

HOUSE BILL REPORT

HB 1752

As Reported By House Committee On:
Energy & Utilities
Revenue

Title: An act relating to telephone relay service.

Brief Description: Changing telephone relay service provisions.

Sponsors: Representatives Grant, Casada and Miller.

Brief History:

Reported by House Committee on:
Energy & Utilities, March 1, 1993, DPS;
Revenue, March 8, 1993, DPS(EN).

HOUSE COMMITTEE ON ENERGY & UTILITIES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Grant, Chair; Finkbeiner, Vice Chair; Miller, Assistant Ranking Minority Member; Johanson; Kessler; Long; and Ludwig.

Minority Report: Without recommendation. Signed by 1 member: Representative Kremen.

Staff: Ken Conte (786-7113).

Background:

Telephone Relay Service (TRS): In 1987, the Legislature enacted a program to enable deaf and hearing impaired persons to access telecommunications systems. This program is administered by the Office of Deaf Services within the Department of Social and Health Services.

Under the 1987 program, state-owned text telephone devices are distributed to the hearing-impaired community. These devices allow hearing and speech impaired persons to communicate directly with each other. The program also provides a relay service which enables a text telephone user to communicate with a hearing person via an operator who converts printed text to spoken words and vice-versa. The relay service became operable in 1989.

The TRS is funded by an excise tax placed on each telephone access line. Currently, there is a statutory ceiling on the excise tax of \$0.10 per line per month. Monies raised by the excise tax are placed in a nonappropriated, nonallotted fund. The Utilities and Transportation Commission (UTC) sets the actual rate to be charged by dividing the total program budget by the total number of access lines.

Americans with Disabilities Act: In 1990, Congress enacted the Americans with Disabilities Act (ADA) which, among other things, requires all states to develop a telephone relay service by July 1993. Provisions of the ADA and rules adopted to implement the ADA require that persons with hearing or speech impairments be able to access telecommunications systems in a manner which is functionally equivalent to hearing persons. While the ADA requires each state to have a relay service, it does not require that the states provide disabled persons with equipment.

In response to the ADA, the 1992 Legislature enacted legislation requiring that the Office of Deaf Services seek certification by the Federal Communications Commission (FCC) of the statewide TRS for the hearing-impaired and speech-impaired. The Office of Deaf Services was also required to seek and award contracts for the operation and maintenance of the relay service for service commencing July 26, 1993.

The Office of Deaf Services issued a request for proposals and has reviewed bids for a statewide TRS. Recently, the office has selected American Telephone & Telegraph (AT&T) to operate the program.

Summary of Substitute Bill: The statutory ceiling on the TRS excise tax is increased to 19 cents. The TRS excise tax is to be separately identified on each ratepayer's bill with the following statement: "Funds ADA Requirement."

The Telephone Relay Service Program budget is to be submitted to the Office of Financial Management (OFM) for review and approval before it is submitted to the UTC for rate setting.

A means test is established under which persons who are eligible to receive equipment under the current program will be assessed certain charges depending on criteria such as family income. The specific charges are as follows:

1. There will be no charge, in addition to the basic rate, for people who (1) are eligible for the Washington Telephone Assistance Program, (2) have family incomes equal to or less than 165 percent of the federal poverty level, or (3) are 18 years of age or younger

with a family income level equal to or less than 200 percent of the federal poverty level.

2. Eligible persons with family incomes greater than 165 percent and equal to or less than 200 percent of the federal poverty level are to be assessed charges on a sliding scale basis determined by the Department of Social and Health Services (DSHS).
3. Eligible persons with family incomes greater than 200 percent of the federal poverty level are to pay the full cost of the equipment to DSHS.
4. DSHS may waive part or all of the charges for telebraille and other expensive equipment if DSHS finds that the charges would impose an undue hardship on the recipient.

Certification by the eligible person or the person's guardian or head of household is sufficient to determine eligibility.

Substitute Bill Compared to Original Bill: The substitute bill adds provisions: (1) requiring OFM to review and approve the Telephone Relay Service Program budget before it is submitted to the UTC for rate setting; and (2) instituting a means test described under "Summary of Bill" above.

Fiscal Note: Available.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which it passed.

Testimony For: (NOTE: TESTIMONY WAS ON ORIGINAL BILL) DSHS supports this bill. Passage of this bill will make it possible for the department to conclude its contract negotiations for the statewide relay system. This bill benefits both hearing and deaf people. AT&T is pleased to be the least-cost provider of the relay system. The bill will bring employment to the state. We support the relay system but have some reservations about the funding level; a 9 cent increase is a big increase. Telephone bills are the "tax collectors" for this program. The excise tax pays for the relay system as well as the program which provides equipment to hearing and speech impaired persons. Shouldn't the equipment program be on an ability to pay basis?

Testimony Against: None.

Witnesses: (All pro) Lori Breslow, Office of Deaf Services, Department of Social and Health Services; Mat Burns,

Washington State Association for the Deaf; Ron Gayman, AT&T; and Tom Walker, U.S. West.

HOUSE COMMITTEE ON REVENUE

Majority Report: The substitute bill by Committee on Energy & Utilities be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives G. Fisher, Chair; Holm, Vice Chair; Foreman, Ranking Minority Member; Anderson; Brown; Cothorn; Leonard; Romero; Rust; Silver; Talcott; Thibaudeau; Van Luven; and Wang.

Minority Report: Do not pass. Signed by 1 member: Representative Fuhrman, Assistant Ranking Minority Member.

Staff: Bob Longman (786-7139).

Summary of Recommendation of Committee on Revenue Compared to Recommendation of Committee on Energy & Utilities: No changes are made.

Fiscal Note: Requested March 2, 1993.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill would bring Washington's telephone relay service into compliance with provisions contained in the American Disabilities Act (ADA). Currently, the statewide average is 43 percent busy signals of the telecommunication device for the deaf (TDD) lines. The ADA requirement is a 1 percent or less busy signals. This bill would provide more convenience and privacy for deaf and hearing impaired citizens, who otherwise might have to involve a third party when communicating via telephone.

Testimony Against: None.

Witnesses: Leon Curtis, Department of Social and Health Services (supports, but has some concerns regarding implementation of the means test); Matt Burns, Washington State Association for the Deaf (pro); and Bill Benson, AT&T.