
HOUSE BILL 2679

State of Washington

63rd Legislature

2014 Regular Session

By Representatives DeBolt and Haler

Read first time 01/24/14. Referred to Committee on Technology & Economic Development.

1 AN ACT Relating to the expenditure limit for the state universal
2 communications services program; amending RCW 80.36.650; and providing
3 an effective date.

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

5 **Sec. 1.** RCW 80.36.650 and 2013 2nd sp.s. c 8 s 203 are each
6 amended to read as follows:

7 (1) A state universal communications services program is
8 established. The program is established to protect public safety and
9 welfare under the authority of the state to regulate telecommunications
10 under Article XII, section 19 of the state Constitution. The purpose
11 of the program is to support continued provision of basic
12 telecommunications services under rates, terms, and conditions
13 established by the commission during the time over which incumbent
14 communications providers in the state are adapting to changes in
15 federal universal service fund and intercarrier compensation support.

16 (2) Under the program, eligible communications providers may
17 receive distributions from the universal communications services
18 account created in RCW 80.36.690 in exchange for the affirmative
19 agreement to provide continued services under the rates, terms, and

1 conditions established by the commission under this chapter for the
2 period covered by the distribution. The commission must implement and
3 administer the program under terms and conditions established in RCW
4 80.36.630 through 80.36.690. Expenditures for the program (~~may not~~
5 ~~exceed~~) must be five million dollars per fiscal year less
6 administrative costs appropriated to the commission to administer the
7 program established in subsection (1) of this section in the omnibus
8 operating appropriations act.

9 (3) A communications provider is eligible to receive distributions
10 from the account if:

11 (a) The communications provider is: (i) An incumbent local
12 exchange carrier serving fewer than forty thousand access lines in the
13 state; or (ii) a radio communications service company providing
14 wireless two-way voice communications service to less than the
15 equivalent of forty thousand access lines in the state. For purposes
16 of determining the access line threshold in this subsection, the access
17 lines or equivalents of all affiliates must be counted as a single
18 threshold, if the lines or equivalents are located in Washington;

19 (b) The customers of the communications provider are at risk of
20 rate instability or service interruptions or cessations absent a
21 distribution to the provider that will allow the provider to maintain
22 rates reasonably close to the benchmark; and

23 (c) The communications provider meets any other requirements
24 established by the commission pertaining to the provision of
25 communications services, including basic telecommunications services.

26 (4)(a) Distributions to eligible communications providers are based
27 on a benchmark established by the commission. The benchmark is the
28 rate the commission determines to be a reasonable amount customers
29 should pay for basic residential service provided over the incumbent
30 public network. However, if an incumbent local exchange carrier is
31 charging rates above the benchmark for the basic residential service,
32 that provider may not seek distributions from the fund for the purpose
33 of reducing those rates to the benchmark.

34 (b) To receive a distribution under the program, an eligible
35 communications provider must affirmatively consent to continue
36 providing communications services to its customers under rates, terms,
37 and conditions established by the commission pursuant to this chapter
38 for the period covered by the distribution.

1 (5) The program is funded from amounts deposited by the legislature
2 in the universal communications services account established in RCW
3 80.36.690. The commission must operate the program within amounts
4 appropriated for this purpose and deposited in the account.

5 (6) The commission must periodically review the accounts and
6 records of any communications provider that receives distributions
7 under the program to ensure compliance with the program and monitor the
8 providers' use of the funds.

9 (7) The commission must establish an advisory board, consisting of
10 a reasonable balance of representatives from different types of
11 communications providers and consumers, to advise the commission on
12 any rules and policies governing the operation of the program.

13 (8) The program terminates on June 30, 2019, and no distributions
14 may be made after that date.

15 (9) This section expires July 1, 2020.

16 NEW SECTION. **Sec. 2.** This act takes effect July 1, 2014.

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