



FEB 01 2022

  
Ingham County Clerk Barb Byrum

### CONTRACT ADDENDUM (2021 FCC ORDER)

This Contract Addendum (hereinafter "Addendum") is by and between the party identified below as Customer ("Customer") and Securus Technologies, LLC (f/k/a Securus Technologies, Inc.) ("Provider") and is subject to and governed by the current agreement for telephone services ("Agreement") between Customer and Provider. Its terms are effective on or about October 26, 2021, and this Addendum will be coterminous with the Agreement.

#### BACKGROUND:

On May 24, 2021, the Federal Communications Commission ("FCC") released its Third Report and Order, Order on Reconsideration, and Fifth Further Notice of Proposed Rulemaking (the "Order") In summary, this Order (a) implements new interim interstate and international rate caps; (b) significantly changes the previous industry practice with respect to the rate caps applied to both interstate and intrastate calls; (c) modifies rules relating to ancillary and third party transaction fees; (d) modifies applicable regulation with respect to consumer reporting and cost recovery of site commissions; and (e) provides notice of further proposed rulemaking which will likely have further significant impact on the industry. Unlike prior FCC action in this area, the Order was unanimous and bipartisan.

#### APPLICATION OF FCC INTERIM RATE CAPS FOR INTERSTATE AND INTRASTATE CALLS:

The Order mandates new interim calling rate caps for all interstate calls. See Order, Paragraphs 42-48, 47 CFR § 64.6030(a)-(c). The Order also mandates a new approach with respect to intrastate and local calls. "[T]o the extent that a provider cannot determine that the physical endpoints of a call are within the same state, that provider must comply with our new interim interstate rate caps for that call." Order, Paragraph 41 (emphasis added). Other than landline calls (which are a small percentage of overall calling traffic), Provider cannot currently make an accurate determination with respect to the physical endpoint of the called party, and, therefore, is required to apply the new calling rate caps to most intrastate and local calling traffic as well as all interstate calling traffic. To achieve rate uniformity between landline and non-landline calls, Provider intends to rate landline calls in the same manner as non-landline calls.

**Accordingly, on or about October 26, 2021, if Customer has calling rates that exceed \$0.21 per minute (the rate cap specified in the Order for Jails with an ADP < 1,000 ), those rates will be reduced to \$0.21 per minute.**

#### APPLICATION OF FCC INTERIM RATE CAPS FOR INTERSTATE AND INTRASTATE CALLS:

The Order mandates a new interim rate cap for all international calls which is calculated using the interstate rate cap described above plus the average per-minute amount paid by the provider to its underlying wholesale international carriers to terminate international calls to the same "international destination" over the preceding calendar quarter (the "International Rate Cap"). See Order, Paragraphs 178-184; 47 CFR § 64.6030(e).

**Accordingly, on or about October 26, 2021, Provider will charge international calling rates equal to or less than the International Rate Cap .**

AVERAGE DAILY POPULATION:

The Order applies different rate caps to facilities based on their average daily population (ADP). We understand that your current ADP is < 1,000, and the adjustments described herein are based on that assumption. To facilitate compliance with the Order, Customer agrees to update Provider in the event its ADP becomes greater than or equal to 1,000.

ADJUSTMENT TO FACILITY COMPENSATION :

Effective on or about November 1, 2021, Provider will adjust the compensation payable to Customer based on the option selected by Customer in the following table (Customer to check applicable option):

\_\_\_\_\_ For all currently commissionable call traffic under the Agreement, the commission percentage (for prepaid, collect, and debit calling) and, if applicable, the prepaid calling card discount, are hereby reduced to 35%.

For international call traffic only, the per-minute amount paid by the provider as a passthrough to its underlying wholesale international carriers to terminate international calls will not be commissionable.

ADJUSTMENT TO TERM:

The term of the Agreement is hereby extended by 0 months. In the event the Agreement has auto renewals or renewal options, those options will continue to be in effect.

ADJUSTMENT TO FACILITY COMPENSATION (MINIMUM GUARANTEES):

Given the significant uncertainty surrounding the economic impact of the Order, the parties hereby agree that the application any minimum annual or minimum monthly guarantees will be suspended effective November 1, 2021 for a period of 12 months. Effective on or about November 1, 2022, any applicable guarantees will be reinstated at a value based on 80% of the previous 12 months' actual compensation earned.

SIGNATURES

The person signing this Addendum represents that he or she has the unrestricted right and requisite authority to enter into and execute this Addendum, to bind Customer named below, and to authorize the changes described herein. Except as expressly amended by this Addendum, all of the terms, conditions and provisions of the Agreement shall remain in full force and effect.

**Even if Provider does not receive a signed Addendum, please be advised that Provider must make all changes necessary to comply with applicable law and regulation and will do so on October 26, 2021.**

Customer: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Handwritten signature]*  
\_\_\_\_\_  
*[Handwritten signature]*  
\_\_\_\_\_  
*Bayan L. Crenshaw*  
\_\_\_\_\_  
*Board Chair person*  
\_\_\_\_\_

Date:

1/31/22

APPROVED AS TO FORM  
FOR COUNTY OF INGHAM  
COHL, STOKER & TOSKEY, P.C.

By: Courtney A. Gabbara 1/27/2022

Introduced by the Law & Courts and Finance Committees of the:

**INGHAM COUNTY BOARD OF COMMISSIONERS**

**RESOLUTION TO AUTHORIZE A CONTRACT ADDENDUM WITH SECURUS TECHNOLOGIES  
TO ADDRESS APPLICABLE PORTIONS OF THE FEDERAL COMMUNICATIONS COMMISSION  
RULING ON INMATE TELEPHONE FEES**

**RESOLUTION #22 – 037**

WHEREAS, Ingham County currently contracts with Securus Technologies, LLC to provide a telephone system for all inmates in Ingham County; and

WHEREAS, the Sheriff's Office recommends that Ingham County authorize a contract addendum with Securus Technologies, LLC to comply with those applicable portions of the Third Report and Order, Order on Reconsideration, and Fifth Further Notice of Proposed Rulemaking (collectively, the "Order") released by the Federal Communications Commission ("FCC") on inmate telephone fees that took effect on October 26, 2021; and

WHEREAS, the FCC's Order provides, among other things, that jails cannot charge interstate or local calling rates which exceed \$0.21 per minute; and

WHEREAS, the FCC's Order also reduces the FCC's percentage for all currently commissionable call traffic from 55% to 35%; and

WHEREAS, the Sheriff's Office has been informed these rate changes went into effect on October 26, 2021.

THEREFORE BE IT RESOLVED, that the Ingham County Board of Commissioners authorizes a contract addendum with Securus Technologies, LLC to comply with the FCC's Order.

BE IT FURTHER RESOLVED, that the Ingham County Board of Commissioners authorizes the Board Chairperson to sign any necessary documents that are consistent with this resolution and approved as to form by the County Attorney.

**LAW & COURTS: Yeas:** Slaughter, Polsdofer, Celentino, Trubac, Cahill, Schafer, Maiville  
**Nays:** None **Absent:** None **Approved 01/13/2022**

**FINANCE: Yeas:** Grebner, Tennis, Crenshaw, Polsdofer, Peña, Schafer  
**Nays:** None **Absent:** Stivers **Approved 01/19/2022**

COHL, STOKER & TOSKEY, P.C.  
ATTORNEYS AND COUNSELORS  
801 NORTH CAPITOL AVENUE  
LANSING, MICHIGAN 48933  
(517) 372-9000

SHAREHOLDERS  
PETER A. COHL  
DAVID G. STOKER  
BONNIE G. TOSKEY  
ROBERT D. TOWNSEND  
TIMOTHY M. PERRONE  
MATTIS D. NORDFJORD  
GORDON J. LOVE



ASSOCIATES  
COURTNEY A. GABBARA  
SARAH K. OSBURN  
CHRISTIAN K. MULLETT  
DONALD J. KULHANEK

OF COUNSEL  
RICHARD D. McNULTY

January 27, 2022

Captain Robert Earle  
Jail Administrator – Corrections Division  
Ingham County Sheriff's Office  
630 N. Cedar Street  
Mason, MI 48854

*Sent Via E-Mail*

Re: Securus Technologies, LLC Contract Addendum

Dear Capt. Earle:

Attached is an Addendum to be entered into between the County on behalf of the Sheriff's Office and Securus Technologies, LLC for compliance with the Federal Communications Commission ruling on inmate telephone fees. The County Board of Commissioners authorized the attached Addendum in **Resolution No. 22-037**. A copy of this Resolution is also attached.

If the attached Addendum is satisfactory, you may after printing off copies, proceed to obtain the signatures necessary for their execution. While obtaining the necessary signatures ensure that the parties signing insert the date in the spaces provided on the signature pages. When the Addendum copies have been fully signed, please e-mail a copy to Nicole Moles at [nmoles@estmlaw.com](mailto:nmoles@estmlaw.com) for insertion to our electronic file.

**In compliance with Resolution No. 19-169 passed April 30, 2019, all Agreements must be executed in accordance with the County's Contract Procedures.**

If you have any questions with regard to the attached Addendum, do not hesitate to contact me.

Sincerely,

COHL, STOKER & TOSKEY, P.C.

/s/Courtney A. Gabbara

CAG/nam

Enclosures

cc: Teri Morton, Deputy Controller

Rachel Prettenhofer, Executive Secretary, Ingham County Controller's Office

N:\Client\Ingham\Sheriff\Letters\Earle\Ltr re 2021 Amendments to Canteen Services Agreements.docx