



**GOVERNOR'S ADVISORY BOARD FOR
TELECOMMUNICATIONS RELAY**

MARTIN O'MALLEY
Governor

MITCHELL D. TRAVERS
Chair

ANTHONY BROWN
Lieutenant Governor

January 1, 2011

The Honorable Thomas V. Mike Miller, Jr.
President
Senate of Maryland
H-107, State House
State Circle
Annapolis, MD 21401-1991

The Honorable Michael E. Busch
Speaker
House of Delegates
H-101, State House
State Circle
Annapolis, MD 21401-1991

Dear President Miller and Speaker Busch:

In accordance with § 3A-503(d) of the State Finance and Procurement Article, I am pleased to submit the annual Governor's Advisory Board for Telecommunications Relay (GABTR) report for calendar year 2010.

The members of GABTR, Telecommunications Access of Maryland (TAM) staff, and representatives from the current Maryland Relay provider, meet in various Maryland counties three times a year. During these public meetings, discussions were held regarding quality and trends in relay services, technology, current outreach efforts and future outreach needs to ensure that Maryland citizens are aware of the services provided by the State of Maryland. During GABTR meetings, TAM staff provides information related to regulatory updates from the Federal Communications Commission (FCC) that may impact TAM's future fiscal and/or operational obligations for current and newer modes of relay.

The interactive structure of the GABTR meetings allows for maximum feedback from consumers as well as the dissemination of vital information to citizens who are now, or could be, users of Maryland Relay. This venue further allows GABTR and TAM to solicit feedback on the quality of service and the communications needs of the deaf, hard of hearing and speech-disabled communities. These communities are served through our Telecommunications Relay Service (TRS) – Maryland Relay, the Maryland Captioned Telephone Relay Service, Newsline Reading Service for the Blind and the Maryland Accessible Telecommunication (MAT) equipment distribution programs all of which are managed by TAM.

In April, 2009, the Universal Service Trust Fund (USTF) surcharge was reduced from \$.20 to \$.18 per landline by the Public Service Commission (PSC). In fiscal year 2010, the first full fiscal year at the lower surcharge rate, TAM's fund balance was further reduced by \$5 million through the

enactment of a Budget Reconciliation and Financing Act (BRFA), which reallocated the money to General Funds to be used by the Maryland School for the Deaf. GABTR understands that an additional BRFA of at least \$2 million will be taken in fiscal year 2011. Also per the BRFA, TAM experienced additional fiscal impact when it was not permitted to retain accrued interest from the USTF account for fiscal years 2010 and 2011

As was the case last year, the GABTR, as well as members of the deaf, hard of hearing and speech disabled communities, share concerns regarding the impact of special funds designated for TAM programs being transferred to other state programs. While TAM remains solvent at this time, we are concerned that the fiscal impact of these actions may impede TAM's ability to continue to provide the high standard of services upon which the citizens of Maryland have come to know and rely. In October of 2010, the FCC, during their presentation to the National Association for Relay Administration (NASRA), projected that it is likely that state programs will be assessed a percentage of the cost of Internet-based relay services similar to the allocations paid by states for toll free calls via TRS. If imposed on TAM's reduced fund balance, this allocation for Internet and Video Relay Service (VRS) calls, along with declining revenue due to the lower number of landlines contributing to the USTF, would have a major negative impact on the USTF. When this happens, it will necessitate an increase in revenues to fulfill the new fiscal obligations in a relatively short amount of time to keep the USTF solvent.

Likewise, further consideration is being given to seeking other revenue streams to cover the state's fiscal responsibility for the intra-state portion of call. One such potential revenue stream is imposing a surcharge on inter-connected VoIP and cellular services. This is currently required by the FCC for the interstate portion of the cost of TRS calls. In addition to providing a larger revenue stream, assessing VoIP and cellular calls would lower the surcharge now levied on landline users and spread that cost of service to all forms of telephony in a fair and equitable manner. Since VoIP and cellular phone users have access to TRS in a functionally equivalent manner to land-line subscribers, the revenue collection should also be assessed in a functionally equivalent manner as 911 revenues and services.

Keeping these issues in the forefront, GABTR looks forward to working with the TAM office to continue to provide exemplary services to the citizens of Maryland.

Sincerely,

Mitchell D. Travers
Chair

cc: The Honorable Elliot H. Schlanger, Secretary, DoIT
Patrick Frank, Policy Analyst, DLS
Stacia L. Cropper, Deputy State CIO, Administration
Lynn Duleh-Buehler, Director, Fiscal Services
Brenda Kelly-Frey, Director, TAM