methodology Order, Rolka Loube's proposed interstate STS formula consists of the interstate traditional TRS compensation level of \$4.5098 per minute plus an additional per-minute amount of \$1.131 for STS outreach. See 2007 TRS Compensation Methodology Order, 22 FCC Rcd at 20156, 20165, paras. 34, 57. The current STS compensation level is \$5.3254 per minute. 2022 TRS Report at 8.

⁵ 2022 TRS Report at 8. The current compensation level for interstate CTS is \$2.3662 per minute. *Id*.

VRS, IP CTS, and IP Relay

The Commission will address compensation for Video Relay Service (VRS), Internet Protocol Captioned Telephone Service (IP CTS), and Internet Protocol Relay Service (IP Relay) in actions separate from this request for comment on the TRS Fund administrator's proposals.⁶

Funding Requirement and Contribution Factors

Comment is also invited on Rolka Loube's specific demand projections and funding requirements for the various relay services supported by the Fund.⁷

We also seek comment on Rolka Loube's estimates and recommendations for disbursements under the National Deaf-Blind Equipment Distribution Program (\$10,000,000) and funding to cover administration costs (\$22,889,979), including allowances for ongoing TRS reforms, database administration, Fund administration, data collection agent costs, the Interstate TRS Fund Advisory Council, service provider audits, bankruptcy representation, an independent financial audit of the Fund, the development and implementation of an improper-payments audit plan approved by the Office of Management and Budget, and user identity verification costs. In addition, we seek comment on Rolka Loube's recommendation, consistent with the practice in the past few years, to include a two-month payment reserve, totaling \$212,106,822, in the overall funding requirement for the coming year.

For purposes of calculating revenue requirements and contribution formulas, Rolka Loube assumes continued application of the current compensation formulas for VRS.¹⁰ and IP CTS.¹¹ and a compensation formula of \$1.8551 for IP Relay, ¹² which is calculated using the same methodology employed in the *2020 TRS Compensation Order*..¹³ Based on these compensation formulas, the recommended MARS compensation formulas for the state-program services, funding for the National Deaf-Blind Equipment Distribution Program, projected Fund administration expenses, and a budgetary reserve, Rolka Loube proposes a total Fund requirement of \$1,513,613,076 for the 2022-23 Fund Year.¹⁴

⁶ See Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Structure and Practices of the Video Relay Service Program, CG Docket Nos. 03-123 and 10-51, Notice of Proposed Rulemaking and Order, 36 FCC Rcd 8802 (2021) (proposing compensation plan for VRS); Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Petition for Rulemaking of Sprint Corporation, CG Docket No. 03-123 and RM-11820, Notice of Proposed Rulemaking, FCC 21-95 (Aug. 6, 2021) (proposing compensation plan for IP Relay).

⁷ 2022 TRS Report at 16-18 & Exh. 2.

⁸ *Id.* at 17-18 & Exh. 2.

⁹ *Id.* at 17 & Exh. 2.

¹⁰ See id. at 15. The current compensation levels for VRS are: for emergent providers, \$5.29 per minute; for Tier I (1st 1 million monthly minutes), \$4.82 per minute; for Tier II (next 1.5 million monthly minutes), \$3.97; for Tier III (monthly minutes over 2.5 million), \$2.63. 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 Nos. 10-51 and 03-123, Report and Order and Order, 32 FCC Rcd 5891, 5935, Appx. A (2017).

¹¹ 2022 TRS Report at 15.

¹² *Id.* at 12.

¹³ Id. at 9-12 (citing Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities; Structure and Practices of the Video Relay Service Program, CG Docket Nos. 03-123 and 10-51, Order, 35 FCC Rcd 6649, 6652-57, paras. 8-19 (CGB 2020) (2020 TRS Compensation Order)). The IP Relay compensation level remained unchanged for Fund Year 2021-2022. 2022 TRS Report at 11.

¹⁴ 2022 TRS Report at 18 & Exh. 2.

Rolka Loube anticipates that there will be a budget surplus of approximately, \$535,000,000 for the 2021-22 Fund Year. Deducting last year's surplus from the total Fund requirement, Rolka Loube proposes a net Fund requirement of \$978,613,076. For support of non-IP CTS TRS, Rolka Loube calculates a contribution factor of 0.01125, to be applied to contributors' interstate end-user revenues. For support of IP CTS, pursuant to the rule providing that TRS Fund contributions supporting IP CTS are based on contributors' interstate and intrastate end-user revenues, Rolka Loube calculates a carrier contribution factor of 0.00653. CGB seeks comment on the proposed funding requirement and carrier contribution factors.

Filing Requirements. Interested parties may file comments on the 2022 TRS Report on or before the date indicated on the first page of this document. ²¹ All filings must reference CG Docket No. 03-123. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). ²²

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: https://www.fcc.gov/ecfs/filings.
- Paper Filers:
 - Parties who choose to file by paper must file an original and one copy of each filing. If
 more than one docket or rulemaking number appears in the caption of this proceeding,
 filers must submit two additional copies for each additional docket or rulemaking
 number.
 - Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - O Currently, the Commission does not accept any hand delivered or messenger delivered filings as a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. In the event that the Commission announces the lifting of COVID-19 restrictions, a filing window will be opened at the Commission's office located at 9050 Junction Drive, Annapolis Junction, Maryland 20701.²³
 - O Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

¹⁵ *Id*.

¹⁶ *Id*.

¹⁷ *Id.* at 19-20 & Exh. 2.

¹⁸ See 47 CFR § 64.604(c)(5)(iii)(A); Misuse of Internet Protocol (IP) Captioned Telephone Service; Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities, CG Docket Nos. 13-24 and 03-123, Report and Order, 34 FCC Rcd 11265 (2019).

¹⁹ 2022 TRS Report at 19-20 & Exh. 2.

²⁰ Rolka Loube may update its recommended Fund requirement and contribution factors based on updated information, e.g., on changes to the TRS Fund contribution base. *Id.* at 19.

²¹ See 47 CFR §§ 1.1, 1.45, 1.49.

²² Electronic Filing of Documents in Rulemaking Proceedings, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

²³ See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy, Public Notice, 35 FCC Rcd 2788 (OMD 2020).

- U.S. Postal Service first-class, Express, and Priority mail may be addressed to 45 L
 Street, NE, Washington, DC 20554.
- Ouring the time the Commission's building is closed to the general public and until further notice, if more than one docket or rulemaking number appears in the caption of a proceeding, paper filers need not submit two additional copies for each additional docket or rulemaking number; an original and one copy are sufficient.

Ex Parte Requirements. The proceeding this Notice initiates shall be treated as a "permit-butdisclose" proceeding in accordance with the Commission's ex parte rules. 24 Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written ex parte presentations and memoranda summarizing oral ex parte presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

Accessible Materials. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice).

For further information, please contact Michael Scott at (202) 418-1264 or by e-mail at Michael.Scott@fcc.gov.

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²⁴ 47 CFR §§ 1.1200 et seq.