

S.B. NO. 1371

JAN 23 2025

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
7 customers with disabilities access and maintain a basic set of
8 essential telecommunications services as determined by the
9 commission. Under section 269-42(e), Hawaii Revised Statutes,
10 all telecommunications carriers are required to contribute to
11 this program. However, the universal service program is
12 currently inactive with no funds available in the universal
13 service fund. Moreover, the public utilities commission lacks
14 clear legislative authority to develop a program addressing
15 print disability through the universal service fund and it does
16 not have budget authorization to expend funds for this purpose.

17 The purpose of this Act, therefore, is to provide clearer
18 authorization and guidance for the public utilities commission

S.B. NO. 1371

1 to implement and manage the universal service program
2 effectively, using funds from the universal service fund.

3 SECTION 2. Section 269-41, Hawaii Revised Statutes, is
4 amended to read as follows:

5 " ~~[f]~~ §269-41 ~~[f]~~ **Universal service program; establishment;**
6 **purpose; principles.** There is established the universal service
7 program. The purpose of the program is to:

- 8 (1) Maintain affordable, just, and reasonable rates for
9 basic residential telecommunications service, as
10 defined by the commission;
- 11 (2) Assist customers located in the areas of the State
12 that have high costs of essential telecommunications
13 service, low-income customers, and customers with
14 disabilities, in obtaining and maintaining access to a
15 basic set of essential telecommunications services as
16 determined by the commission. The commission may
17 expand or otherwise modify relevant programs, such as
18 the lifeline program under section 269-16.5;
- 19 (3) Ensure that consumers in all communities are provided
20 with access, at reasonably comparable rates, to all
21 telecommunications services ~~[which]~~ that are used by a
22 majority of consumers located in metropolitan areas of

S.B. NO. 1371

1 the State. The commission shall provide for a
2 reasonable transition period to support the statewide
3 deployment of these advanced telecommunications
4 services, including, but not limited to, the use of
5 strategic community access points in public facilities
6 such as education, library, and health care
7 facilities;

8 (4) Ensure that consumers are given the information
9 necessary to make informed choices among the
10 alternative telecommunications carriers and services;
11 [and]

12 (5) Promote affordable access throughout the State to
13 enhanced government information and services,
14 including education, health care, public safety, and
15 other government services[-]; and

16 (6) Ensure access to essential telecommunications services
17 for individuals with print disabilities, including
18 providing free, print-disability-friendly telephonic
19 access to time-sensitive information for individuals
20 who are blind or visually impaired. For the purposes
21 of this paragraph, "time-sensitive information"
22 includes state and government information, public

S.B. NO. 1371

1 notices, emergency alerts, job opportunities, and
2 daily newspapers.

3 The commission shall administer the universal service
4 program, including the establishment of criteria by which the
5 purposes of the program are met."

6 SECTION 3. Section 269-42, Hawaii Revised Statutes, is
7 amended to read as follows:

8 1. By amending subsections (a) and (b) to read as follows:

9 "(a) There is established outside of the state treasury a
10 special fund to be known as the universal service fund to be
11 administered by the commission to implement the policies and
12 goals of universal service[+] through the universal service
13 program. The fund shall consist of contributions from the
14 sources identified in subsections (e) and (f). Interest earned
15 from the balance of the fund shall become a part of the fund.
16 The commission shall adopt rules regarding the distribution of
17 moneys from the fund including reimbursements to carriers for
18 providing reduced rates to low-income, elderly, residents of
19 underserved or rural areas, or other subscribers, as authorized
20 by the commission.

21 (b) The commission may use available funds in the fund to
22 provide free telephonic access to time-sensitive information for

S.B. NO. 1371

1 individuals with print disabilities; provided that the amount of
2 funds expended from the fund for this purpose shall not exceed
3 \$_____. The commission may allow distribution of funds from the
4 fund directly to customers based upon a need criteria
5 established by the commission."

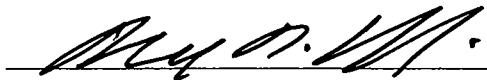
6 2. By amending subsection (f) to read as follows:

7 "(f) The commission shall designate the method by which
8 the contributions under subsection (e) shall be calculated and
9 collected. The commission shall consider basing contributions
10 solely on the gross operating revenues from the retail provision
11 of intrastate telecommunications services offered by the
12 telecommunications carriers subject to the contribution. The
13 commission may determine the percentage of telecommunications
14 fees to be contributed to the universal service fund."

15 SECTION 3. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 4. This Act shall take effect upon its approval.

18
19 INTRODUCED BY: _____



20 BY REQUEST

S.B. NO. 1371

Report Title:

PUC; Telecommunications Access; Print Disabilities

Description:

Clarifies that the Public Utilities Commission under the Universal Service Program may provide, and may use funds from the Universal Service Fund to provide, free telecommunications access to certain individuals with a print disability.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Commerce and Consumer Affairs

TITLE: A BILL FOR AN ACT RELATING TO THE UNIVERSAL SERVICE PROGRAM.

PURPOSE: To provide clear authorization and guidance for the Public Utilities Commission (Commission) to implement and manage the universal service program effectively, using funds from the Universal Service Fund (USF).

MEANS: Amend sections 269-41 and 269-42, Hawaii Revised Statutes.

JUSTIFICATION: This bill will clarify that the Commission, by rule or order, is authorized to provide telecommunication services for individuals with print disabilities using the USF, rather than the Public Utilities Special Fund specified in Act 247, Session Laws of Hawaii 2023. This bill will ensure ongoing services and funding will be maintained by contributions made to the USF by all telecommunications carriers operating in the State.

Impact on the public: Secures telecommunications services and access for individuals with print disabilities.

Impact on the department and other agencies: The Commission will be able to use the USF supported by telecommunications carriers' contributions rather than the Public Utilities Special Fund to implement and manage the universal service program. The program will enhance the Ho'opono Services currently administered by the Department of Human Services.

GENERAL FUND: None.

OTHER FUNDS: None.

SB. NO. 1371

PPBS PROGRAM
DESIGNATION:

CCA 901.

OTHER AFFECTED
AGENCIES:

Department of Human Services.

EFFECTIVE DATE:

Upon approval.