



Telecommunications Access Minnesota

2022 Annual Report to the Public Utilities Commission
Docket Number P999/PR-23-5

February 6, 2023

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Minnesota Department of Commerce

Mission

For more than 150 years, the Minnesota Department of Commerce and its predecessor agencies have served Minnesotans. Our mission is to protect and assist consumers, to ensure a strong, competitive and fair marketplace, and to engage people and communities across the state.

Our Strategic Priorities

- Protect the public interest through consumer protection, consumer education, assistance to consumers, safety, health and financial security, and lowering inequities.
- Serve as a trusted public resource for consumers and businesses by listening and learning from the Minnesotans Commerce services, being effective stewards of public resources, advocating for Minnesota consumers and develop a policy, programmatic, and regulatory environment that meets their needs.
- Reduce economic barriers within Commerce regulatory oversee and reduce disparities within those of all races, ethnicities, religions, economic statuses, gender identities, sexual orientations, (dis)abilities, and zip codes.
- Ensure all, especially historically disadvantaged Minnesotans, are resilient to Minnesota's climate and engaged in advancing efforts to mitigate climate change.
- Ensure a strong, competitive, and fair marketplace for Minnesotans.

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Executive Summary

In accordance with Minn. Stat. § 237.55, the Minnesota Department of Commerce (Commerce) submits the 2022 Annual Report to the Public Utilities Commission (Commission). This report provides information on the Telecommunications Access Minnesota (TAM) fund, and on the Minnesota Relay and Telephone Equipment Distribution (TED) Programs, which were established to provide equal access to the telecommunications network for people who are deaf, hard of hearing, speech disabled or physically disabled.

Also, this report reviews the accessibility of telecommunications services to persons who have communication disabilities, describes services provided, accounts for annual revenues and expenditures for each aspect of the fund to date, and predicts future program operation.

Minnesota Relay and the TED Program are funded by a surcharge on all wired and post-paid wireless telephone access lines in Minnesota, and by a fee on each Minnesota retail transaction for prepaid wireless telecommunications services. In addition to Minnesota Relay and the TED Program, the TAM fund supports six additional programs:

- The Department of Human Services (DHS) – Rural Real-Time Captioning program has a maximum annual budget of \$300,000.
- The Department of Employment and Economic Development (DEED) – Accessible News for the Blind program has a maximum annual budget of \$100,000.
- The Minnesota Commission of the Deaf, DeafBlind and Hard of Hearing (MNCDHH) receives \$1,620,000 annually.
- Minnesota IT Services (MNIT) receives \$290,000 annually for coordinating technology accessibility and usability.
- MNIT receives \$50,000 annually for a consolidated access fund for other state agencies related to accessibility of their web-based services.
- The Legislative Coordinating Commission (LCC) received \$100,000 in FY 2022 and will receive \$133,000 annually thereafter, to provide captioning of live legislative activity streaming on the LCC's website.

Key Points

- The TAM surcharge was reduced in August 2022 from \$0.06 to \$0.04 per access line or retail transaction.
- In fiscal year 2022, the TAM surcharge generated revenue of \$5,260,678 to fund eight programs providing a variety of services, with expenditures totaling \$4,431,343.
- In 2022, Minnesotans placed 170,905 relay calls for a total of 308,090 conversation minutes of use.
- From 2021 to 2022, Minnesota Relay conversation minutes decreased 30 percent. Many relay users have migrated to internet-based services, which are under the jurisdiction of the Federal Communications Commission.
- The TED Program served 106 new clients and 410 repeat clients in 2022.
- From 2021 to 2022, there was a decrease of 35 percent in new TED Program clients served and a decrease of 38 percent in telecommunication devices distributed.
- TED Program staff provide outreach for both the TED Program and Minnesota Relay at 22 booths and presentations with a total of 933 attendees.

Telecommunications Access Minnesota (TAM)

TAM Program History

In 1987, the Legislature created the Telecommunications Access for Communication Impaired Persons board, which was tasked with ensuring that people who have difficulty hearing or speaking on the telephone have access to telephone service. Two programs were established to accomplish this goal: the Minnesota Relay, which began service on March 1, 1989; and the Telephone Equipment Distribution (TED) Program, which began as a pilot program on October 1, 1988.

In 1995, the Legislature eliminated the Telecommunications Access for Communication Impaired Persons board and transferred the responsibilities for administering the fund and the Minnesota Relay program to the Department of Public Service (the Departments of Public Service and Commerce merged on September 15, 1999). The Department of Human Services (DHS), through an interagency agreement with Commerce, administers the TED Program.

In 2002, the name of the Telecommunications Access for Communication Impaired Persons program changed to Telecommunications Access Minnesota (TAM). Commerce sought the name change at the request of consumers, who objected to the word “impaired” in the program name.

Beginning in 2005, the Minnesota Legislature appropriated TAM funds for various other state programs (see TAM Surcharge Funded Programs below).

TAM Administration

Commerce administers the TAM fund and manages the following vendor contracts and interagency agreements:

- Minnesota Relay services are provided to the State of Minnesota under contracts with Sprint Communications Company, L.P. (now part of T-Mobile USA) and Hamilton Relay.
- The TED Program (including Minnesota Relay outreach services) and the Rural Real-Time Captioning program are provided through interagency agreements with DHS.
- The Accessible News for the Blind program is provided through an interagency agreement with DEED.

TAM Funding

TAM is funded through a monthly surcharge on all wired and post-paid wireless telephone access lines in the state of Minnesota.¹ In addition, there is a fee on each Minnesota retail transaction for prepaid wireless telecommunications services.

In August 2022, the TAM surcharge was reduced from \$0.06 to \$0.04 per wired and post-paid wireless access line and prepaid wireless retail transaction. The surcharge is capped at \$0.20 per access line per month, or per retail transaction.

TAM Surcharge Funded Programs

- TAM Administrative Expenses
- Minnesota Relay Services and Outreach
- Telephone Equipment Distribution Program
- Accessible News for the Blind
- Rural Real-Time Captioning
- The Minnesota Commission of the Deaf, DeafBlind and Hard of Hearing
- MNIT for coordinating technology accessibility and usability
- MNIT for a consolidated access fund for other State agencies
- Legislative Coordinating Commission for captioning live streaming of legislative activity

Minnesota Relay

Minnesota Relay is a federally mandated Telecommunications Relay Services (TRS) program that allows an individual who is deaf, hard of hearing, deafblind or speech disabled to communicate over the telephone in a manner that is functionally equivalent to the ability of an individual who does not have hearing loss or a speech disability. Minnesota Relay must be in full compliance with the requirements and intent of Title IV of the Americans with Disabilities Act of 1990, United States Code, title 47, section 225, Code of Federal Regulations, title 47, sections 64.601 to 64.606 and Minn. Stat. § 237.50 to 237.56.

¹ The Eighth Circuit Court of Appeals affirmed the Federal District Courts decision that Voice over Internet Protocol (VoIP) telephone service provided by Charter Advanced Services is an information service and that the Federal Communications Commission's "policy of nonregulation" of these services preempted state law. *Charter Advanced Servs. (MN), LLC v. Lange*, 903 F. 3d 715, 718 (2018). Thus, VoIP services, where there is a net protocol conversion as occurs with Charter's VoIP telephone services, are not required to collect and remit the TAM surcharge.

Minnesota Relay Services Provided

Types of Relay Services

- **Captioned Telephone Service (CTS):** CTS uses a special telephone with a text display screen so that a person who is hard of hearing can listen to and read captions of everything the other person says on the call.
- **Hearing Carry Over (HCO):** HCO allows a person who can hear clearly but who has very limited or no speech capability to make and receive phone calls.
- **Hearing User:** A hearing person may use a standard telephone or mobile phone to place a relay call and speak with a person who is deaf, hard of hearing, or speech disabled.
- **Spanish Relay:** Spanish speaking persons with a hearing or speech disability can make relay calls.
- **Speech-to-Speech (STS):** STS allows a person who has difficulty speaking or being understood on the phone to communicate using his or her own voice or voice synthesizer.
- **Text-Telephone (TTY):** This service allows a person who is deaf, deafblind, or speech disabled to use a TTY to communicate with the other person on the call.
- **Voice Carry Over (VCO):** VCO allows a person with a hearing disability, but who wants to use his or her own voice, to speak directly to the other party.

711 Dialing Access

The Federal Communications Commission requires all common carriers, wireless providers, payphone vendors and Private Branch Exchange vendors to provide 711 dialing access to relay services.² Relay users are also able to access Minnesota Relay by dialing the appropriate 10-digit toll-free access numbers.

911 Dialing Access

Minnesota Relay automatically and immediately transfers emergency relay calls to the appropriate Public Safety Answering Point (PSAP) that the caller would have reached by dialing 911 directly, or to a PSAP that is capable of dispatching emergency services in an expeditious manner.

² *In the Matter of the Use of N11 Codes and Other Abbreviated Dialing Arrangements*, Second Report and Order, CC Docket No. 92-105, released August 9, 2000.

Minnesota Relay Operations in 2022

Minnesota's Telecommunications Relay Services (TRS) Contract

Minnesota's TRS contract with Sprint Communications Company L.P. for the provision of TTY-based,³ Speech-to-Speech, and captioned telephone service (CTS) was effective from July 1, 2014, through June 30, 2022. The terms of the contract provide an option to extend the contract for up to an additional two years. A one-year contract extension was negotiated with Sprint for TTY-based and Speech-to-Speech relay services, expiring June 30, 2023. The fiscal year 2023 contract rate is \$2.16 per conversation minute, plus a \$6,600 monthly recurring fee. In predicting future operations, it is anticipated that a Request for Proposals will be released in the first quarter of 2023 for the provision of TTY-based and Speech-to-Speech relay services, to be effective upon the expiration of the existing contract.

As of June 30, 2022, Sprint no longer offers CTS. In June 2022, Commerce contracted with Hamilton Relay for the provision of CTS. The contract is effective from July 1, 2022, through June 30, 2025. The fiscal year 2023 contract rate is \$1.85 per conversation minute.

988 Dialing Access

Effective July 16, 2022, Minnesota Relay users are able to request an outbound relay call be placed to 988, the three-digit number for the National Suicide Prevention Hotline.

Sprint TRS Product & Service Enhancements

- Deployed a work-from-home option for communications assistants.
- Deployed a work-from-home and/or hybrid work option for administrative staff.
- Implemented a TRS Customer Service online chat functionality through the tmobileaccess.com website.
- Upgraded Communication Assistant (CA) workstations including headsets.
- Provided refresher training to TRS staff on the following topics:
 - Greeting and announcements
 - Customer instructions
 - 711 CapTel and STS transfer requests
 - Specific person, department, extension requests
 - Recording and answering machine procedures
 - Misdials (caller did not intend to reach relay)
 - Call focus, prompt dialing, relay mode, and operator mode call closure
 - Spelling and grammar
- CA call processing system improvements and enhancements
- Monthly diversity awareness articles
- Monthly TTY ASL translation focus

³ Includes TTY, Voice Carry-Over, and Hearing Carry-Over relay services.

Hamilton CTS Product & Service Enhancements

- Hamilton Mobile CapTel (an Internet Protocol Captioned Telephone Service product) is now available for download on iOS devices. This is a new, fully-featured mobile app that provides CTS wherever the use goes.
- To ensure that calls are processed accurately and efficiently, Hamilton continually conducts both blind and standardized tests of every CA. Blind testing is performed by a third-party vendor, and internal testing is conducted by Hamilton.

Minnesota Relay Call Volumes

In 2022, Minnesotans placed 170,905 total relay calls⁴ with 308,090 conversation minutes of use. Overall, Minnesota Relay experienced the following changes from 2021 to 2022:

		2021	2022	Change	Percent of Change
CTS	Total Calls	98,043	66,904	(31,139)	-32%
	Conversation Minutes	343,504	224,732	(118,773)	-35%
TTY-Based	Total Calls	92,930	93,817	887	1%
	Conversation Minutes	91,425	81,450	(9,975)	-11%
Speech-to-Speech	Total Calls	5,408	10,184	4,776	88%*
	Conversation Minutes	2,102	1,908	(194)	-9%

* In the third quarter of 2022, there was a large spike in the number of inbound Speech-to-Speech relay calls (and a corresponding spike in total Speech-to-Speech calls). Commerce brought this spike to the attention of our Speech-to-Speech provider, Sprint, who researched the anomaly. Sprint determined that the spike is due to robocalls or auto dialer calls, and not due to legitimate relay calls. As robocalls and auto dialer calls do not result in an outbound relay call, Minnesota does not pay for the minutes of use related to these calls. These calls do, however, skew our call volume statistics for the year.

Over the years, many relay users have migrated away from TTY-based, Speech-to-Speech and CTS relay services to internet-based services such as Video Relay Service, Internet Protocol Relay and Internet Protocol Captioned Telephone Service. Internet-based relay services are under the Federal Communications Commission’s jurisdiction and are paid for through a federal fund. Internet-based relay services are fully accessible to Minnesota consumers, free of charge, through many providers who offer these services nationwide.

⁴ Total calls include the sum of outbound calls (completed and Busy-Ring-No-Answer) and general assistance calls (an inbound call that does not result in an outbound call).

The Affordable Connectivity Program (ACP), which became effective on December 31, 2021, will help households afford the internet connection they need to access to internet-based relay services. However, until all Minnesotans have access to high-speed internet there will still be many users who have no option but to use the existing non-internet-based relay services.

The following Minnesota Relay call charts can be found in **Appendix A**:

- 2022 Minnesota Relay Conversation Minutes by Type
- 2013 – 2022 Minnesota Relay Call Volumes

Minnesota Relay Predicted Future Operations

Contract for TTY-Based and Speech-to-Speech Services

It is anticipated that that a Request for Proposals will be released in the first quarter of 2023 for the provision of TTY-based and Speech-to-Speech relay services, to be effective upon the expiration of the existing contract.

Telephone Equipment Distribution Program

The TED Program provides specialized telecommunications equipment to enable persons who are deaf, hard of hearing, deafblind, speech disabled or physically disabled to access telecommunications services. Program participants must meet eligibility requirements, including income, disability and residency. The TED Program is administered through an interagency agreement between DHS and Commerce.

TED Program Services Provided

The TED Program is responsible for:

- Distributing specialized telecommunications devices and interconnectivity products to eligible Minnesotans.
- Informing the public of services available through the program.
- Providing training for the use of distributed equipment.
- Assisting a person who is applying for telecommunication devices and products in applying for discounted telecommunications or internet services (when applicable).
- Informing TED Program clients about other assistive technology available in the industry.

TED Program services are provided through four of DHS' Deaf and Hard of Hearing Services Division (DHHS) regional offices: Duluth, Moorhead, St. Cloud and St. Paul.

Telecommunications Equipment Provided

The types of equipment distributed by the TED Program include:

- Amplified telephones (both hearing and voice output)
- Bluetooth enabled cordless amplified phones
- Captioned telephones (used with captioned telephone relay services)
- Remote control speaker phones
- Text Telephones (TTYs)
- Hearing Carry Over phones
- Voice Carry Over phones
- Basic cell phones and smartphones with hearing aid compatibility
- Apple and Android tablets and smartphones
- Smart displays
- Smart speakers
- Bluetooth streamers to be used with hearing aids
- Electrolarynx used with a landline or cell phone
- Wireless accessories (Bluetooth neckloop, cell phone amplifier and headsets)
- Ring signaling devices (auditory, visual and tactile)
- Special needs devices (for multiple disabilities)

TED Program Operations in 2022

TED Program Changes from 2021 to 2022

	2021	2022	Increase/ Decrease	Percent
New Program Clients	162	106	-56	-35%
Repeat Program Clients ⁵	564	410	-154	-27%
Telecommunications Devices Distributed	568	352	-216	-38%
Auxiliary Devices Distributed	85	70	-15	-18%

⁵ Current clients often contact the TED Program to receive additional training, for repair/replacement of equipment, or to exchange equipment because their communication needs have changed (e.g., a person's hearing deteriorates and the equipment they initially received no longer meets their needs).

New Client Population Served

New Clients - Age Range	Number of Clients	Percentage of New Clients
80+ Years Old	69	65%
50-79 Years Old	33	31%
26-49 Years Old	3	3%
0-25 Years Old	1	1%

New Clients - Disabilities Served	Number of Clients	Percentage of New Clients
Hard of Hearing	81	76%
Hard of Hearing with Vision Loss	3	3%
Other Disability (e.g., Deafblind or Speech Disability)	10	9%
Physical Disability	3	3%
Deaf	7	7%

The following TED Program charts can be found in **Appendix B**:

- 2013 – 2022 New TED Program Participants
- Types of Telecommunications Equipment Distributed to New and Current Clients
- Types of Auxiliary Equipment Distributed to New and Current Clients

Advanced Wireless Program

In 2022, the TED Program issued a Request for Proposals to expand their advanced wireless program to include Android smartphones and tablets, in addition to Apple smartphones and tablets. The program is adding Android devices to provide additional options to consumers.

Hybrid Customer Service

In early 2022, DHS employees returned to the office, transitioning to a hybrid work-from-home/work-from-office schedule. TED Program staff have started providing in-person home visits and participating in outreach events.

New Regional Boundaries

In 2022, the TED Program eliminated one program specialist staff position. As such, the regional counties served by the remaining TED Program specialists were increased and redistributed.

TED Program Predicted Future Operations

Department of Human Services Equity Toolkit

The TED Program plans to utilize DHS' equity toolkit to analyze the program's current service delivery system(s) and policies. The purpose is to identify how the program can provide services in a more equitable manner to underserved populations.

Marketing Analysis

The TED Program plans to contract with Minnesota Management and Budget to provide consultation on marketing strategies. The purpose of the project will be to analyze current TED Program marketing efforts, develop effective best practices and create meaningful metrics.

Household Income Analysis

The TED Program intends to contract with a technical consultant to analyze how to calculate gross household income according to Minnesota Statutes and Rules. TED Program file reviews are conducted on a monthly basis in compliance with the Office of Legislative Auditor's audit recommendations. The program wants to streamline an efficient data process that is consistent for staff to utilize and report.

Minnesota Relay and TED Program Outreach

Minnesota Relay outreach is provided under an interagency agreement with DHS – TED Program. Outreach efforts are tailored to target appropriate demographics, including consumers who are deaf, deafblind, hard of hearing, late deafened, speech disabled, or have mobility limitations. Outreach staff also educate hearing consumers and businesses.

Outreach activities primarily include:

- Staffing a booth at exhibitions, conferences, and fairs.
- Presenting at senior centers, health care facilities, and social service agencies.
- Mass Mailings/Emails
- Advertising
- Providing needs assessments and equipment training.
- Providing brochures, instruction sheets, informational videos, and referrals.

In 2022, TED Program staff provided outreach for both the TED Program and Minnesota Relay at 22 booths and presentations with a total of 933 attendees.

Telephone Directories, Bill Inserts and Newsletters

Annually, the TAM administrator sends a letter to all telephone companies serving Minnesota consumers to remind them of their responsibility to ensure that customers are aware of the availability and use of all forms of Telecommunications Relay Services. TAM provides carriers with a sample *Annual Notice to Customers* for carriers to use in their telephone directory, bill insert and/or newsletter. TRS annual notice information is available on Commerce's website (mn.gov/commerce/business/telecom/reporting/mnrelay/) so that carriers have access to up-to-date information on Minnesota Relay and TED Program services.

DHHS Regional Advisory Committee Meetings

DHHS has six advisory committees throughout Minnesota. Each advisory committee meets three times per year and serves as a venue to provide information to, and gather information from, the community. Advisory committee meeting minutes are provided to the TAM and TED Program administrators so that issues, questions and concerns regarding Minnesota Relay and the TED Program may be addressed. The TAM and TED Program administrators attended many of the advisory committee meetings in 2022.

TAM Fund Revenues and Expenditures FYs 2022 & 2023

REVENUE	FY 2022 Actual	FY 2023 Budgeted
Per Wired/Post-Paid Wireless Customer Access Line (FY 2022=\$0.07 for 3 months and \$0.06 for 9 months; FY 2023 \$0.06 for 1 month and \$0.04 for 11 months)	\$ 4,745,118.02	\$ 3,067,664.89
Prepaid Wireless Retail Transactions	\$ 503,274.46	\$ 309,514.81
TAM Fund Interest	\$ 12,285.22	\$ 7,210.92
Total TAM Fund Revenue	\$ 5,260,677.70	\$ 3,384,390.61

EXPENDITURES	FY 2022 Actual	FY 2023 Budgeted
TAM Program Administration	\$ (114,401.64)	\$ (148,342.00)
Telecommunications Relay Services	\$ (851,093.53)	\$ (886,148.22)
DHS-TED Program	\$ (1,173,713.64)	\$ (1,377,213.00)
DHS-Rural Real-Time Captioning	\$ (156,634.08)	\$ (169,178.00)
DEED-Accessible News for the Blind	\$ (98,759.00)	\$ (100,000.00)
MN Commission of the Deaf, DeafBlind and Hard of Hearing	\$ (1,596,740.75)	\$ (1,620,000.00)
MNIT Services (1)	\$ (290,000.00)	\$ (290,000.00)
MNIT Services (2)	\$ (50,000.00)	\$ (50,000.00)
Legislative Coordinating Commission	\$ (100,000.00)	\$ (133,000.00)
Total TAM Fund Expenditures	\$ (4,431,342.64)	\$ (4,773,881.22)

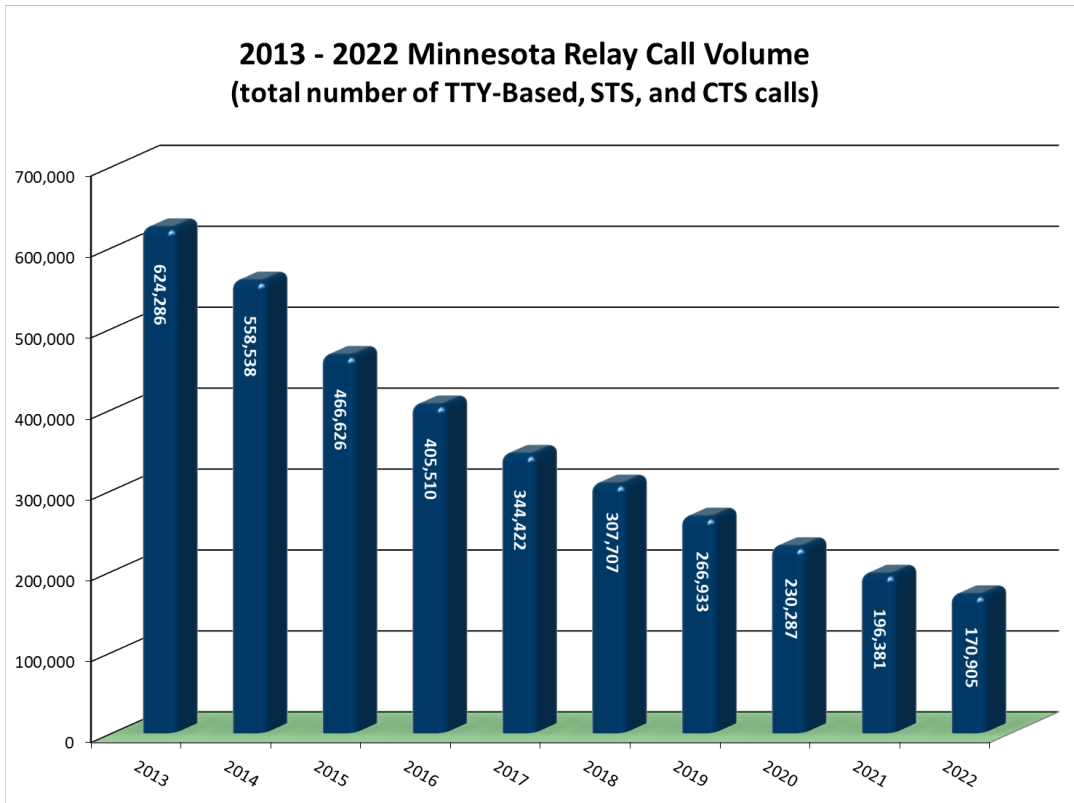
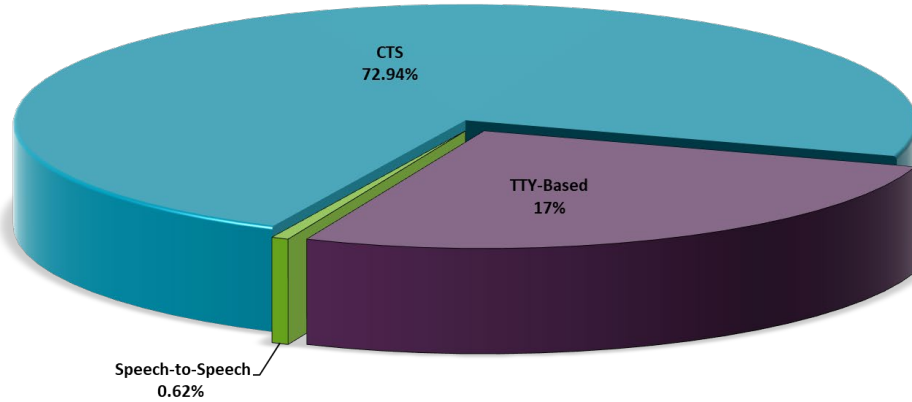
REVENUE VS. EXPENDITURES	\$ 829,335.06	\$ (1,389,490.61)
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STATEMENT OF TAM FUND BALANCE	FY 2022 Actual	FY 2023 Budgeted
TAM Fund Balance at Beginning of Fiscal Year	\$ 3,210,525.85	\$ 3,552,912.97
TAM Fund Revenue & Interest	\$ 5,260,677.70	\$ 3,384,390.61
TAM Fund Expenditures	\$ (4,431,342.64)	\$ (4,773,881.22)
TAM Fund Balance at Close of Fiscal Year	\$ 4,039,860.91	\$ 2,163,422.36

Appendices

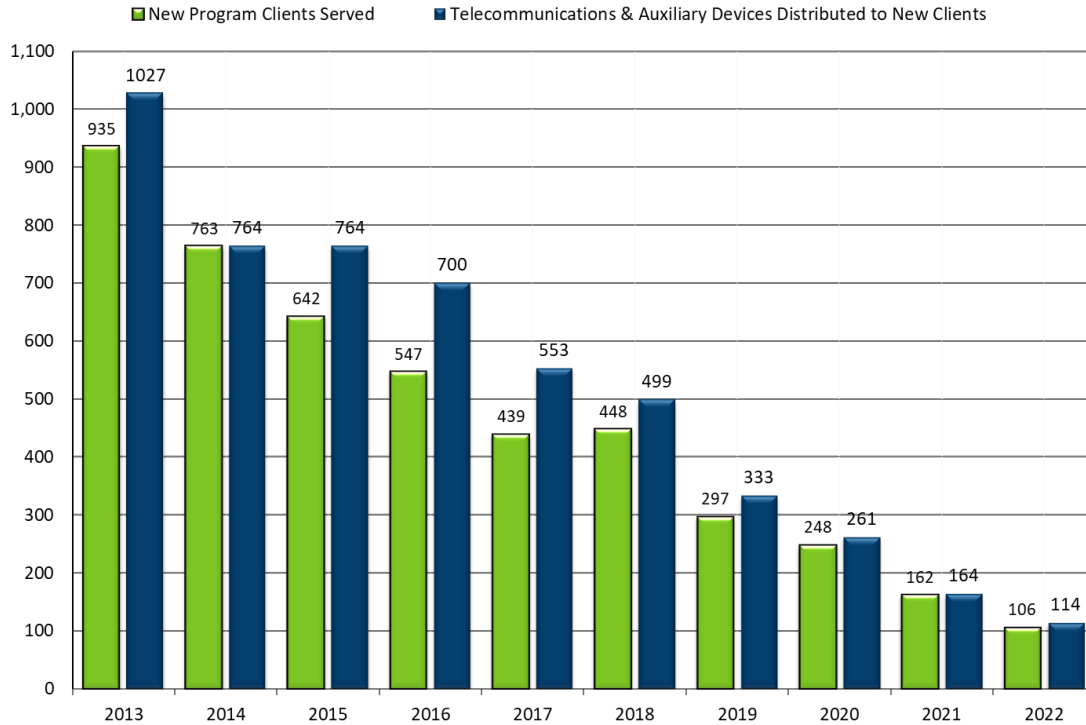
Appendix A – Minnesota Relay Call Charts

2022 Minnesota Relay Conversation Minutes by Type

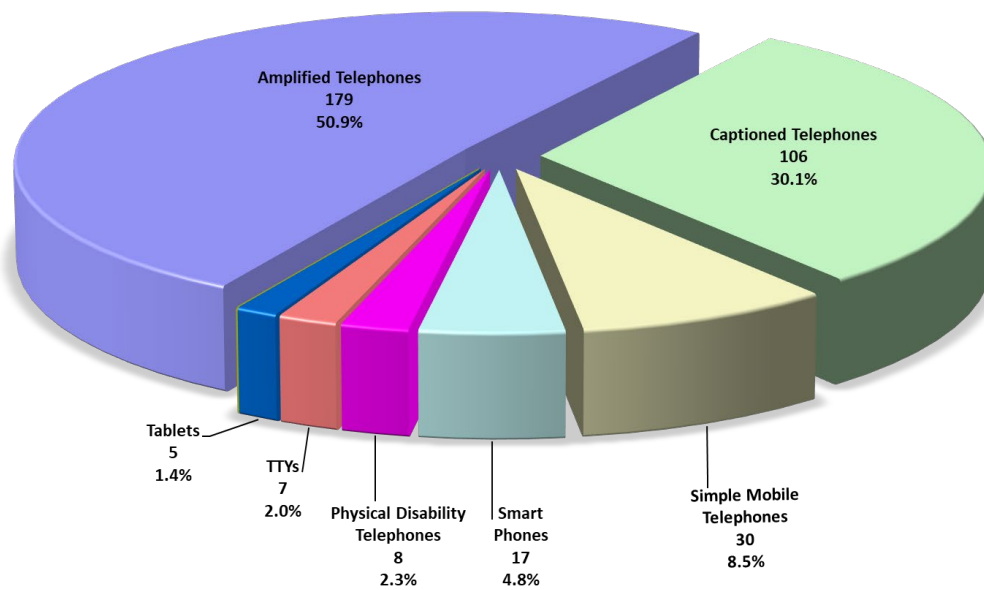


Appendix B – TED Program Charts

2013 -2022 New TED Program Participants



TED Program Types of Telecommunications Equipment Distributed to New and Current Clients in 2022



**TED Program
Types of Auxilliary Equipment Distributed to
New and Current Clients in 2022**

