

FINAL BILL REPORT

SHB 1624

C 134 L 03

Synopsis as Enacted

Brief Description: Modifying provisions of the Washington telephone assistance program.

Sponsors: By House Committee on Technology, Telecommunications & Energy (originally sponsored by Representatives Hudgins, Pettigrew, Crouse, Morris, Nixon, Linville and Sullivan; by request of Department of Social and Health Services).

House Committee on Technology, Telecommunications & Energy
House Committee on Appropriations
Senate Committee on Technology & Communications
Senate Committee on Ways & Means

Background:

The Washington Telephone Assistance Program (WTAP) has been operating since 1987 to help provide telephone services to low-income residents of the state. The program provides a reduced monthly charge for basic telephone service, a 50 percent discount on connection fees, and waivers of deposits for local telephone service. The Department of Social and Health Services (DSHS) is the program administrator for the WTAP. The program is set to expire on June 30, 2003.

Households are eligible for the WTAP if they have an adult recipient of one or more of the public assistance programs administered by the DSHS. Individuals must apply through their local telephone company for WTAP assistance. The service for which partial reimbursement is paid must be the lowest available flat rate telephone service. The program currently serves approximately 119,000 households.

The Washington Utilities and Transportation Commission (WUTC) sets the excise tax which funds the program. The excise tax is limited by statute to no more than 14 cents on all switched telephone lines in the state. The current excise tax is set at 13 cents and is collected from 57 telephone companies. Twenty-four telephone companies provide service under the WTAP. The excise tax does not apply to wireless companies. In fiscal year 2002, the excise tax receipts collected from participating telephone companies were \$5.49 million, and program costs were \$6.42 million. The fund balance at the end of the program year was \$5.8 million. The trend in recent years has been that program costs are greater than the revenue collected. This trend is drawing down the fund balance over time.

The Federal Lifeline Program provides additional assistance toward a household's basic

monthly telephone charges. The household pays the first \$4 of its monthly local telephone service, the federal program provides up to \$7.85 and the WTAP pays the remainder of the charge, which is typically a total of around \$17. Connection charges are paid by the WTAP and the Federal Link Up Program. A household may receive WTAP assistance once a year. The federal program does not have a similar limitation.

Community voice mail is a computerized telephone answering system that is housed in a lead public agency and is shared by other community service agencies. It allows agencies to provide clients with an individual telephone number and a voice mail box where they can record a personal message and access their messages through use of a personal code from any location. The service is provided to those who do not have traditional telephone service.

Ten communities in Washington currently operate community voice mail programs through local community action agencies. They serve low-income and homeless people who are searching for employment or housing, or are working under other case management plans. In 2002 the Legislature allowed former recipients of community voice mail to transition to WTAP services for a limited period of time.

Summary:

The Washington Telephone Assistance Program (WTAP) is extended indefinitely.

The program is modified to include community service voice mail as a WTAP service. The DSHS will contract with the Department of Community, Trade, and Economic Development (DCTED) to administer community voice mail services through local community action or community service agencies. The program is capped at 8 percent of the previous year's total revenue for the WTAP. Recipients may receive either local telephone service or community voice mail service but not both at the same time. The connection discount is no longer limited to once a year.

Votes on Final Passage:

House 95 0
Senate 42 2 (Senate amended)
House 97 0 (House concurred)

Effective: July 1, 2003