Z-0547.1

SENATE BILL 5591

State of Washington 58th Legislature 2003 Regular Session

By Senators Schmidt, Poulsen, Reardon, Esser, B. Sheldon and Kohl-Welles; by request of Department of Social and Health Services

Read first time 01/31/2003. Referred to Committee on Technology & Communications.

- AN ACT Relating to the Washington telephone assistance program; amending RCW 80.36.005, 80.36.410, 80.36.420, 80.36.430, 80.36.440, 80.36.450, 80.36.460, 80.36.470, and 80.36.475; repealing 1998 c 159 s 1, 1993 c 249 s 3, 1990 c 170 s 8, and 1987 c 229 s 12 (uncodified);

and repealing 2002 c 104 s 4 (uncodified).

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7 **Sec. 1.** RCW 80.36.005 and 2002 c 104 s 1 are each amended to read 8 as follows:

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

- 9 The definitions in this section apply throughout RCW 80.36.410 10 through 80.36.475, unless the context clearly requires otherwise.
- 11 (1) "Community agency" means local community agencies that 12 administer community service voice mail programs.
- (2) "Community service voice mail" means a computerized voice mail system that provides low-income recipients with: (a) An individually assigned telephone number; (b) the ability to record a personal greeting; and (c) a private security code to retrieve messages.
- 17 (3) "Department" means the department of social and health services.
- 19 (4) "Service year" means the period between July 1st and June 30th.

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- 1 (5) "Community action agency" means local community action agencies 2 or local community service agencies designated by the department of 3 community, trade, and economic development under chapter 43.63A RCW.
- **Sec. 2.** RCW 80.36.410 and 2002 c 104 s 2 are each amended to read 5 as follows:

- (1) The legislature finds that universal telephone service is an important policy goal of the state. The legislature further finds that: $((\langle 1 \rangle))$ (a) Recent changes in the telecommunications industry, such as federal access charges, raise concerns about the ability of low-income persons to continue to afford access to local exchange telephone service; and $((\langle 2 \rangle))$ (b) many low-income persons making the transition to independence from receiving supportive services through community agencies do not qualify for economic assistance from the department.
- (2) Therefore, the legislature finds that: (a) It is in the public interest to take steps to mitigate the effects of these changes on low-income persons; and (b) advances in telecommunications technologies, such as community service voice mail provide new and economically efficient ways to secure many of the benefits of universal service to low-income persons who are not customers of local exchange telephone service.
- **Sec. 3.** RCW 80.36.420 and 1990 c 170 s 2 are each amended to read as follows:
 - The Washington telephone assistance program shall be available to participants of ((department)) programs set forth in RCW 80.36.470.

 For purposes of this program, "local exchange service" means service with a standard monthly payment for a specific or unlimited amount of local usage. Assistance shall consist of the following components:
- 29 (1) A discount on service connection fees of fifty percent or more 30 as set forth in RCW 80.36.460.
- 31 (2) A waiver of deposit requirements on local exchange service, as 32 set forth in RCW 80.36.460.
- 33 (3) A discounted ((flat)) rate ((service)) for local exchange 34 service, which shall be subject to the following conditions:
- 35 (a) The commission shall establish a single telephone assistance 36 rate for all local exchange companies operating in the state of

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Washington. The telephone assistance rate shall include any federal end user ((access)) charges and any other charges necessary to obtain local exchange service.

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- (b) The commission shall, in establishing the telephone assistance rate, consider all charges for local exchange service, including federal end user ((access)) charges, mileage charges, extended area service, and any other charges necessary to obtain local exchange service.
- (c) The telephone assistance rate shall only be available to eligible customers subscribing to the lowest ((available)) priced local exchange ((flat rate)) service offered by a local exchange company, where the lowest priced local exchange ((flat rate)) service, including any federal end user ((access)) charges and any other charges necessary to obtain local exchange service, is greater than the telephone assistance rate. ((Low income senior citizens sixty years of age and older and other low income persons identified by the department as medically needy shall, where single party service is available, be provided with single party service as the lowest available local exchange flat rate service.))
- (d) The cost of providing the service shall be paid, to the maximum extent possible, by a waiver of all or part of $((\frac{\text{the}}{\text{the}}))$ federal end user $((\frac{\text{access}}{\text{access}}))$ charges and, to the extent necessary, from the telephone assistance fund created by RCW 80.36.430.
- (4) A discount on a community service voice mailbox that provides recipients with (a) an individually assigned telephone number; (b) the ability to record a personal greeting; and (c) a secure private security code to retrieve messages.
- **Sec. 4.** RCW 80.36.430 and 1990 c 170 s 3 are each amended to read 29 as follows:
 - (1) The Washington telephone assistance program shall be funded by a telephone assistance excise tax on all switched access lines and by funds from any federal government or other programs for this purpose. Switched access lines are defined in RCW 82.14B.020. The telephone assistance excise tax shall be applied equally to all residential and business access lines not to exceed fourteen cents per month. The telephone assistance excise tax shall be separately identified on each ratepayer's bill as the "Washington telephone assistance program." All

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money collected from the telephone assistance excise tax shall be transferred to a telephone assistance fund administered by the department.

- (2) Local exchange companies shall bill the fund for their expenses incurred in offering the telephone assistance program, including administrative and program expenses. The department shall disburse the money to the local exchange companies. The department is exempted from having to conclude a contract with local exchange companies in order to effect this reimbursement. The department shall recover its administrative costs from the fund. The department may specify by rule the range and extent of administrative and program expenses that will be reimbursed to local exchange companies.
- 13 (3) The department shall enter into an agreement with the department of community, trade, and economic development for an amount 14 not to exceed eight percent of the prior fiscal year's total revenue 15 for the administrative and program expenses of providing community 16 service voice mail services. The community service voice mail service 17 may include toll-free lines in community action agencies through which 18 recipients can access their community service voice mailboxes at no 19 20 <u>charge</u>.
- 21 **Sec. 5.** RCW 80.36.440 and 1990 c 170 s 4 are each amended to read 22 as follows:
- 23 (1) The commission and the department may adopt any rules necessary 24 to implement RCW 80.36.410 through 80.36.470.
- 25 (2) Rules necessary for the implementation of community service 26 voice mail services shall be made by the commission and the department 27 in consultation with the department of community, trade, and economic 28 development.
- 29 **Sec. 6.** RCW 80.36.450 and 1993 c 249 s 2 are each amended to read 30 as follows:
- The Washington telephone assistance program shall ((be limited))

 limit reimbursement to one residential switched access line per
 eligible household, or one discounted community service voice mailbox

34 <u>per eligible person</u>.

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1 **Sec. 7.** RCW 80.36.460 and 1990 c 170 s 5 are each amended to read 2 as follows:

3 Local exchange companies shall ((file tariffs with the commission which)) waive deposits on local exchange service for eligible 4 subscribers and ((which establish)) provide a fifty percent discount on 5 the company's customary charge for commencing telecommunications 6 service ((connection fees)) for eliqible subscribers. Part or all of 7 the remaining fifty percent of service connection fees may be paid by 8 funds from federal government or other programs for this purpose. The 9 10 commission or other appropriate agency shall make timely application for any available federal funds. The remaining portion of the 11 12 connection fee to be paid by the subscriber shall be expressly payable 13 by installment fees spread over a period of not less than twelve months 14 without interest. A subscriber may, however, choose to pay the connection fee in a lump sum. Costs associated with the waiver and 15 discount shall be accounted for separately and recovered from the 16 17 telephone assistance fund. ((Eligible subscribers shall be allowed one waiver of a deposit and one discount on service connection fees per 18 19 year.))

20 **Sec. 8.** RCW 80.36.470 and 2002 c 104 s 3 are each amended to read 21 as follows:

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- (1) Adult recipients of department-administered programs for the financially needy which provide continuing financial or medical assistance, food stamps, or supportive services to persons in their own homes are eligible for participation in the telephone assistance program. The department shall notify the participants of their eligibility.
- (2) Participants in community service voice mail programs are eligible for participation in ((the telephone assistance program)) services available under RCW 80.36.420 (1), (2), and (3) after completing use of community service voice mail services. Eligibility shall be for a period including the remainder of the current service year and the following service year. Community agencies shall notify the department of participants eligible under this subsection.
- 35 **Sec. 9.** RCW 80.36.475 and 1990 c 170 s 7 are each amended to read as follows:

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- The department shall report to the ((energy and utilities)) 1 2 appropriate committees of the house of representatives and the senate by December 1 of each year on the status of the Washington telephone 3 assistance program. The report shall include the number of 4 participants by qualifying social service programs receiving benefits 5 from the telephone assistance program and the type of benefits 6 7 participants receive. The report shall also include a description of the geographical distribution of participants, the program's annual 8 revenue and expenditures, and any recommendations for legislative 9 10 action.
- 11 NEW SECTION. Sec. 10. 1998 c 159 s 1, 1993 c 249 s 3, 1990 c 170 s 8, & 1987 c 229 s 12 (uncodified) are each repealed.
- NEW SECTION. Sec. 11. 2002 c 104 s 4 (uncodified) is repealed.

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