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## SENATE JOINT MEMORIAL 8031

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State of Washington 55th Legislature 1998 Regular Session

By Senators Finkbeiner, Bauer, Wood and West

Read first time 02/06/98. Referred to Committee on Ways & Means.

- 1 TO THE HONORABLE WILLIAM J. CLINTON, PRESIDENT OF THE UNITED 2 STATES, AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF 3 THE UNITED STATES, IN CONGRESS ASSEMBLED, AND TO THE MEMBERS OF THE 4 5 COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION OF THE UNITED STATES SENATE, AND TO MEMBERS OF THE SUBCOMMITTEE ON TELECOMMUNICATIONS, TRADE 6 7 AND CONSUMER PROTECTION, COMMITTEE ON COMMERCE, UNITED STATES HOUSE OF 8 REPRESENTATIVES:
- 9 We, your Memorialists, the Senate and House of Representatives of 10 the State of Washington, in legislative session assembled, respectfully 11 represent and petition as follows:
- 12 WHEREAS, Washington state has sought to leverage the state's purchasing power in its procurements of telecommunications and 14 information services; obtain the lowest prices for telecommunications 15 services for state agencies, local governments, and schools and 16 libraries, and avoid unnecessary duplication of resources; and
- WHEREAS, The Legislature created the Department of Information Services and directed it to aggregate the demand for telecommunications services purchased from the private sector, add value, and make such services available to public entities at significantly reduced costs; and

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- 1 WHEREAS, Through such efforts the Department of Information 2 Services has saved the taxpayers of Washington millions of dollars each
- 3 year; and
- 4 WHEREAS, The Washington Legislature in 1996 authorized and funded
- 5 the development of the K-20 Educational Telecommunications Network, a
- 6 fifty-four and one-half million dollar state-wide backbone network
- 7 linking K-12 school districts, educational service districts,
- 8 baccalaureate institutions, public libraries, and community and
- 9 technical colleges; and
- 10 WHEREAS, This network will provide schools and libraries with
- 11 enhanced function and increased efficiencies in their use of
- 12 telecommunications services; and
- 13 WHEREAS, The Federal Communications Commission, pursuant to the
- 14 Telecommunications Act of 1996, has begun implementation of a two and
- 15 one-quarter billion dollar universal service fund program to discount
- 16 the cost of telecommunications and information services to schools and
- 17 libraries; and
- 18 WHEREAS, On December 30, 1997, the Federal Communications
- 19 Commission ruled that state networks, such as the K-20 educational
- 20 network, may not recover directly from the fund for telecommunications
- 21 services, other than Internet services and internal connections,
- 22 provided and billed to schools and libraries; and
- 23 WHEREAS, By its order, the Commission also determined that schools
- 24 and libraries served by state telecommunications networks will not be
- 25 able to obtain discounts on the value added by the state to these
- 26 telecommunications services procured from the private sector; and
- 27 WHEREAS, This ruling potentially creates incentives for Washington
- 28 schools and libraries to forego the less costly state-provided
- 29 services, and instead buy more expensive services directly from private
- 30 providers in order to be assured of federal subsidies; and
- 31 WHEREAS, This ruling creates a severe administrative burden on
- 32 Washington state government, and will contravene longstanding
- 33 Legislative policy; and
- 34 WHEREAS, This ruling could increase the costs to the universal
- 35 service fund since discounts will be based on higher costs negotiated
- 36 one-by-one between individual schools and libraries and private
- 37 telecommunications companies;
- NOW, THEREFORE, Your Memorialists respectfully pray that the
- 39 members of the Committee on Commerce, Science and Transportation of the

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United Senate; and members of the Subcommittee 1 States on 2 Telecommunications, Trade and Consumer Protection, Committee on 3 Commerce, United States House of Representatives urge the Federal 4 Communications Commission to review and amend its ruling barring direct reimbursement to state agencies that provide telecommunications 5 6 services.

7 BE IT RESOLVED, That copies of this Memorial be transmitted 8 immediately to the Honorable William J. Clinton, President of the 9 United States, the members of the Committee on Commerce, Science and Transportation of the United States Senate, the members of the 10 Subcommittee on Telecommunications, Trade and Consumer Protection, 11 Committee on Commerce, United States House of Representatives, the 12 President of the United States Senate, the Speaker of the House of 13 14 Representatives, each member of Congress from the State of Washington, 15 and the members of the Federal Communications Commission.

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