

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
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3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 244

6
7 H.P. 210

House of Representatives, January 29, 1985

8 Reference to the Committee on Utilities suggested and ordered printed.

9 EDWIN H. PERT, Clerk

10 Presented by Representative Joseph of Waterville.

Cosponsored by Representative Randall of E. Machias, Representative Vose of Eastport and Representative Clark of Millinocket.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FIVE
16

17 AN ACT to Implement the Policy in Favor of
18 Universal Telephone Service.
19

20 Be it enacted by the People of the State of Maine as
21 follows:

22 35 MRSA §74, as amended by PL 1983, c. 862, §79,
23 is further amended to read:

24 §74. Rates to ensure universal telephone service

25 The Legislature declares and finds that the
26 50-year effort to bring affordable, universally
27 available telephone service to the public has served
28 the State well; universal telephone service has con-
29 tributed to the state's economic, social and politi-
30 cal integration and development; the public benefits
31 from universal telephone service because each tele-
32 phone subscriber receives a more valuable service
33 when virtually anyone else in the State can be
34 called; significant rate increases may threaten uni-
35 versal service by forcing some Maine people to dis-

1 continue their telephone service. It is the policy
2 of the State that telephone service shall continue to
3 be universally available, especially to the poor, at
4 affordable rates.

5 The Legislature directs the commission, in coop-
6 eration with the telephone companies of the State, to
7 develop a plan for assuring universal telephone ser-
8 vice at affordable rates and to report to the Legis-
9 lature with the plan by January 1, 1987. Any such
10 plan developed by the commission includes, but is not
11 limited to, the following components:

12 1. Basic telephone service. A definition of ba-
13 sic telephone service that includes the features of
14 telephone service that are essential to all customers
15 and excludes those features that are nonessential;

16 2. Eligibility for assistance. A definition of
17 the class of subscribers that should receive assist-
18 ance in paying the cost of basic telephone service;

19 3. Members; identification. A means of identi-
20 fying the members of the class of subscribers that
21 the commission determines should be eligible to re-
22 ceive assistance in paying the cost of basic tele-
23 phone service;

24 4. Assistance amounts. A recommendation with
25 respect to the amount of assistance that each member
26 of the defined class of subscribers should receive in
27 paying the cost of basic telephone service; and

28 5. Funding. A recommendation with respect to
29 the simplest means of ensuring that each member of
30 the class of subscribers receives the assistance con-
31 templated in this section, it being the policy of the
32 State that assistance in paying for basic telephone
33 service should be furnished by the State out of the
34 General Fund in the same way that other forms of pub-
35 lic assistance are furnished and not by incorporating
36 economically inefficient subsidy mechanisms in the
37 telephone rate structure.

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STATEMENT OF FACT

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In 1983, the Legislature declared and found that the State's 50-year commitment to universal telephone service had served the State well and emphasized that it continues to be the policy of the State that telephone service continue to be universally available, especially to the poor, at affordable rates.

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This bill takes that declaration of policy a step further, by directing the Public Utilities Commission, in cooperation with the State's telephone companies, to develop a universal telephone service plan. The disturbing events that the Legislature anticipated in 1983, including the divestiture of the Bell Telephone System and the imposition of "access charges," have either taken place or are much closer; and the inevitable consequence of these developments has been and will be higher telephone rates. It is time for the Legislature to accept the responsibility for implementing its policy in favor of universal telephone service.

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