

**UTILITIES DIVISION[199]**

**Notice of Intended Action**

**Proposing rule making related to inmate calling rates and providing an opportunity for public comment**

The Utilities Board hereby proposes to amend Chapter 22, “Service Supplied by Telephone Utilities,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code sections 17A.4, 17A.7, 476.2 and 476.91.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 476.91.

*Purpose and Summary*

This proposed rule making implements rate caps on charges that may be assessed to inmates in Iowa correctional facilities and their families for local and intrastate telephone calls.

The Board issued an order commencing rule making on February 9, 2018. The order is available on the Board’s electronic filing system, [efs.iowa.gov](http://efs.iowa.gov), under Docket No. RMU-2017-0004.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Board for a waiver of the discretionary provisions, if any, pursuant to 199—1.3(17A,474,476).

*Public Comment*

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Board no later than 4:30 p.m. on April 3, 2018. Comments should be directed to:

Iowa Utilities Board  
Electronic Filing System (EFS) at [efs.iowa.gov](http://efs.iowa.gov)  
Phone: 515.725.7337  
Email: [efshelpdesk@iub.iowa.gov](mailto:efshelpdesk@iub.iowa.gov)

*Public Hearing*

No public hearing is scheduled at this time. An oral presentation regarding this rule making will be scheduled at a later date.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Adopt the following **new** subrule 22.19(8):

**22.19(8)** *AOS companies providing inmate telephone service.* AOS companies that provide local or intrastate telephone services to inmates housed in prisons, jails, or other correctional facilities operated or contracted for operation by Iowa government officials shall charge rates and fees for inmate telephone services that do not exceed the following rates:

*a.* For local and intrastate collect calling services, AOS companies may not charge a rate of more than \$0.25 per minute. For prepaid (debit and calling card) services, AOS companies may not charge a rate of more than \$0.21 per minute. For single payment products, which include text collect and credit or debit cards, AOS companies may not charge a rate of more than \$0.25 per minute.

*b.* AOS companies may pass the following ancillary charges through to the end user of the collect inmate service directly with no markup:

(1) Automated payment fees (includes payments by interactive voice response, web, or kiosk): \$3.

(2) Live agent fee (phone payment or account set up with the option use of a live operator): \$5.95.

(3) Paper bill/statement fees: \$2.

(4) Electronic bill/statement fees: No charge.

(5) Prepaid account funding minimums and maximums: There shall be no prepaid account funding minimum, and any prepaid account funding maximum shall be no less than \$50.

(6) Third-party financial transaction fees, including credit card processing fees and transfers from third-party commissary accounts: The provider shall pass the charge through to the end user directly with no markup.

*c.* The end user shall not be billed by an AOS company for any ancillary fees other than those set forth above, excluding applicable government taxes and fees.

*d.* Any AOS company providing inmate local or intrastate telephone services that wishes to increase rates in excess of the above per-minute or ancillary rate caps shall file an application for rate increase with the board pursuant to Iowa Code section 476.6 and 199—Chapter 26, along with a cost justification for the request. No rate increases in excess of the rates contained in this subrule may be implemented without board approval.