## SENATE BILL REPORT SHB 1624

As Reported By Senate Committee On: Technology & Communications, March 24, 2003 Ways & Means, April 7, 2003

**Title:** An act relating to the Washington telephone assistance program.

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

**Sponsors:** 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).

## **Brief History:**

Committee Activity: Technology & Communications: 3/20/03, 3/24/03 [DPA-WM].

Ways & Means: 4/7/03 [DPA (TC)].

## SENATE COMMITTEE ON TECHNOLOGY & COMMUNICATIONS

**Majority Report:** Do pass as amended and be referred to Committee on Ways & Means. Signed by Senators Esser, Chair; Finkbeiner, Vice Chair; Eide, Reardon, Schmidt and Stevens.

**Staff:** Dario de la Rosa (786-7484)

## SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass as amended by Committee on Technology & Communications. Signed by Senators Rossi, Chair; Hewitt, Vice Chair; Zarelli, Vice Chair; Brown, Doumit, Fairley, Fraser, Hale, Parlette, Poulsen, Regala, Sheahan and B. Sheldon.

**Staff:** Brian Sims (786-7431)

**Background:** The Washington Telephone Assistance Program (WTAP) has been operating since 1987. The program, run by the Department of Social and Health Services (DSHS) and the Washington Utilities and Transportation Commission (WUTC), provides for a reduced monthly charge for basic telephone services, discounts on connection fees, and waivers for deposits for local service. Households are eligible if they have an adult recipient of one or more types of public assistance administered by DSHS.

The program is funded exclusively by a \$.13 excise tax on all switched telephone lines in the state, except those exempt by federal law. In fiscal year 2002, the excise tax receipts from participating telephone companies were \$5.5 million, and program costs were \$6.42 million.

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Community voice mail is a computerized telephone answering system that can act like a home answering machine for people in the community. It provides recipients with an individual telephone number and a voice mailbox where they can receive and access messages, even if they do not have traditional telephone service. Currently, ten sites are operating community voice mail programs through their local community action agencies, primarily for low-income and homeless people who are searching for employment or are working under other case management plans.

The WTAP program expires on June 30, 2003.

Summary of Amended Bill: The WTAP program is made permanent. DSHS and WUTC must consult with the Department of Community, Trade, and Economic Development (CTED) to adopt rules necessary to implement a community voice mail service system as part of the WTAP system. A discount on community service voice mail is authorized. Administration costs and program expenses for community voice mail are made by agreement between CTED and DSHS not to exceed 8 percent of the WTAP funding. The community voice mail service may include toll-free lines at community action agencies. Participants in the community voice mail programs are eligible to participate in WTAP after completing use of community voice mail services. The program limits reimbursement to one switched access line or one community voice mailbox.

Local exchange companies provide eligible WTAP subscribers a 50 percent discount on customary charges for commencing telephone service. Part of the remaining 50 percent service connection fee may be paid by funds from federal government programs or other programs for this purpose. Any remaining portion of connection fees is payable by installments of not fewer than 12 months without interest, unless the customer chooses otherwise.

DSHS must provide an annual report by December 1 of each year to the appropriate committees in the Senate and House of Representatives on the status of the WTAP program.

**Amended Bill Compared to Substitute Bill:** An emergency clause has been added to prevent interruption of the program.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Testimony For:** This program helps people who are needy or who are homeless. By allowing people access to phone and voice mail services, they can better communicate with potential employers. This is especially true for homeless people, who do not have regular phone service.

**Testimony Against:** None.

**Testified:** Representative Zack Hudgins, prime sponsor (pro); Chuck Schufreider, Snohomish County Community Voice Mail (pro); Mike Masten, Department of Social and Health Services (pro).

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