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COMMISSION TO INVESTIGATE TRS COMPENSATION ISSUES

The FCC unanimously approved today a further notice of proposed rulemaking seeking comment on myriad issues relating to the compensation of providers of telecommunications relay services from the Interstate TRS Fund for the costs of providing the service.

Among the items on which the Commission is asking for input are alternative cost methodologies for interstate traditional TRS, speech-to-speech (STS), and Internet protocol (IP) relay, as well as related issues including whether traditional TRS, STS, and IP relay should be compensated at the same rate.

In addition, the FCC is seeking comments on the appropriate cost recovery methodology for video relay service and the length of time the VRS rate should be in effect, as well as what are the "reasonable" costs compensable under the present cost-recovery methodology - including whether marketing and outreach costs by companies can be reimbursed. Regulators also want to hear about ways to improve the management of the TRS Fund by cutting down on fraud and waste.

FCC Chairman Kevin J. Martin said the decision to initiate the proceeding is just the latest effort by the agency to improve telecom offerings for the disabled. At a time when the number of TRS users and costs for supporting the service are soaring, it is a good time to broadly review the program.

"The fund has seen dramatic growth over the past few years as more and more individuals with disabilities tap into all the benefits that these services offer," he said. "And, at the same time, there are an increasing number of TRS providers. Given these circumstances, it is an appropriate time for us to take stock of the operation of this fund. Indeed, it is our responsibility."

Those within the industry applauded the action. "The FCC is taking an important step in undertaking this effort to find a long-term rate methodology for VRS and other TRS services," said Pat Nola, chief executive officer of Sorenson Communications, Inc. "We look forward to working with the FCC and other interested parties to come up with a system that provides the right incentives for providers to expand VRS service to reach more deaf people."

Comments in Consumer & Government Docket 03-123 will be due 45 days after publication in the "Federal Register," with replies due 15 days thereafter. - Ted Gotsch, ted.gotsch@wolterskluwer.com