



Bianca Tylek  
Executive Director  
btylek@worthrises.org

85 Delancey St., 2<sup>nd</sup> Fl.  
New York, NY 10002  
www.worthrises.org  
@worthrises

January 13, 2025

The Honorable Jeffrey D. Waldstreicher  
Miller Senate Office Building, 2 East Wing  
11 Bladen St., Annapolis, MD 21401

**RE: Fiscal impact of free phone calls for incarcerated people**

Dear Senator Waldstreicher,

We, at Worth Rises, want to applaud you for introducing legislation that would connect families by making prison phone calls free. We are writing today to provide an expert analysis of the fiscal impact this policy would have on Maryland.

Worth Rises is a non-profit organization working to end the exploitation of incarcerated people and their loved ones. We are a leader in the prison phone justice space at the federal, state, and local level, and have helped pass and implement policies in Connecticut, California, Minnesota, Massachusetts, New York City, Los Angeles, San Francisco, San Diego, and Miami to make prison and jail communication free. We have built models based on the data we have gathered from prisons and jails across the country that allow us to support administrators and lawmakers with critical fiscal analyses.

**Based on our analysis, we project that providing fully free prison phone calls across Maryland state prisons and the Baltimore Pretrial Complex would cost the state \$2.8 million annually, while saving Maryland families \$12.0 million.** Below please find our detailed fiscal analysis for this proposed policy, which we hope is helpful to you as you continue to advocate for phone justice for the tens of thousands of Maryland residents directly impacted by incarceration. Please feel free to reach out with any questions.

Sincerely,

Bianca Tylek  
Executive Director

## DATA & ASSUMPTIONS

Our findings are based on the following assumptions:

**Population.** For this analysis, we use the estimated average daily population as of 2024 for Maryland correctional and detention facilities managed by the Department of Public Safety and Correctional Services (DPSCS), inclusive of facilities managed by the Division of Pretrial and Detention Services (DPDS), or 18,900.

**Current spending.** For this analysis, we use 2024 phone call data as provided by DPSCS.

**Commissions.** DPSCS does not collect revenue from the sale of communications services.

## PHONE CALLS

**Cost basis.** Incarcerated people and their loved ones are currently charged \$0.032 per minute for prison phone calls in Maryland. However, for this analysis, we assume that DPSCS would renegotiate rates in line with other progressive states and counties that have prioritized affordability by assuming this cost directly. We also assume that DPSCS would be interested in exploring new innovative cost structures for providing communications services.

- **Option 1: Per minute model.** There are more competitive rates offered by all the leading prison telecom providers. For example, families pay a per minute rate of \$0.009 in Illinois, \$0.012 in New Hampshire, \$0.012 in Dallas, \$0.014 in Colorado, \$0.020 in Ohio and Mississippi, \$0.025 in California, and \$0.029 in Rhode Island. For this analysis, we assume that if DPSCS continues with a per minute compensation structure, it would secure a rate of \$0.01 per minute.

Our elasticity model accounts for changes in call volume based on changes in rates. We use this model to account for the increase in volume expected when rates fall to zero as the proposed policy would require. Traditionally calling services are provided over wall phones. However, in Maryland, calling services are being increasingly provided using individual tablets. Thus, for this analysis, we use the average per person per day call time from all jurisdictions that have implemented free calling using tablets to date, or 43.4 minutes. States that have done this include California, where use is 42.9 minutes per person per day, and Connecticut, where use is 44.0 minutes per person per day.

- **Option 2: Per device model.** In recent years, correctional agencies have been exploring new compensation structures which better reflect modern day technology. Per device models allow agencies to have predictable monthly expenses, based on the number of phones or tablets in the facility, and not based on the variable number of call minutes. With a per device model, call volume does not affect the cost of the policy. Such compensation structure was recently explored by the Connecticut Department of Correction, which negotiated a per tablet model whereby the agency pays a monthly fee per tablet. The Connecticut Department of Correction pays \$30 per tablet per month for unlimited international and domestic calling on tablets. To date, Connecticut

is the only state to adopt a per tablet model, and it did so without a competitive bidding process, as such we do not consider its rate to be competitive and do not include this model in our analysis.

## ANALYSIS

### **Making prison phone calls free would save Maryland families at least \$12.0 million each year.**

- ***Rates.*** Today, Maryland residents are paying \$0.032 per minute to speak with an incarcerated loved one, or \$0.48 for a 15-minute phone call. The proposed policy would make prison phone calls free for incarcerated people and their families.
- ***Service costs.*** Maryland residents pay the state's prison telecom vendor, Global Tel Link, \$9.4 million for phone calls to communicate with incarcerated loved ones in prison annually, before taxes and fees.
- ***Deposit fees.*** Global Tel Link also collects additional fees, including a deposit fee of \$3 per transaction (capped at \$50). With a national average deposit of \$17, the account funding fees alone are estimated to cost families an additional \$1.7 million annually. Note that the Federal Communication Commission recently banned all such fees.
- ***Taxes and other fees.*** Families also pay an estimated \$1.0 million annually in other government fees and taxes, including the Federal Universal Service Fund assessed on interstate calls.

### **The fiscal impact of free prison phone calls on the state budget is estimated to be \$2.8 million annually.**

- ***Commissions.*** Maryland does not collect commission on prison phone calls and thus there is no loss of revenue associated with this policy.
- ***Phone calls.*** The cost of providing free phone calls in Maryland prisons would be \$2.8 million for a per minute compensation model over tablets.