SECOND REGULAR SESSION

HOUSE BILL NO. 1678

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MAYS (50).

Read 1st time January 29, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

3970L.01I

ANACT

To repeal sections 660.100, 660.137, 660.138, 660.139, 660.141, 660.143, 660.145, 660.147, and 660.149, RSMo, and to enact in lieu thereof one new section relating to economyrate telephone services.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 660.100, 660.137, 660.138, 660.139, 660.141, 660.143, 660.145,

- 660.147, and 660.149, RSMo, are repealed and one new section enacted in lieu thereof, to be
- known as section 660.100, to read as follows:
- 660.100. 1. The department of social services is directed to establish a plan for providing financial assistance to elderly households, disabled households and qualified individual households for the payment of charges for the primary or secondary heating or cooling 4
 - source for the household. This plan shall be known as "Utilicare".
- 5 2. For purposes of sections 660.100 to 660.136, the term "elderly" shall mean having
- 6 reached the age of sixty-five and the term "disabled" shall mean totally and permanently disabled
- or blind and receiving federal Social Security disability benefits, federal supplemental security
- income benefits, veterans administration benefits, state blind pension pursuant to sections
- 209.010 to 209.160, RSMo, state aid to blind persons pursuant to section 209.240, RSMo, or
- state supplemental payments pursuant to section 208.030, RSMo. For the purposes of sections
- 11 660.100 to 660.136, but not for the purpose of determining "eligible subscribers" pursuant to
- subdivision (4) of section 660.138,] the term "qualified individual household" shall mean a 12
- 13 household in which:
- 14 (1) One or more residents of the state of Missouri reside and whose combined household

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

H.B. 1678

2 3

income is less than or equal to one hundred and ten percent of the current federal poverty level for the relevant household; and

- (2) While the Federal Low Income Home Energy Assistance Program remains in effect, the household is also determined to be eligible for assistance under such program and related state programs of the Missouri department of social services.
 - [660.137. The public service commission, the department of social services, and participating providers of local exchange telecommunications service shall comply with all requirements expressly provided by federal order, regulation, and statute for eligible subscribers to qualify for, and to receive matching federal low income telephone assistance.]

[660.138. As used in sections 660.137 to 660.149, the following terms mean:

- (1) "Basic access line", a telephone line which provides switched voice residential communications service from the local exchange telecommunication company central office to the customer's premises which enables the customer to originate and terminate long distance and local calling;
 - (2) "Commission", the public service commission;
- (3) "Economy rate telephone service", a class of local exchange telephone service provided to eligible subscribers which is designed to meet their minimum residential communication needs excluding all extras and fringe benefits including call waiting, call forwarding and other such services but providing access to telephone service for emergency calls and for the maintenance of necessary social contacts;
- (4) "Eligible subscriber", an individual who has been certified by the department of social services to be eligible to receive utilicare benefits pursuant to sections 660.100 to 660.135;
- (5) "Zone or mileage charges", any charges required for receipt of a basic access line which are based upon distance, by mileage or zones, of the customer from the company central office.]
- [660.139. Every local exchange telecommunications company which elects to provide economy rate telephone service shall apply to the Federal Communications Commission for the appropriate waiver of the monthly interstate subscriber line charge. Upon federal approval, the discount provided by the local exchange telecommunications company to subscribers of economy rate telephone service shall be increased to include the extent of the monthly waiver of the interstate subscriber line charge.]
- [660.141. 1. Notwithstanding the provisions of section 392.220, RSMo, to the contrary, the public service commission may designate one or more classes of economy rate telephone service for eligible subscribers pursuant to the provisions of this section.
- 2. The rates to be charged to eligible subscribers for economy rate telephone service shall be:
 - (1) Determined by the commission separately for each local exchange

H.B. 1678

telecommunications company which elects to provide the service, however, the commission may hear and decide issues relating to the provision of the service common to all such companies in one proceeding;

(2) Set at levels which enhance the affordability to eligible subscribers of such service in comparison to other comparable levels of service offered by the local exchange telecommunications company.

Such rates shall not apply to any service or charge other than that for a basic access line, including any mileage or zone charges, except as provided in this section.

- 3. Every local exchange telecommunications company which elects to provide economy rate telephone service shall accept applications for economy rate telephone service according to a procedure approved by the commission.
- 4. An economy rate telephone service subscriber shall not be provided with more than one basic access line in his or her principal place of residence. An applicant for economy rate telephone service may report only one address in this state as the principal place of residence.]
- [660.143. 1. When initial installation or connection of service for an eligible subscriber for economy rate telephone service occurs, the applicable and approved rate for such installation or connection shall be a significantly reduced one which shall be determined by the commission.
- 2. A local exchange telecommunications company which elects to provide economy rate telephone service may not require the payment of an order processing charge or line change charge for an eligible subscriber's change to economy rate telephone service from any other class of residential service. If a subscriber to economy rate telephone service no longer qualifies as an eligible subscriber under sections 660.137 to 660.149, that subscriber may not be charged a fee for disconnecting from economy rate telephone service and connecting to another class of telephone service, except that the commission may allow the local exchange telecommunications company by commission regulations to charge a fee for eligible subscribers who frequently change, initiate, or terminate service.]
- [660.145. 1. The commission shall promulgate such rules and regulations as are necessary to implement the provisions of sections 660.138 to 660.149. Such rules and regulations shall take into consideration available federal programs to reduce telephone costs to specified subscribers. No rule or portion of a rule promulgated under the authority of sections 660.138 to 660.149 shall become effective unless it has been promulgated pursuant to the provisions of section 536.024, RSMo.
- 2. The general revenues of the state shall be used to fund the discount provided to eligible subscribers of economy rate telephone service. The amount of the discount shall determine the amount of the waiver of the federal interstate subscriber line charge in section 660.139.
- 3. There is hereby created the "Economy Rate Telephone Service Fund" which shall be administered by the commission and which shall contain such moneys

 H.B. 1678 4

14 as appropriated to it by the general assembly. Moneys in the fund shall be kept separate from all other funds of the commission and shall be expended for the 15 16 purpose specified in subsection 4 of this section and for no other purpose. 17 4. Each participating local exchange telecommunications company shall 18 determine and report quarterly to the commission the costs incurred for providing 19 economy rate telephone service. Upon appropriation by the general assembly, the 20 commission shall authorize reimbursement for those costs from the economy rate 21 telephone service fund. 22 5. Notwithstanding the provisions of section 33.080, RSMo, the unexpended 23

balance in the economy rate telephone service fund at the end of each fiscal year shall not be transferred into general revenue.]

[660.147. The department of social services shall provide to the participating local exchange telecommunications companies information identifying persons who the department finds are eligible to receive economy rate telephone service. The department of social services shall on an annual basis during the time period that applications for utilicare assistance under sections 660.100 to 660.135 are normally accepted validate a list of those persons receiving economy rate telephone service as provided by the local telecommunications companies to determine continued eligibility.]

[660.149. 1. In addition to the exemptions granted under the provisions of section 144.030, RSMo, economy rate telephone service shall also be specifically exempted from the provisions of sections 144.010 to 144.510 and 144.600 to 144.745, RSMo, and from the computation of the tax levied, assessed or payable under sections 144.010 to 144.510 and 144.600 to 144.745, RSMo.

2. Notwithstanding any other provision of the law to the contrary, any local political subdivision may choose to reduce or exempt from its gross receipts tax on economy rate telephone service.]

5

6

7

8

24

2

3

4

5

6

7