

## DECISION MEMORANDUM

**TO:** COMMISSIONER ANDERSON  
COMMISSIONER HAMMOND  
COMMISSIONER LODGE  
COMMISSION SECRETARY  
LEGAL

**FROM:** JOHAN E. KALALA-KASANDA  
DAYNE HARDIE

**DATE:** APRIL 25, 2023

**RE:** 2022 IDAHO TELECOMMUNICATIONS RELAY SERVICE (“TRS”)  
ANNUAL REPORT; CASE NO. GNR-T-23-02

### BACKGROUND

Every year, in February, the Administrator of the Idaho Telecommunications Relay Service (“TRS” or “relay”) files a report detailing the activities and status of the program during the previous year. The Administrator also determines the funding requirements for the following year and submits a recommended budget with the annual report.

In 1992, the Idaho Legislature established the Telecommunications Relay Service Act (“TRS Act”) in accordance with the federal Title IV of the American with Disabilities Act. The TRS enables citizens who are hearing or speech-impaired to engage in telephone communications “in a manner functionally equivalent to that of individuals without hearing or speech impairments.” *Idaho Code* § 61-1301. Under the Idaho TRS Act, all telephone corporations providing local or long-distance service (not including wireless or VoIP services) must provide TRS as set forth in the program and pay into the TRS Fund based upon an allocation methodology adopted by the Commission. *Idaho Code* § 61-1305. Pursuant to TRS Rule 204, the Commission sets the TRS funding levels each year based upon the Administrator’s Annual Report. IDAPA 31.46.02.204.

The Idaho TRS service provider, Hamilton Telecommunications (“Hamilton”), operates the relay center where oral conversations are converted or “relayed” to text-type and vice versa. The relay center also provides speech-to-speech, Spanish-to-Spanish, video, and Internet relay services.

**The 2022 Annual Report**

On February 15, 2023, the TRS fund Administrator, Ms. Kathleen Toohill, submitted the 2022 Annual Report of the Idaho TRS Fund and the 2023 Idaho TRS Fund Budget for Commission approval. The Administrator reported that the relay center handled 1102 completed calls in 2022 compared to 1,853 calls in 2021, a decrease of 751 completed calls or 41%.

In 2022, there were 13,624.04 session minutes for TRS; 3,154.71 session minutes reported for Caption Telephone Service (“CTRS”); and 176.44 session minutes for Advanced Speech to Speech (“STS”). The number of Captioned Telephone (“CapTel”)<sup>1</sup> units held steady. The new contract with Hamilton Relay included a change in the price per minute and compensation from conversation<sup>2</sup> to session minutes.<sup>3</sup>

For the year 2022, as shown in Table No. 1 herein below, total disbursements from the TRS fund to Hamilton Relay amounted to \$93,973. Including \$60,000 for Outreach, \$26,983 for TRS, \$6,309 for CTRS, and \$681 for STS Relay Service. Compared to the \$97,052 disbursement made in 2021, this represents a decrease of 3,079 or 3%. In-state traditional relay and CapTel services are reimbursed by Idaho’s TRS fund, while the firm of Rolka Loube Saltzer Associates, LLC reimburses Hamilton for out-of-state relay calls as well as intrastate Internet relay and Internet video relay service usage.

**Table No. 1: 2022 DISBURSEMENTS TO HAMILTON**

Outreach	\$60,000
Telecommunication Relay Service (TRS)	\$26,983
CapTel Relay Service (CTRS)	\$6,309
Speech to Speech (STS)	\$681
<b>TOTAL</b>	<b>\$93,973</b>

<sup>1</sup> CapTel allows hard-of-hearing users to hear the conversation as well as read the words on the phone’s built-in screen. A trained operator “re-voices” the conversation from a caller into the voice recognition technology that converts the words into a text message and provides the CapTel user with a more natural conversation.

<sup>2</sup> A conversation minute shall include the time the calling party is connected to the called party or to an answering machine at the called party’s number or to a recorded message or intercept for the called number. A call minute does not include time in queue (call is ringing, waiting for a live answer), call set-up, call wrap-up, or calls that have reached numbers that are busy or received no answer.

<sup>3</sup> A session minute is defined as the time from the moment a Communications Assistant (CA) connects to an incoming relay call until the moment the CA disconnects the last party. This includes incoming calls (busy, no answer, or wrong number) that do not reach the intended called party and includes call set-up and wrap-up.

A key performance indicator for TRS and CapTel is the average speed of answer (“ASA”) for a call to reach the relay switchboard and to be answered by a communication assistant. In 2022, Hamilton’s average answer time was 0.39 seconds, which is closer to the 0.41 seconds recorded in previous years. At the height of the of the COVID-19 pandemic, the ASA was reported closer to 0.85 seconds. This is a return to the normal ASA.

**2022 Revenues and Allocations**

The TRS fund is supported by assessments on local exchange telephone service (residential and business) access lines and on billed intrastate long-distance minutes. The total number of intrastate long-distance minutes reported by telephone companies in 2022 was approximately 60,936,000 compared to 65,058,266.417 in 2021, a 6.4% decrease. The average monthly number of telephone lines reported decreased by 1.6%, from 89,110 in 2021 to 87,700 in 2022.

As illustrated in Table No. 2 herein below, the 2022 total annual contribution to the TRS fund was \$112,741 compared to \$105,245 in 2021, an increase of \$7,496 or 6.6%. Local exchange services contributed \$51,805 (46%) and MTS/WATS contributed \$60,936 (54%). In Commission Order No. 34988, the per-line and per-long-distance minute assessments for 2022 were set to \$0.05 and \$0.001, respectively<sup>4</sup>.

**Table No. 2: 2022 Idaho TRS Revenue**

2022 Revenue sources	Amount	Percentage of Total
Local Service Providers (\$0.05/month/line)	\$51,805	46%
MTS/WATS Providers (\$0.001/min)	\$60,936	54%
<b>TOTAL</b>	<b>\$112,741</b>	<b>100%</b>

<sup>4</sup> The rates did not go into effect until May 1, 2022.

## 2022 Expenses

For 2022, TRS expenses amounted to \$136,097, including \$93,973 to Hamilton and \$42,124 in administrative fees and expenses for the reporting year. The end-of-year TRS fund balance was reported to be approximately \$97,998.

## Proposed 2023 Budget

As illustrated in Attachment D of the annual report, the Administrator projects an annual operating budget of \$141,550. This budget includes the anticipated administrative costs as contracted, the travel/conference costs, the Hamilton TRS payments, NASRA membership dues, and the bank charges.

## 2023 TRS Funding Levels

From Order No. 34988, the rates of contribution for ITRS were raised to \$0.05 per line and \$0.001 per long-distance minute and went into effect on May 1, 2021. As illustrated in Table No. 3 herein below, for 2023 revenue for the fund can be estimated with the current contributions and current rates to be approximately \$90,194. The 2023 budget is estimated to be \$141,550. The 2022 year-end balance of approximately \$97,998, is also the beginning balance of 2023. Thus, the projection is that the fund will end the year 2023 with a positive balance of \$46,642. Therefore, for at least this year 2023, the current rates of contribution can sustain the fund. However, a comprehensive review will need to be made next year.

**Table No. 3: 2023 Fund Level Analysis**

2023 Revenue Projection	Amount
1/1/2023 Beginning Balance	\$97,998
Plus Estimated 2023 Revenue	\$90,194
<b>Sub-Total</b>	<b>\$188,192</b>
Minus Estimated 2023 Expenses	\$141,550
<b>31/12/2023 Ending Balance</b>	<b>\$46,642</b>

Idaho TRS went through a request for proposal process during 2022 and has entered year 1 of a 3-year contract which was mutually agreed upon with Hamilton Relay and the Advisory Committee of the Telephone Industry as the statute requires. Idaho Relay will provide TRS, CapTel, and Speech to Speech Services as in the past. Nationally, all states are experiencing a drop-in traditional relay service and captioned telephone relay service because of migration to Internet Protocol (“IP”) Relay and Video Relay Services. The focus of the Advisory Committee of the Telephone Industry for this next time period is to focus on the digital transition in coordination with Hamilton Relay.

### **STAFF’S RECOMMENDATION**

Staff has reviewed the Administrator’s Annual Report. Staff believes the Idaho citizens continue to be well served by the Administrator and the relay services provided by Hamilton Telecommunications. Staff also believes that the 2023 budget projection of \$141,550 is reasonable, based on the anticipated TRS expenses. The projected revenue, based on the current rates, together with the current fund balance should be sufficient to meet 2023 expenses, including any unforeseen events.

### **COMMISSION DECISION**

Does the Commission wish to accept the annual report and adopt the Administrator’s budget for 2023, and maintain the current rates?



Johan E. Kalala-Kasanda