

BRUCE A. TIMMONS

The Honorable Bradley Slagh, Chair, Corrections Subcommittee of House Appropriations
Members of the Corrections Subcommittee of House Appropriations

February 23, 2022

Statement Regarding Proposed FY 2022-23 Budget for the Department of Corrections
- Inmate Telephone Surcharge & Boilerplate Sec. 219

For the FY 2022-23 Budget for the Michigan Department of Corrections, Gov. Whitmer has recommended the elimination the Programs and Special Equipment Fund (and presumably the inmate telephone surcharge that has been the source of funding for the PSEF) and replacing the revenue lost (principally used to pay for programming) with General Fund money.

Here is the specific Recommendation as set forth in the 2-page summary by the State Budget Office on Prisoner Telephone Rates on the FY23 General Briefing Papers, p. 4:

FY2023 Executive Recommendation

While the current contract has reduced prisoner telephone rates from over \$0.20/minute to \$0.14/minute, more can be done. MDOC provides evidenced-based cognitive and educational programs to provide prisoners with the tools needed to successfully reenter society, maintain employment, and reduce their risk of re-offense. In funding those services with telephone charges, the budget is working against itself. It is simultaneously supporting programs that aim to improve offender success with a funding stream that creates barriers to that same goal. The **FY2023 Executive Recommendation**, by fully eliminating the PSEF and providing offsetting General Fund support, aligns state policies by supporting prisoner outcomes, lowering the burden of prisoner telephone charges of families and friends, and addressing a key barrier for prisoners in remaining connected with the support network that will help navigate their reentry successfully. [Emphasis by underling added.]

I **support** the Governor's Recommendation in all aspects on elimination of the PSEF, but I would go one step further and reinsert Sec. 219 substantially as follows:

Sec. 219. Any contract for prisoner telephone services entered into after the effective date of this section shall be bid only on the basis of providing telephone services for prison inmates. Neither the State of Michigan, the Michigan Department of Corrections, nor any agent of the state shall include as part of the bid for the contract, or as a post-bid addition to the agreement or contract with a phone service vendor, any surcharge, commission, or markup for matters other than providing telephone services to prison inmates.

My interest was whetted by a Detroit Free Press article February 7, 2021, where the blame for high inmate telephone charges (usually a surcharge above actual cost of the call) was blamed on the inmate phone vendors – when I was aware from my coverage of the MDOC budget for HRPO in 2011-12 that the Michigan cause of the surcharge was MDOC – and that, after a bid for the inmate phone service was accepted on the basis of the cost of the call, MDOC required the successful bidder to triple the cost for its (MDOC's) benefit, not just the vendor's.

The blame for the unreasonably high per minute call rate for the past 15 budget cycles has been due to the Michigan Department of Corrections with acquiescence by the Michigan Legislature in annual budgets beginning with the fiscal year 2007-08 budget. MDOC defends its use of the money, but that is an “end justifies the means” argument. It is not the use that is the issue – rather it is the “collection” of the money (“the means”) that is objectionable.

This infamous prisoner telephone surcharge, initiated by the Michigan Department of Corrections (MDOC) to add to a bid contract in 2011 a **surcharge** to initially fund “special equipment” (*supposedly phone-related*), morphed into funding ‘other equipment’ (like panic buttons for correctional officers) and now has no identifiable connection to “equipment” (much less phone-related) but is used almost exclusively to fund “prisoner programming” – a **slush fund created and funded BY CONTRACT**. In each instance this excessive phone charge was used to raise money in lieu of GF/GP. The statutory references below are all public records.

To be blunt, the surcharge is effectively a **tax** on inmate calls, imposed not by the Legislature, but created **BY CONTRACT** by a state department, under the guise of being “necessary” to meet “special equipment needs”, “security projects”, and inmate “programming”.

Contracts for prison inmate telephone services have a history going back decades. The Legislature was not directly involved in that process until 2007 and Sec. 219 in some form has continued to the current FY 2021-22 MDOC budget – making the Legislature a party to the effort for the past 15 years.

According to an article by Raymond C. Walen, Jr., in the Prisons and Corrections Forum of the State Bar’s Prisons and Corrections Section (Spring 2014), the MDOC began charging “premise fees” or “commissions” in 1991 when it contracted with 4 different phone companies, covering different geographic regions, with different commissions. From FY 1990-91 until FY 1995-96, the amount of commissions revenue grew from \$3 million to \$10.4 million.

It was the MDOC contract with Sprint (as the sole provider) in 2001 that escalated the cost of inmate calls, while guaranteeing Michigan a minimum of \$13.5 in “commissions” or 50.99% of gross revenue, whichever was greater.

What follows is a year-by-year history of the SEF, now PSEF, and the surcharge.

A. What is not generally known is that prior to 2007, the inmate phone revenue was “**off-budget**” – meaning money generated and spent without an appropriation to authorize it. The 2007 language had two objectives – to constrain the surcharge and to include accountability and transparency by requiring an appropriation for use of the revenue.

Hence, for the **first time the inmate phone issue appears in the annual MDOC budget bill – in 2007 PA 124** (HB 4348/Alma Smith), FY 2007-08:

1. HB 4348 (**H-1**) as Passed by the House with this provision:

“Sec. 219. It is the intent of the legislature that any

16 contract for prisoner telephone services include a condition that

17 fee schedules for prisoner telephone calls be the same as fee

18 schedules for calls placed from outside of correctional facilities.”

2. HB 4348 (**S-1**) as Passed by Senate had nothing on this issue

3. **But as Enacted:**

“Sec. 219. It is the intent of the legislature that any contract for prisoner telephone services entered into after the effective date of this act include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.” [Emphasis added.]

Note: While the clear intent was that the rates should be comparable to rates charged for calls outside prisons, the “surcharge” to meet “special equipment costs” was an **exception** that has, from the beginning, **swallowed up the rule** with the surcharge resulting in call rates 3-5 times the cost of that call – and while *ostensibly* intended originally to cover equipment expenses related to inmate telephone service, the surcharge revenue has since evolved into a fund that no longer covers equipment, to which the current budget, **2021 PA 87**, attests.

B. 2008 PA 245 (SB 1095/**Cropsey**), FY 2008-09, as enacted (and mimicking SB 1095 (H-1) as passed by the House), is quite similar to 2007 PA 124:

“Sec. 219. Any contract for prisoner telephone services entered
8 into after the effective date of this act shall include a condition
9 that fee schedules for prisoner telephone calls, including rates
10 and any surcharges other than those necessary to meet special
11 equipment costs, be the same as fee schedules for calls placed from
12 outside of correctional facilities.”

But please note a unique difference in Sec. 219 of SB 1095 (**S-1**) as Passed by the Senate (Republican majority) that suggests concern about unfair rates for inmate calls:

“Sec. 219. (1) The contract for prisoner telephone services
22 shall not include fees or commissions that are more than the fees
23 for calls placed from outside of correctional facilities, excluding
24 any fees necessary to meet special equipment costs. If a contract
25 for prisoner telephone services includes fees greater than this
26 amount, then the department **shall refund** these fees and commissions
27 to the persons who paid them.

1 (2) The funds appropriated in part 1 for telephone fee and
2 commission refunds shall be used to refund persons who paid
3 telephone rates or surcharges that were higher than fees permitted
4 under subsection (1). Any telephone fee and commission revenue
5 collected in excess of the amount allowed in subsection (1) shall
6 be used for the sole purpose of providing telephone fee and
7 commission **refunds.**” [Emphasis added.]

C. 2009 PA 114 (HB 4437/Alma Smith), FY 2009-10 – **As enacted** and as HB 4437 (**H-1**) was Passed by House, Sec. 219 continued the same provision as 2008 PA 245, but in between HB 4437 (S-1) as Passed by the Senate was silent on the issue.

D. 2010 PA 188 (1153/Cropsey), **FY 2010-11 – As enacted**, 219 remained unchanged. This is the provision in effect when the bid process was underway for a new vendor contract in 2011.

But: This provision was not in the Senate-passed SB 1153 (S-1), passed by the Senate on March 23, 2010. The provision first appeared in the House-passed SB 1153 (H-1), page 26, passed by the House on June 9, 2010. It was included in the Conference Report for SB 1153; see First Conference Report, page 27. It seemed so innocuous at the time that neither fiscal agency analysis referred to it. [Note that the Governor was a Democrat (Granholm), as was the lead House conferee, Rep. Alma Wheeler Smith. The lead Senate conferee was Republican Sen. Alan Cropsey, (All 3 left office when their terms expired January 1, 2011.)]

E. The next part of the story is a scandal in its own right that led to the **2011 vendor contract**. Bids were sought in 2010 for inmate phone service focused strictly on the cost of an inmate call – without a surcharge. The state awarded the contract in Feb. 2011 to Public Communications Services, Inc (PCS), a wholly-owned subsidiary of Global Tel-Link, including PCS providing all hardware and software for calling, monitoring, and recording inmate calls. The base rate under that bid was somewhat under **\$0.04/minute**. Two months **AFTER the bid was awarded**, in an April 2011 “Change Notice” (and contract) – clearly a **no-bid contract** – the **State and PCS** agreed to two surcharges – the primary one with varying rates from \$0.1382/minute up to \$0.2430/minute added on top of the base rate to pay for a “Special Equipment Fund Addition”. Thus, MDOC through DTMB significantly upped the cost of inmate telephone calls **from a bid rate of roughly 4 cents per minute to at least \$0.18/minute up to \$0.23/minute – for an intrastate call over 4 times the rate above the awarded bid rate!!** Under the 2011 April addendum, the State, depending on the volume of calls, received 70% or 80% of the surcharge revenue and the vendor received the balance (30% or 20%).

F. For FY 2011-12, 2011 PA 63 (HB 4526, eff 6/21/11)

“Sec. 219. Any contract for prisoner telephone services entered into after the effective date of this article shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.”

Note: This is same provision that was in MDOC budget bills since 2007. My HRPO analysis only noted that restrictions on the inmate phone surcharge under Sec. 219 continued.

G. Meanwhile, then-Chair of the House Corrections Subcommittee, Joe Haveman, learned about the new contract and the post-bid surcharge when an upset losing vendor contacted his office and unsuccessfully contested the bid process. Rep. Haveman asked his staff to dig into the contract. (As the HRPO staff covering corrections budget, I was made aware also.) Rep. Haveman was disturbed by what he learned about the vendor contract.

Soon after 2011 PA 63 was signed, a Supplemental Appropriations Bill, **2011 SB 138** (**2011 PA 83**, eff 7/13/11), presented an opportunity to raise the issue and was amended by Rep. Haveman [HJ #62, 6/29/2011, p 1984] in a futile attempt to cut off the surcharge:

“**Sec. 272.** Any contract for prisoner telephone services shall impose fee schedules for prisoner telephone calls that are no greater than the fee schedules for standard calls placed by residential users in the area surrounding the correctional facility.” [Emphasis added.]

The article written by Mr. Walen noted above, based on an article in Gongwer the day PA 83 took effect, stated that Gov. Snyder in a signing letter [that is not recorded in the Senate Journal #63 (8/24/2011) when the PA was read into the record] was ineffective because it was not connected to any appropriation in the supplemental related to prisoner phone service.

However, over the summer, while intending to fight the surcharge in the FY 2012-13 budget cycle, Rep. Haveman spent a week in the Upper Peninsula touring prisons with MDOC Dir. Heyns. The “game plan” changed; they brokered a deal whereby, once certain equipment was purchased, the SEF/surcharge would continue and its use would transition to fund programming – a transition that began in FY 2012-13. (See **H.**)

H. For FY 2012-13, **2012 PA 200** (HB 5365), Article V, Sec. 219, expanded the scope of use to security projects as evidenced by Sec. 219, subsection (2), below – and also made the special equipment fund a work project account so that a year-end balance would not revert to the General Fund.

“Sec. 219. (1) Any contract for prisoner telephone services entered into after the effective date of this act shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.

(2) Revenues appropriated and collected for special equipment funds shall be considered state restricted revenue and shall be used for special equipment and security projects to facilitate the replacement of personal protection systems, and the acquisition of contraband detection systems. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

(3) The department shall submit a report to the house and senate appropriations subcommittees on corrections, the house and senate fiscal agencies, and the state budget director by February 1 outlining revenues and expenditures from special equipment funds. The report shall include all of the following:

(a) A list of all individual projects and purchases financed with special equipment funds in the immediately preceding fiscal year and the amounts expended on each project or purchase.

(b) A list of planned projects and purchases to be financed with special equipment funds during the current fiscal year and the amounts to be expended on each project or purchase.

(c) A review of projects and purchases planned for future fiscal years from special equipment funds.” [Emphasis added.]

Note the following:

- While Sec. 219(1) still limited the exception to “those necessary to meet special equipment costs”, subsection (2) expanded the actual use to include **“and security projects to facilitate the replacement of personal protection systems, and the acquisition of contraband detection systems”**. [Emphasis added.]

- For the first time **\$5,800,000** special equipment fund money is appropriated in a budget bill, toward the \$6,725,500 line-item for “equipment and special maintenance” – HFA analysis confirming that it would be “used for special security equipment such as tasers, ballistic vests, and contraband detection equipment” and confirming that **MDOC figured out how to leverage SEF money for other needs** – other kinds of “equipment” unrelated to inmate telephone calls.

- My HRPO highlighted how the vendor contract increased the cost of inmate calls post-bid, that a capital outlay for ‘special maintenance equipment’ (normally a GF/GP expense) was being paid for from the SEF, and that MDOC was “being rewarded for a questionable tactic in generating this revenue stream and at the expense of inmates trying to maintain contact with family members. Like too many other restricted revenue funds, the expenditures are not consistent with the purpose for which the fund was created. (*You voted for "X" and here's "Y".*)”.

I. For the FY 2013-14, **2013 PA 59**, HB 4328), Article V, Sec. 219, reimagined the use of the special equipment fund with a revised subsection (2), with subsection (1) unchanged:

“(2) Revenues appropriated and collected for special equipment funds shall be considered state restricted revenue. Of this revenue, **\$2,000,000.00 shall be used for programming that is a condition of parole, such as violence prevention programming, sexual offender programming, and thinking for a change, with particular emphasis on individuals who are past their earliest release dates**. Any remaining balance shall be used for special equipment and security projects. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.”. [Emphasis added.]

The actual money for FY 2013-14 was appropriated as follows:

\$5,800,000 to partially fund “Equipment and special maintenance”.

\$6,000,000 for “Capital outlay - security improvements”.

(The **\$2,000,000** for inmate programming does not show up as funded by SEF.)

Note: So, by now the telephone surcharge was no longer used strictly for “equipment” of some kind but had evolved into funding inmate **“programming”** and **“security improvements”** – the slush fund was morphing way beyond inmate telephone call costs.

The same provision was retained for FY 2014-15 in **2014 PA 252** (HB 5313).

Note also: Rep. Haveman was Chair of House Appropriations during 2013-14 and served as a member of the House Corrections Subcommittee.

J. By FY 2015-16, **2015 PA 84** (SB 133). Article V, the use had further evolved (with similar reporting requirements I have omitted as less relevant) – but the changes highlighted below are significant revisions with the focus shifting, even name of the fund, to prisoner programming:

“Sec. 219. (1) Any contract for prisoner telephone services entered into after the effective date of this section shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet program and special equipment costs, be the same as fee schedules for calls placed from outside of correctional facilities.

(2) Revenues appropriated and collected for **program and special equipment funds** shall be considered state restricted revenue. **Funding shall be used for prisoner programming, special equipment, and security projects**. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.” [Emphasis added.]

By FY 2015-16, the predominant use of surcharge revenue was for **programming**:

- Sec. 103, **\$8,982,900** was appropriated for prisoner reentry services.
- Sec. 104, **\$2,800,000** was appropriated in part for “Equipment and special maintenance” (**\$2,349,100**) and buried for some unidentified purpose (**\$450,900**).

For FY 2016-17, **2016 PA 268** (5294), Art. V, Sec. 219, retained similar wording, but the **PSEF** total of **\$6,134,699** was disbursed to 4 different line items under the source description “**Program and special equipment fund**”: \$5,213,200 for Program Reentry, \$481,300 for ballistic vests, \$440,000 for Information Technology, and \$100 placeholder – reflecting a **reduction of \$6,674,000** in PSEP revenue due to an **FCC-forced limit** on inmate phone charges.

K. For FY 2017-18, this from **2017 PA 107** (EHB 4323), Art V, Sec. 219:

“Sec. 219. (1) Any contract for prisoner telephone services entered into after the effective date of this section shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet **program and special equipment** costs, be the same as fee schedules for calls placed from outside of correctional facilities.

(2) Revenues appropriated and collected for program and special equipment funds shall be considered state restricted revenue. Funding shall be used for **prisoner programming, special equipment, and security projects**. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

(3) The department shall submit a report to the senate and house appropriations subcommittees on corrections, . . .”. [Emphasis added.]

Per **2017 PA 107**, the vast majority of inmate surcharge money was for programming:

- Under Sec. 103 Prisoner Reentry and Community Support:
Program and special equipment fund \$ 10,213,200
- Under Sec. 104 Information Technology
Program and special equipment fund 441,200

L. The current inmate prisoner telephone contract was entered into with Global Tel Link on August 9, 2018, and expires this August. The surcharge continues to be split between vendor and MDOC. I *assume* it was a bid contract, entered into while 2017 PA 107 was in effect. Query whether that contract is consistent with the dictates of Sec. 219. The contract rate is **\$0.16/minute** (also 69 of the contract) – but does not identify the surcharge above the cost of calls as Sec. 219 requires as the premise of the contract.

MDOC receives a flat **\$11 million annually off the top** (p 69 of the contract) while the vendor retains the balance of the proceeds, estimated initially to be around \$24 million on premise of 150,000,000 call minutes. Whatever is above the costs of the service goes to the vendor as its profit. The vendor bears the risk if the actual call minutes are less than the presumed level. With a declining prison population, vendor profits may shrink as inmate call volumes lessen.

Qs: We know what MDOC receives. **What is the cost per minute to the vendor? What has been the annual net profit to the vendor in each year under the 2018 contract?**

The vendor contract: https://www.michigan.gov/documents/dtmb/180000001124_630008_7.pdf

M. For FY 2018-19, from **2018 PA 207** (ESB 848), Art V, Sec. 219, retains the same language and allowed use as in 2017 PA 107. Under 2018 PA 207:

The appropriations tied to programming and special equipment funds are:

- Under Sec. 103 Offender Success Administration:
Program and special equipment fund 10,213,200
- Under Sec, 108 Information Technology
Program and special equipment fund 444,000

N. For FY 2019-20, see **2019 PA 64** (HB 4231) [not an omnibus bill], **Sec. 219**:

For that fiscal year, under Sec. 103 (Offender success administration), a staggering sum of **\$34,213,200** was initially appropriated from the “Program and special equipment fund” for unidentified programs under that unit. This was the budget passed when the Executive Office and Legislature were not talking. That sum overstated an accumulated surplus. A later Supplemental reduced that amount by **\$20 million. 2019 PA 154** (SB 152).

- Under Sec. 108 Information Technology: \$447,300 from the PSEF (out of a gross appropriation of \$30.8 million for Sec. 108). .

[Note that a new LSB or Legislature Website change makes it impossible to copy text from 2019 PA 64, but the wording is the same as prior MDOC budget Sec. 219 provisions. Here is a link: [2019-PA-0064.pdf \(mi.gov\)](#). See bottom of page 7, top of page 8, of enrolled bill/PA version.]

O. For FY 2020-21, **2020 PA 166** (HB 5396), Art V, Sec. 219 (1) and (2) read:

“Sec. 219. (1) Any contract for prisoner telephone services entered into after the effective date of this section shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those **necessary to meet program and special equipment costs**, be the same as fee schedules for calls placed from outside of correctional facilities.

(2) Revenues appropriated and collected for program and special equipment funds shall be considered state restricted revenue. Funding shall be used for **prisoner programming, special equipment, and security projects**. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.” [Emphasis added.]

The “Program and special equipment fund” is appropriated in FY 2020-21 as follows:
\$14,326,000 is appropriated under Sec. 103 (Offender success administration) for unidentified programs listed in Sec. 103.

\$452,800 is appropriated under Sec. 108 (Information technology) as a small portion of \$31 million to be spent for Information technology services and projects.

\$100 as a placeholder under Sec. 102 (Departmental Administration and Support)

P. For FY 2021-22, **2021 PA 87** (ESB 82), Art 2, page 20, Sec.219 once again enabled MDOC to profit off of revenue generated by inmate phone revenue, while adding a ‘75% for programing’ condition that MDOC had routinely met since FY 2017-18, as follows:

“Sec. 219. (1) Any contract for prisoner telephone services entered into after the effective date of this section shall include a condition that fee schedules for prisoner telephone calls, including rates and any surcharges other than those necessary to meet **program and special equipment costs**, be the same as fee schedules for calls placed from outside of correctional facilities.

(2) Revenues appropriated and collected for program and special equipment funds shall be considered state restricted revenue. Funding shall be used for **prisoner programming, special equipment, and security projects**. **Not less than 75% of funding shall be used for prisoner programming.** Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

The “Program and special equipment fund” is appropriated in FY 2021-22, with the same dollar amounts for the same identified line-items, as follows:

\$14,326,000 is appropriated under Sec. 103 (Offender success administration) for unidentified programs listed in Sec. 103, out of \$108,504,600 appropriated under Sec. 103.

\$452,800 is appropriated under Sec. 108 (Information technology) as a small portion of \$29.7 million to be spent for Information technology services and projects.

\$100 as a placeholder under Sec. 102 (Departmental Administration and Support)

Q. Enter the Federal Communications Commission:

Would that MDOC and the Legislature would have seen by now the harm that unfair prisoner telephone surcharges cause inmates and their families. As the SBO summary notes on page 2: "The revenue feature of the state's contract [sic] prisoner telephone contract is a common contractual arrangement in the United States." That "common contractual arrangement" masks the vernacular that "everybody else was screwing inmates, who were we to not follow the crowd?". The very next SBO sentence – "By using the contract to provide funding for departmental costs that are unrelated to the provision and management of inmate communications, the resulting rates are unnecessarily high and detrimental to the prisoner, their families and friends, and, ultimately, society at large." – is welcome but about 20 years overdue.

But for an FCC order putting a lid on call rates that reflects its concern over excess inmate call rates, MDOC would not have agreed last Fall to reduce the contract rate of \$0.16 to \$0.14. MDOC was aware of the FCC order but chose not to address the situation until the DY 2022-23 budget cycle. I welcome inclusion of support for "elimination of \$11 m in annual phone fees paid by prisoners and their families" in MDOC Dir. Washington's presentation to the Subcommittee last week. Now the ball is in the Legislature's court to proceed accordingly.

R. Request to the Legislature and Appropriations Committees:

- Please do what is right and implement the Recommendation of the Governor to terminate the Program and Special Equipment Fund and replace lost restricted inmate surcharge revenue with General Fund money. Do not shortchange inmate programming.

- Further, please also include in boilerplate a provision like I propose on page to specifically preclude inmate phone surcharges and restrict the bid on the forthcoming inmate phone contract, with no post-bid exceptions, lest MDOC do exactly what it did in absence of such a restriction from 1991 to 2007 – or better yet, pass a bill to amend the Corrections Code of 1953 as to restrictive conditions for inmate phone service contracts.

The SBO summary includes this observation from the FCC order: "Excessive telephone rates continue to impose an unreasonable burden on the ability of incarcerated people—one of the most economically disadvantaged segments of our population—to maintain vital connections with the outside world. And reduced prison visitation as a result of the COVID-19 pandemic has made these consequences even more dire, exacerbating the urgent need for inmate calling reform." [SBO Summary, p. 4.]

This is what I included in my Statement to House Appropriations last May on HB 4396: "The Legislature for years has been unwilling to replace inmate phone revenue with GF/GP money and MDOC fears a loss of PSEF money would reduce inmate programming. But if inmate contact with family increases the prospects the inmate will be successful upon return to the community, it is contradictory for MDOC to frustrate those connections with unreasonable telephone surcharges that make those calls less affordable or restricts or precludes them – and negates the intent of Sec. 219, which was certainly not to triple the cost of calls made by inmates."

Having covered the MDOC budget for HRPO off and on over 30 years, I do not trust the MDOC. One needs only look at how it dealt with attempts by the Legislature – your predecessors – to restrict surcharges for 15 years and gamed the system to impose excessive inmate telephone rates, notwithstanding the "unreasonable burden on the ability of incarcerated people—one of the most economically disadvantaged segments of our population—to maintain vital connections with the outside world." Silence will defeat that goal.

Respectfully,

Bruce A. Timmons