
SENATE BILL 5600

State of Washington

68th Legislature

2023 Regular Session

By Senators Wellman, Braun, Lovick, Schoesler, and Short

Read first time 01/27/23. Referred to Committee on Environment,
Energy & Technology.

1 AN ACT Relating to removing the expiration date for the state
2 universal communications services program; amending RCW 80.36.630,
3 80.36.650, 80.36.660, 80.36.670, 80.36.680, and 80.36.690; and
4 repealing RCW 80.36.700.

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

6 **Sec. 1.** RCW 80.36.630 and 2019 c 365 s 11 are each amended to
7 read as follows:

8 ~~((1))~~ The definitions in this section apply throughout this
9 section and RCW 80.36.650 through 80.36.690 and 80.36.610 unless the
10 context clearly requires otherwise.

11 ~~((a))~~ (1) "Basic residential service" means those services set
12 out in 47 C.F.R. Sec. 54.101(a) (2011), as it existed on May 13,
13 2019, and mandatory extended area service approved by the commission.

14 ~~((b))~~ (2) "Basic telecommunications services" means the
15 following services:

16 ~~((i))~~ (a) Single-party service;

17 ~~((ii))~~ (b) Voice grade access to the public switched network;

18 ~~((iii))~~ (c) Support for local usage;

19 ~~((iv))~~ (d) Dual tone multifrequency signaling (touch-tone);

20 ~~((v))~~ (e) Access to emergency services (911);

21 ~~((vi))~~ (f) Access to operator services;

1 ~~((vii))~~ (g) Access to interexchange services;
2 ~~((viii))~~ (h) Access to directory assistance; and
3 ~~((ix))~~ (i) Toll limitation services.
4 ~~((e))~~ (3) "Broadband service" means any service providing
5 advanced telecommunications capability, including internet access and
6 access to high quality voice, data, graphics, or video.
7 ~~((d))~~ (4) "Communications provider" means a provider of
8 communications services that assigns a working telephone number to a
9 final consumer for intrastate wireline or wireless communications
10 services or interconnected voice over internet protocol service, and
11 includes local exchange carriers.
12 ~~((e))~~ (5) "Communications services" includes telecommunications
13 services and information services and any combination thereof.
14 ~~((f))~~ (6) "Incumbent local exchange carrier" has the same
15 meaning as set forth in 47 U.S.C. Sec. 251(h).
16 ~~((g))~~ (7) "Incumbent public network" means the network
17 established by incumbent local exchange carriers for the delivery of
18 communications services to customers that is used by communications
19 providers for origination or termination of communications services
20 by or to customers.
21 ~~((h))~~ (8) "Interconnected voice over internet protocol service"
22 means an interconnected voice over internet protocol service that:
23 ~~((i))~~ (a) Enables real-time, two-way voice communications; ~~((ii))~~
24 (b) requires a broadband connection from the user's location;
25 ~~((iii))~~ (c) requires internet protocol-compatible customer premises
26 equipment; and ~~((iv))~~ (d) permits users generally to receive calls
27 that originate on the public network and to terminate calls to the
28 public network.
29 ~~((i))~~ (9) "Program" means the state universal communications
30 services program created in RCW 80.36.650.
31 ~~((j))~~ (10) "Telecommunications" has the same meaning as defined
32 in 47 U.S.C. Sec. 153(43).
33 ~~((k))~~ (11) "Telecommunications act of 1996" means the
34 telecommunications act of 1996 (P.L. 104-104, 110 Stat. 56).
35 ~~((2) This section expires July 1, 2025.)~~

36 **Sec. 2.** RCW 80.36.650 and 2019 c 365 s 12 are each amended to
37 read as follows:

38 (1) A state universal communications services program is
39 established. The program is established to protect public safety and

1 welfare under the authority of the state to regulate
2 telecommunications under Article XII, section 19 of the state
3 Constitution. The purpose of the program is to support continued
4 provision of basic telecommunications services under rates, terms,
5 and conditions established by the commission and the provision,
6 enhancement, and maintenance of broadband services, recognizing that,
7 historically, the incumbent public network functions to provide all
8 communications services including, but not limited to, voice and
9 broadband services.

10 (2) Under the program, eligible communications providers may
11 receive distributions from the universal communications services
12 account created in RCW 80.36.690 in exchange for the affirmative
13 agreement to provide continued telecommunications services under the
14 rates, terms, and conditions established by the commission under this
15 chapter, and broadband services, for the period covered by the
16 distribution. The commission must implement and administer the
17 program under terms and conditions established in RCW 80.36.630
18 through 80.36.690. Expenditures for the program may not exceed (~~five~~
19 ~~million dollars~~) \$5,000,000 per fiscal year; provided, however, that
20 if less than (~~five million dollars~~) \$5,000,000 is expended in any
21 fiscal year, the unexpended portion must be carried over to
22 subsequent fiscal years and, unless fully expended, must be available
23 for program expenditures in such subsequent fiscal years in addition
24 to the (~~five million dollars~~) \$5,000,000 allotted for each of those
25 subsequent fiscal years.

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

28 (a)(i) The communications provider is: (A) An incumbent local
29 exchange carrier serving fewer than (~~forty thousand~~) 40,000 access
30 lines in the state; or (B) a radio communications service company
31 providing wireless two-way voice communications service and broadband
32 services to less than the equivalent of (~~forty thousand~~) 40,000
33 access lines in the state. For purposes of determining the access
34 line threshold in this subsection, the access lines or equivalents of
35 all wireline affiliates must be counted as a single threshold, if the
36 lines or equivalents are located in Washington;

37 (ii) The communications provider has adopted a plan to provide,
38 enhance, or maintain broadband services in its service area; and

39 (iii) The communications provider meets any other requirements
40 established by the commission pertaining to the provision of

1 communications services, including basic telecommunications services;
2 or

3 (b) The communications provider demonstrates to the commission
4 that the communications provider is able to provide the same or
5 comparable services at the same or similar service quality standards
6 at a lower price; and: (i) Will provide communications services to
7 all customers in the exchange or exchanges in which it will provide
8 service; and (ii) submits to the commission's regulation of its
9 service as if it were the incumbent local exchange company serving
10 the exchange or exchanges for which it seeks distribution from the
11 account.

12 (4)(a) Distributions to eligible communications providers are
13 based on criteria established by the commission.

14 (b) If the program does not have sufficient funds to fully fund
15 the distribution formula set out in (a) of this subsection,
16 distributions must be reduced on a pro rata basis using the amounts
17 calculated for that year's program support as the basis of the pro
18 rata calculations.

19 (c) To receive a distribution under the program, an eligible
20 communications provider must affirmatively consent to continue
21 providing communications services to its customers under rates,
22 terms, and conditions established by the commission pursuant to this
23 chapter for the period covered by the distribution.

24 (5) The program is funded from amounts deposited by the
25 legislature in the universal communications services account
26 established in RCW 80.36.690. The commission must operate the program
27 within amounts appropriated for this purpose and deposited in the
28 account.

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

33 (7) The commission must establish an advisory board, consisting
34 of a reasonable balance of representatives from different types of
35 stakeholders, including but not limited to communications providers
36 and consumers, to advise the commission on any rules and policies
37 governing the operation of the program.

38 ~~((8) The program terminates on June 30, 2024, and no
39 distributions may be made after that date.~~

40 ~~(9) This section expires July 1, 2025.)~~

1 **Sec. 3.** RCW 80.36.660 and 2019 c 365 s 13 are each amended to
2 read as follows:

3 ~~((1))~~ To implement the program, the commission must adopt rules
4 for the following purposes:

5 ~~((a))~~ (1) Operation of the program, including criteria for:
6 Eligibility for distributions; use of the funds; identification of
7 any reports or data that must be filed with the commission,
8 including, but not limited to, how a communication provider used the
9 distributed funds; and the communications provider's infrastructure;

10 ~~((b))~~ (2) Operation of the universal communications services
11 account established in RCW 80.36.690;

12 ~~((c))~~ (3) Establishment of the criteria used to calculate
13 distributions; and

14 ~~((d))~~ (4) Readoption, amendment, or repeal of any existing
15 rules adopted pursuant to RCW 80.36.610 as necessary to be consistent
16 with RCW 80.36.630 through 80.36.690 and 80.36.610.

17 ~~((2) This section expires July 1, 2025.)~~

18 **Sec. 4.** RCW 80.36.670 and 2019 c 365 s 14 are each amended to
19 read as follows:

20 (1) In addition to any other penalties prescribed by law, the
21 commission may impose penalties for failure to make or delays in
22 making or filing any reports required by the commission for
23 administration of the program. In addition, the commission may
24 recover amounts determined to have been improperly distributed under
25 RCW 80.36.650. For the purposes of this section, the provisions of
26 RCW 80.04.380 through 80.04.405, inclusive, apply to all companies
27 that receive support from the universal communications services
28 account created in RCW 80.36.690.

29 (2) Any action taken under this section must be taken only after
30 providing the affected communications provider with notice and an
31 opportunity for a hearing, unless otherwise provided by law.

32 (3) Any amounts recovered under this section must be deposited in
33 the universal communications services account created in RCW
34 80.36.690.

35 ~~((4) This section expires July 1, 2025.)~~

36 **Sec. 5.** RCW 80.36.680 and 2019 c 365 s 15 are each amended to
37 read as follows:

1 ~~((1))~~ The commission may delegate to the commission secretary
2 or other staff the authority to resolve disputes and make other
3 administrative decisions necessary to the administration and
4 supervision of the program consistent with the relevant statutes and
5 commission rules.

6 ~~((2) This section expires July 1, 2025.)~~

7 **Sec. 6.** RCW 80.36.690 and 2019 c 365 s 16 are each amended to
8 read as follows:

9 ~~((1))~~ The universal communications services account is created
10 in the custody of the state treasurer. Revenues to the account
11 consist of moneys deposited in the account by the legislature and any
12 penalties or other recoveries received pursuant to RCW 80.36.670.
13 Expenditures from the account may be used only for the purposes of
14 the universal communications services program established in RCW
15 80.36.650 and commission expenses related to implementation and
16 administration of the provisions of RCW 80.36.630 through 80.36.690
17 and section 212, chapter 8, Laws of 2013 2nd sp. sess. Only the
18 secretary of the commission or the secretary's designee may authorize
19 expenditures from the account. The account is subject to allotment
20 procedures under chapter 43.88 RCW, but an appropriation is not
21 required for expenditures.

22 ~~((2) This section expires July 1, 2025.)~~

23 NEW SECTION. **Sec. 7.** RCW 80.36.700 (State universal
24 communications services program—Program expiration) and 2019 c 365 s
25 17 & 2013 2nd sp.s. c 8 s 211 are each repealed.

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