

SENATE BILL NO. 257

INTRODUCED BY THAYER, HARP, LYNCH, FARRELL, CAMPBELL,
HARRINGTON, BLAYLOCK, HANNAH, J. BROWN, BOYLAN, QUILICI

IN THE SENATE

JANUARY 30, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & INDUSTRY.

FEBRUARY 13, 1987 COMMITTEE RECOMMEND BILL
DO PASS AS AMENDED. REPORT ADOPTED.

 STATEMENT OF INTENT ADOPTED.

FEBRUARY 14, 1987 PRINTING REPORT.

FEBRUARY 17, 1987 SECOND READING, DO PASS.

FEBRUARY 18, 1987 ENGROSSING REPORT.

FEBRUARY 19, 1987 THIRD READING, PASSED.
AYES, 46; NOES, 4.

 TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON JUDICIARY.

MARCH 25, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

MARCH 28, 1987 SECOND READING, CONCURRED IN.

MARCH 30, 1987 THIRD READING, CONCURRED IN.
AYES, 86; NOES, 12.

 RETURNED TO SENATE.

IN THE SENATE

MARCH 31, 1987 RECEIVED FROM HOUSE.

 SENT TO ENROLLING.

Senate

Allyson BILL NO. *257*

INTRODUCED BY *HAAS* *HARR* *Supich* *Farnell*
Campbell *Dunnington* *J. O. Duda* *Boyle* *Quiles*
Stacy/ock *Dewar*

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4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE TELEPHONE
5 LOW INCOME ASSISTANCE PROGRAM; SETTING ELIGIBILITY STANDARDS
6 FOR ASSISTANCE TO LOW INCOME INDIVIDUALS; IMPOSING AN
7 ADDITIONAL CHARGE ON RESIDENTIAL TELEPHONE CUSTOMERS TO
8 REIMBURSE PARTICIPATING PROVIDERS OF TELECOMMUNICATIONS
9 SERVICES FOR DISCOUNTS GIVEN ELIGIBLE SUBSCRIBERS; REQUIRING
10 THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES TO
11 CERTIFY AND VERIFY THE ELIGIBILITY OF SUBSCRIBERS; REQUIRING
12 THE PUBLIC SERVICE COMMISSION TO MONITOR THE PROGRAM AND
13 ISSUE ANNUAL REPORTS; PROVIDING FOR COMPLIANCE WITH FEDERAL
14 LAW IN ORDER TO RECEIVE MATCHING FEDERAL FUNDS; GRANTING NEW
15 RULEMAKING AUTHORITY TO THE COMMISSION; PROVIDING STANDARDS
16 FOR APPLICABILITY; AND AMENDING SECTION 69-3-305, MCA."

17
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

19 NEW SECTION. Section 1. Creation of program -- amount
20 of assistance. (1) There is a telephone low income
21 assistance program to provide an eligible subscriber with a
22 discount in the monthly charge for local exchange service in
23 the telephone network.

24 (2) This discount in the charge for local exchange
25 service is the greater of:

1 (a) \$2 a month for each eligible subscriber; or
2 (b) the amount necessary to obtain the matching waiver
3 available under applicable orders and regulations of the
4 federal communications commission.

5 NEW SECTION. Section 2. Eligibility. (1) A
6 residential subscriber with single telephone line service at
7 his principal residence is eligible for low income telephone
8 assistance if he is certified by the department of social
9 and rehabilitation services as a recipient of medicaid
10 benefits.

11 (2) The department shall periodically certify and
12 verify the eligibility of a subscriber to receive low income
13 telephone assistance.

14 (3) The department may adopt rules to establish
15 procedures for the certification and verification of
16 eligible subscribers.

17 NEW SECTION. Section 3. Reimbursement for discounts.
18 (1) The public service commission shall authorize an
19 additional monthly charge for each residential access line
20 to fully reimburse providers of local telecommunications
21 services for discounts given eligible subscribers.

22 (2) The additional monthly charge for local exchange
23 service applies to residential subscribers of providers of
24 local telecommunications services that participate in the
25 low income telephone assistance program.



1 (3) Participation of each provider in the low income
2 telephone assistance program must be administered separately
3 by the public service commission.

4 NEW SECTION. Section 4. Administration. (1) The
5 public service commission shall monitor the effectiveness of
6 the low income telephone assistance program and issue annual
7 reports as provided in [section 5].

8 (2) The commission may adopt rules necessary to
9 administer and implement the low income telephone assistance
10 program and to receive matching federal low income telephone
11 assistance.

12 NEW SECTION. Section 5. Annual reports. The
13 commission shall, if necessary, provide the federal
14 communications commission with annual reports containing the
15 following information:

16 (1) a description of qualification and verification
17 procedures and other assistance measures;

18 (2) the costs of the low income telephone assistance
19 program;

20 (3) the number of households receiving low income
21 telephone assistance;

22 (4) the number of eligible subscribers receiving low
23 income telephone assistance, including subscribers who
24 switched from other telephone services to low income
25 telephone service and new subscribers of low income

1 telephone service; and

2 (5) all other information requested by the federal
3 communications commission concerning the effect of the low
4 income telephone assistance program on eligible
5 subscribership levels.

6 NEW SECTION. Section 6. Federal requirements. The
7 public service commission, the department of social and
8 rehabilitation services, and participating providers of
9 local telecommunications services shall comply with federal
10 requirements for the receipt of matching federal low income
11 telephone assistance.

12 NEW SECTION. Section 7. Applicability. (1) [Sections
13 1 through 6] apply to providers of regulated local
14 telecommunications services with more than 50,000
15 subscribers.

16 (2) Regulated providers of local telecommunications
17 services with fewer than 50,000 subscribers may petition the
18 public service commission to participate in or withdraw from
19 the low income telephone assistance program. The public
20 service commission shall grant a petition to participate in
21 or withdraw from the low income telephone assistance program
22 unless federal requirements for obtaining matching federal
23 low income telephone assistance require otherwise.

24 Section 8. Section 69-3-305, MCA, is amended to read:
25 "69-3-305. Deviations from scheduled rates, tolls, and

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2 shall be unlawful for any public utility to:

3 (a) charge, demand, collect, or receive a greater or
4 less compensation for any utility service performed by it
5 within the state or for any service in connection therewith
6 than is specified in such printed schedules, including
7 schedules of joint rates, as may at the time be in force;

8 (b) demand, collect, or receive any rate, toll, or
9 charge not specified in such schedules; or

10 (c) grant any rebate, concession, or special privilege
11 to any consumer or user, which, directly or indirectly,
12 shall or may have the effect of changing the rates, tolls,
13 charges, or payments.

14 (2) The rates, tolls, and charges named therein shall
15 be the lawful rates, tolls, and charges until the same are
16 changed, as provided in this chapter.

17 (3) The commission may order refunds or credits of
18 rates, tolls, or charges collected in violation of this
19 section and may in its discretion order payment of interest
20 at a reasonable rate on the refunded amount.

21 (4) A public utility violating the provisions of this
22 section is subject to the penalty prescribed in 69-3-206.
23 This, however, does not have the effect of suspending,
24 rescinding, invalidating, or in any way affecting existing
25 contracts."

1 NEW SECTION. Section 9. Codification instruction.
2 Sections 1 through 7 are intended to be codified as an
3 integral part of Title 69, chapter 3, and the provisions of
4 Title 69, chapter 3, apply to sections 1 through 7.

5 NEW SECTION. Section 10. Severability. If a part of
6 this act is invalid, all valid parts that are severable from
7 the invalid part remain in effect. If a part of this act is
8 invalid in one or more of its applications, the part remains
9 in effect in all valid applications that are severable from
10 the invalid applications.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB257, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

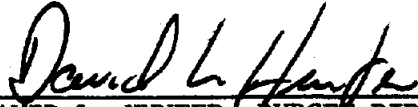
An act creating the telephone low income assistance program; setting eligibility standards for assistance to low income individuals; imposing an additional charge on residential telephone customers to reimburse participating providers of telecommunications services for discounts given eligible subscribers; requiring the public service commission to monitor the program and issue annual reports; providing for compliance with federal law in order to receive matching federal funds; granting new rulemaking authority to the commission; providing standards for applicability; and amending section 69-3-305, MCA.

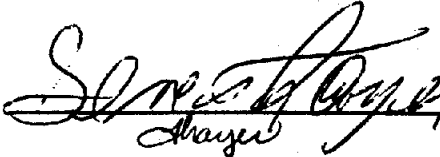
ASSUMPTIONS:

1. Issuance of a monthly medicaid card by the Department of Social and Rehabilitation Services will constitute compliance with section 2(2) of the proposed legislation. However, the department will not match applicants for telephone assistance against a medicaid clients' list as such an action would violate medicaid clients' privacy.
2. There are no additional administrative costs for SRS for this program.
3. The Public Service Commission will incur no additional costs as a result of this program.

FISCAL IMPACT:

The proposed legislation does not impose new costs on either the Department of Social and Administrative Services nor the Public Service Commission.


DATE 2/6/87
DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning


DATE 2/10/87
Fiscal Note for SB 257, as introduced
SB 257

APPROVED BY COMM. ON
BUSINESS & INDUSTRY

1 STATEMENT OF INTENT

2 SENATE BILL 257

3 Senate Business and Industry Committee

4

5 A statement of intent is required for this bill because
6 it delegates rulemaking authority to the public service
7 commission and the department of social and rehabilitation
8 services. It is the intent of the legislature that the low
9 income telephone assistance program be narrowly targeted to
10 the low income individuals identified in the bill and be
11 administered in the most cost-effective way. Any rules of
12 the public service commission promulgated under this act
13 must be narrowly written to meet requirements for matching
14 federal assistance.

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25 income telephone assistance, including subscribers who

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21 section and may in its discretion order payment of interest

22 at a reasonable rate on the refunded amount;

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25 This, however, does not have the effect of suspending,

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2 SENATE BILL 257

3 Senate Business and Industry Committee

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STATEMENT OF INTENT
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17 subscribers.

18 (2) Regulated providers of local telecommunications
19 services with fewer than 50,000 subscribers may petition the
20 public service commission to participate in or withdraw from
21 the low income telephone assistance program. The public
22 service commission shall grant a petition to participate in
23 or withdraw from the low income telephone assistance program
24 unless federal requirements for obtaining matching federal
25 low income telephone assistance require otherwise.

1 Section 8: ~~Section 69-3-305, MCA, is amended to read:~~
2 "69-3-305: ~~Deviations from scheduled rates, tolls, and~~
3 ~~charges; (1) it Except as provided in {sections 1 and 3},~~
4 ~~it shall be unlawful for any public utility to:~~
5 (a) ~~charge, demand, collect, or receive a greater or~~
6 ~~less compensation for any utility service performed by it~~
7 ~~within the state or for any service in connection therewith~~
8 ~~than is specified in such printed schedules, including~~
9 ~~schedules of joint rates, as may at the time be in force;~~
10 (b) ~~demand, collect, or receive any rate, toll, or~~
11 ~~charge not specified in such schedules; or~~
12 (c) ~~grant any rebate, concession, or special privilege~~
13 ~~to any consumer or user, which, directly or indirectly,~~
14 ~~shall or may have the effect of changing the rates, tolls,~~
15 ~~charges, or payments;~~
16 (2) ~~The rates, tolls, and charges named therein shall~~
17 ~~be the lawful rates, tolls, and charges until the same are~~
18 ~~changed, as provided in this chapter;~~
19 (3) ~~The commission may order refunds or credits of~~
20 ~~rates, tolls, or charges collected in violation of this~~
21 ~~section and may in its discretion order payment of interest~~
22 ~~at a reasonable rate on the refunded amount;~~
23 (4) ~~A public utility violating the provisions of this~~
24 ~~section is subject to the penalty prescribed in 69-3-206.~~
25 ~~This, however, does not have the effect of suspending,~~

1 ~~rescinding, invalidating, or in any way affecting existing~~
2 ~~contracts."~~
3 NEW SECTION: Section 8. Codification instruction.
4 Sections 1 through 7 are intended to be codified as an
5 integral part of Title 69, chapter 3, and the provisions of
6 Title 69, chapter 3, apply to sections 1 through 7.
7 NEW SECTION: Section 9. Severability. If a part of
8 this act is invalid, all valid parts that are severable from
9 the invalid part remain in effect. If a part of this act is
10 invalid in one or more of its applications, the part remains
11 in effect in all valid applications that are severable from
12 the invalid applications.

-End-