## A BILL FOR AN ACT

RELATING TO THE UNIVERSAL SERVICE PROGRAM.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the public utilities 2 commission provides critical services that ensure access to a 3 basic set of essential telecommunications services for 4 individuals who are blind or visually impaired. 5 In 1995, the legislature established the universal service 6 program, the purpose of which, in relevant part, is to help customers with disabilities access and maintain a basic set of 7 8 essential telecommunications services as determined by the 9 commission. By law, all telecommunications carriers are 10 required to contribute to this program. However, the universal 11 service program is currently inactive with no funds available in 12 the universal service fund. Moreover, the public utilities 13 commission lacks clear legislative authority to develop a 14 program addressing print disability through the universal service fund and does not have budget authorization to expend 15 16 funds for this purpose.

# H.B. NO. H.D. 1 S.D. 2

| •  | 11000     | raingly, the purpose of this het is to provide creater            |
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| 2  | authoriza | ation and guidance for the public utilities commission            |
| 3  | to implem | ment and manage the universal service program                     |
| 4  | effective | ely, using funds from the universal service fund.                 |
| 5  | SECT      | TION 2. Section 269-41, Hawaii Revised Statutes, is               |
| 6  | amended t | to read as follows:   |
| 7  | "[+]      | §269-41[+] Universal service program; establishment;              |
| 8  | purpose;  | <pre>principles. There is established the universal service</pre> |
| 9  | program.  | The purpose of this program is to:                                |
| 10 | (1)       | Maintain affordable, just, and reasonable rates for               |
| 11 |           | basic residential telecommunications service, as                  |
| 12 |           | defined by the commission;  |
| 13 | (2)       | Assist customers located in the areas of the State                |
| 14 |           | that have high costs of essential telecommunications              |
| 15 |           | service, low-income customers, and customers with                 |
| 16 |           | disabilities, in obtaining and maintaining access to a            |
| 17 |           | basic set of essential telecommunications services as             |
| 18 |           | determined by the commission. The commission may                  |
| 19 |           | expand or otherwise modify relevant programs, such as             |
| 20 |           | the lifeline program under section 269-16.5;                      |

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| 1  | (3)        | Ensure that consumers in all communities are provided              |
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| 2  |            | with access, at reasonably comparable rates, to all                |
| 3  |            | telecommunications services [which] that are used by a             |
| 4  |            | majority of consumers located in metropolitan areas of             |
| 5  |            | the State. The commission shall provide for a                      |
| 6  |            | reasonable transition period to support the statewide              |
| 7  |            | deployment of these advanced telecommunications                    |
| 8  |            | services, including[ $_{7}$ ] but not limited to[ $_{7}$ ] the use |
| 9  |            | of strategic community access points in public                     |
| 10 |            | facilities, such as education, library, and health                 |
| 11 |            | care facilities;   |
| 12 | (4)        | Ensure that consumers are given the information                    |
| 13 |            | necessary to make informed choices among the                       |
| 14 |            | alternative telecommunications carriers and services;              |
| 15 |            | [and]  |
| 16 | (5)        | Promote affordable access throughout the State to                  |
| 17 |            | enhanced government information and services,                      |
| 18 |            | including education, health care, public safety, and               |
| 19 |            | other government services[+]; and                                  |
| 20 | <u>(6)</u> | Ensure access to essential telecommunications services             |
| 21 |            | for individuals with print disabilities, including                 |

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| 1  | providing free, print-disability-friendly telephonic           |
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| 2  | access to time-sensitive information for individuals           |
| 3  | who are blind or visually impaired. For the purposes           |
| 4  | of this paragraph, "time-sensitive information"                |
| 5  | includes state and government information, public              |
| 6  | notices, emergency alerts, job opportunities, and              |
| 7  | daily newspapers.  |
| 8  | The commission shall administer the universal service          |
| 9  | program, including the establishment of criteria by which the  |
| 10 | purposes of the program are met."                              |
| 11 | SECTION 3. Section 269-42, Hawaii Revised Statutes, is         |
| 12 | amended as follows:  |
| 13 | 1. By amending subsections (a) and (b) to read:                |
| 14 | "(a) There is established outside of the state treasury a      |
| 15 | special fund to be known as the universal service fund to be   |
| 16 | administered by the commission to implement the policies and   |
| 17 | goals of universal service[+] through the universal service    |
| 18 | program. The fund shall consist of contributions from the      |
| 19 | sources identified in subsections (e) and (f). Interest earned |
| 20 | from the balance of the fund shall become a part of the fund.  |
| 21 | The commission shall adopt rules regarding the distribution of |

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- 1 moneys from the fund including reimbursements to carriers for
- 2 providing reduced rates to low-income, elderly, residents of
- 3 underserved or rural areas, or other subscribers, as authorized
- 4 by the commission.
- 5 (b) The commission may use available funds in the fund to
- 6 provide free telephonic access to time-sensitive information for
- 7 individuals with print disabilities; provided that the amount of
- 8 funds expended from the fund for this purpose shall not exceed
- 9 \$150,000. The commission may allow distribution of funds from
- 10 the fund directly to customers based upon a need criteria
- 11 established by the commission."
- 12 2. By amending subsection (f) to read:
- "(f) The commission shall designate the method by which
- 14 the contributions under subsection (e) shall be calculated and
- 15 collected. The commission shall consider basing contributions
- 16 solely on the gross operating revenues from the retail provision
- 17 of intrastate telecommunications services offered by the
- 18 telecommunications carriers subject to the contribution. The
- 19 commission may determine the percentage of telecommunications
- 20 fees to be contributed to the universal service fund."

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- 1 SECTION 4. Statutory material to be repealed is bracketed
- 2 and stricken. New statutory material is underscored.
- 3 SECTION 5. This Act shall take effect upon its approval.

#### Report Title:

PUC; Telecommunications Access; Universal Service Program; Universal Service Fund; Print Disabilities; Time-Sensitive Information

#### Description:

Clarifies that the Public Utilities Commission, under the Universal Service Program, may use funds from the Universal Service Fund to provide free telecommunications access to timesensitive information for individuals with print disabilities. (CD1)

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