
SUBSTITUTE SENATE BILL 6622

State of Washington

55th Legislature

1998 Regular Session

By Senate Committee on Energy & Utilities (originally sponsored by Senator Finkbeiner; by request of Utilities & Transportation Commission)

Read first time 02/06/98.

1 AN ACT Relating to the implementation of the federal
2 telecommunications act of 1996, P.L. 104-104 (110 Stat. 56); adding new
3 sections to chapter 80.36 RCW; creating a new section; and providing a
4 contingent expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** (1) The commission shall establish a program
7 for the advancement of universal telecommunications service. The
8 purpose of the universal service program is to benefit all
9 telecommunications ratepayers in the state by providing for specific,
10 sufficient, competitively neutral, and technologically neutral support
11 for basic telecommunications services for customers of
12 telecommunications companies in high-cost locations and by reducing
13 implicit sources of support for universal service.

14 (2) The commission shall establish the level of support that all
15 telecommunications carriers are to provide, make assessments on all
16 carriers to provide that support, designate those telecommunications
17 carriers serving high-cost locations that are eligible to receive
18 support for the benefit of their customers in those locations, and make
19 all necessary rules for administration of the program. The commission

1 may delegate to the commission secretary or other staff the authority
2 to resolve disputes or make other decisions necessary to the
3 administration of the program.

4 (3) All transfers of money necessary to provide the support shall
5 be outside the state treasury and not be subject to appropriation. The
6 commission may contract with an independent program administrator
7 subject to the direction and control of the commission and may
8 authorize the establishment of an account or accounts in independent
9 financial institutions should that be necessary for administration of
10 the program. The expenses of the independent program administrator
11 shall be authorized by the commission and shall be paid out of
12 contributions by the telecommunications carriers participating in the
13 program. The commission may require the carriers participating in the
14 program, as part of their contribution, to pay into the public service
15 revolving fund the costs of the commission attributable to supervision
16 and administration of the program.

17 (4) The commission shall audit, or contract with the administrator
18 or other person to audit, telecommunications carriers that receive
19 support under the program to ensure that they are using that support
20 only for the purposes of the program.

21 (5) The commission shall coordinate administration of the program
22 with any federal universal service program and may administer the
23 federal fund in conjunction with the state program if so authorized by
24 federal law.

25 (6) The total amount of assessments by the commission shall not
26 exceed the total of explicit and implicit support for all companies for
27 the 1997 period. The commission shall require as a condition of
28 receiving support that eligible telecommunications carriers subject to
29 regulation under this chapter reduce intrastate rates containing
30 implicit subsidies by an amount equal to their high-cost support.

31 (7) The definitions in this subsection apply throughout this
32 section unless the context clearly requires otherwise.

33 (a) "Telecommunications carrier" has the same meaning as defined in
34 47 U.S.C. Sec. 153(44).

35 (b) "Basic telecommunications services" means the following
36 services:

37 (i) Single-party service;

38 (ii) Voice grade access to the public switched network;

39 (iii) Support for local usage;

1 (iv) Dual tone multifrequency signaling (touch-tone);
2 (v) Access to emergency services (911);
3 (vi) Access to operator services;
4 (vii) Access to interexchange services;
5 (viii) Access to directory assistance; and
6 (ix) Toll limitation services.
7 (c) "High-cost location" means a location where the cost of
8 providing telecommunications services is greater than a set revenue
9 benchmark established by the commission by rule.

10 NEW SECTION. **Sec. 2.** The program authorized by section 1 of this
11 act shall not take effect until the legislature acts to approve it.
12 The utilities and transportation commission shall by November 1, 1998,
13 report to the legislature on development of each of the program
14 elements prescribed in section 1 of this act, including the estimated
15 size and cost of the program. The report may also include
16 recommendations for legislative action necessary to implement the
17 program as established or revised.

18 NEW SECTION. **Sec. 3.** The commission is authorized to take
19 actions, conduct proceedings, and enter orders as permitted or
20 contemplated for a state commission under the federal
21 telecommunications act of 1996, P.L. 104-104 (110 Stat. 56). The
22 commission may establish by rule fees to be paid by persons seeking
23 commission action under the federal act, and by parties to proceedings
24 under that act, to offset in whole or part the commission's expenses in
25 implementing the act.

26 NEW SECTION. **Sec. 4.** The rule-making authority granted to the
27 utilities and transportation commission by sections 1 and 3 of this act
28 for the purpose of establishing a program for the advancement of
29 universal telecommunications service shall expire on December 31, 1999,
30 unless extended by the legislature.

31 NEW SECTION. **Sec. 5.** Sections 1 and 3 of this act are each added
32 to chapter 80.36 RCW.

33 NEW SECTION. **Sec. 6.** If any provision of this act or its
34 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.

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