

M.S.	_	L.D. 828
	2	DATE: 3/22/96 (Filing No. H-832)
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	6	UTILITIES AND ENERGY
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	10	Reproduced and distributed under the direction of the Clerk of the House.
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	14	STATE OF MAINE HOUSE OF REPRESENTATIVES 117TH LEGISLATURE
	16	SECOND REGULAR SESSION
	18	COMMITTEE AMENDMENT "H" to H.P. 618, L.D. 828, Bill, "An
	20	Act to Provide Public Access to the Information Superhighway through Enhanced Library Telecommunications"
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	24	Amend the bill by striking out the title and substituting the following:
	26	'An Act to Provide Affordable Access to Information Services in All Communities of the State through Enhanced Library and School
	28	Telecommunications'
	30	Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in.
	32	its place the following:
	34	'Sec. 1. 35-A MRSA §7101, sub-§3, as amended by PL 1993, c. 638, §1, is repealed.
	36	Sec. 2. 35-A MRSA §7101, sub-§4 is enacted to read:
	38.	4. Information access. The Legislature further declares
	40	and finds that computer-based information services and information networks are important economic and educational
	42	resources that should be available to all Maine citizens at affordable rates. It is the policy of the State that affordable
	44	access to those information services that require a computer and rely on the use of the telecommunications network should be made
	46	available in all communities of the State without regard to geographic location.
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Sec. 3. 35-A MRSA §7104-A is enacted to read:

<u>§7104-A. Access to information services</u>

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1. Additional authority. To carry out the policy goals established by section 7101, subsections 1, 2 and 4 and to meet the requirements of sections 301 and 9103 pertaining to the establishment of just and reasonable rates, the commission may:

10A. Require a telecommunications carrier offering intrastate
telecommunications services to provide telecommunications12services, including instruction and equipment related to
such services, at reduced charges or at no charge to14qualified libraries and schools for the establishment and
use of a program providing access to information networks;

B. Require a telecommunications carrier offering intrastate18telecommunications services to provide funds for qualified18libraries and schools to obtain telecommunications services,20including instruction and equipment related to such
services, from other vendors if the provision of such22services is found by the commission to be consistent with
the policies described in this section; and

C. Establish a telecommunications access fund and require all telecommunications carriers offering telecommunications services in the State to contribute to the fund. The fund must be available, with any accumulated interest, to qualified libraries and schools to assist in paying the costs of acquiring and using advanced telecommunications technologies.

The authority granted to the commission under this subsection is in addition to any other authority granted by this Title.

2. Limitations. In carrying out the authority granted by subsection 1, the commission:

- 40 <u>A. Shall limit the annual cost to each telecommunications</u> 40 <u>carrier of all programs to not more than 1.5% of its</u> <u>intrastate revenues as determined by the commission;</u>
- B. Shall ensure that funds are collected from each
 telecommunications carrier in a competitively neutral manner;
- 46 <u>C. Shall attribute any amount collected from a telecommunications carrier pursuant to subsection 1 as an offset to any required intrastate support mechanism developed by the commission to preserve and advance universal service; and
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D. May not exercise that authority with respect to any telecommunications carrier other than a local exchange carrier serving more than 100,000 lines, until September 30, 1997, except to the extent required by federal law.

3. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

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A. "Qualified library" means a public library as defined in Title 27, section 110, subsection 10; a research center as defined in Title 27, section 110, subsection 12; a library operated by a public school as defined in Title 20-A, section 1, subsection 24 that provides free public access to all advanced telecommunications services available at that library; or a library that provides free public access to all advanced telecommunications services available at that library and whose collection serves as a statewide resource, if the commission determines, in consultation with the Maine Library Commission, that including that library as a qualified library is in the public interest.

 B. "Qualified school" means a public school as defined in Title 20-A, section 1, subsection 24; a private secondary
 school approved under Title 20-A, section 2951; or a school that provides free public access to all advanced
 telecommunications services available at that school, if the commission determines, in consultation with the Department
 of Education, that including that school as a qualified school is in the public interest.

<u>C. "Telecommunications carrier" and "telecommunications service" have the same meanings set forth in 47 United States Code, Section 153 (1996).</u>

4. Review of progress; report. The commission shall report annually, beginning February 1, 1997, to the joint standing committee of the Legislature having jurisdiction over utilities antters on the following:

 A. The progress made in meeting the goal of providing affordable access to advanced information services in all communities of the State without regard to geographic location, as established in section 7101, subsection 4;

B. The extent to which such affordable access to advanced information services is made available through qualified libraries and schools;

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C. The progress made in reaching benchmarks established by the commission for the purpose of measuring the successes and shortcomings of any measures required by the commission pursuant to subsection 1. The benchmarks must include the number of qualified libraries and schools benefiting from such measures, the geographic distribution of those libraries and schools and the number of hours each gualified library or school is using advanced telecommunications technologies;

D. The use of funds expended in the previous year pursuant to subsection 1, the source of those funds and the planned expenditures for the next year. The report that is due February 1, 2000 must include recommendations for the disposition of any funds remaining in a telecommunications access fund established pursuant to subsection 1 upon the repeal of that subsection;

- E. Whether toll barriers and the designation of calling 20 areas are impeding the achievement of the goal established in section 7101, subsection 4;
- F. The extent to which the goal established in section 7101, 24 subsection 4 is promoted or impeded by the federal Telecommunications Act of 1996, Public Law 104-104, 110 26 Stat. 56, increased local telephone competition and cable television deregulation; and
 - G. Recommendations for legislation.

In preparing the report, the commission shall consult with the State Planning Office, the Public Advocate, the Department of 32 Administrative and Financial Services, the Department of Education, the Maine Library Commission, representatives of 34 low-income citizens, representatives of the business community and providers of telecommunications services. The commission 36 shall provide copies of the report to the public, the Director of 38 the State Planning Office and the Public Advocate sufficiently in advance of submittal of the final report to permit submittal of 40 written comments on the commission's analysis and recommendations. The written comments of the Director of the State Planning Office and the Public Advocate must be included as 42 attachments to the commission's final report. 44 The joint standing committee of the Legislature having

jurisdiction over utilities matters may report out legislation 46 regarding access to information services to the First Regular 48 Session and Second Regular Session of the 118th Legislature.

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5. Repeal. Subsections 1 and 2 are repealed on February 1, 2 2001. Sec. 4. Construction. Notwithstanding the Maine Revised 4 Statutes, Title 1, section 302, the mechanisms for providing public access to information services at schools and libraries 6 throughout the State, as approved by the Public Utilities 8 Commission in Docket Numbers 94-123 and 94-254, are considered adopted pursuant to the policy statement found in section 2 of this Act and the authority provided by section 3 of this Act. 10 Sec. 5. Retroactivity. This Act applies retroactively to May 12 1, 1995. 14 Sec. 6. Allocation. The following funds are allocated from the Telecommunications Access Fund to carry out the purposes of this 16 Act. 18 1996-97 20 **PUBLIC UTILITIES COMMISSION** 22 **Telecommunications Access Fund** 24 All Other \$4,000,000 26 Provides an allocation to allow the Public 28 . Utilities Commission to distribute funds to qualified libraries and schools to offset 30 the costs of acquiring and using telecommunications services.' 32 Further amend the bill by inserting at the end before the 34 statement of fact the following: 36 38 **'FISCAL NOTE** 1996-97 40 42 APPROPRIATIONS/ALLOCATIONS 44 Other Funds \$4,000,000 46 REVENUES 48 Other Funds \$4,000,000 50

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Allowing the Public Utilities Commission to establish a 2 Telecommunications Access Fund for the purpose of assisting certain schools and libraries with the costs of acquiring and using telecommunications services 4 could increase dedicated revenues collected by the commission. Based on current levels of 6 intrastate revenues collected by certain telecommunications carriers, the maximum annual amount that can be collected by the 8 commission is \$4,700,000. However, the commission anticipates collecting no more than \$4,000,000 during fiscal year 1996-97. 10 In order to distribute these funds to qualified schools and libraries, the commission will require additional Other Special 12 Revenue fund allocations of \$4,000,000 annually beginning in fiscal year 1996-97.

The Public Utilities Commission will incur some minor additional costs to administer the Telecommunications Access Fund and to submit a report to the Legislature. These costs can be absorbed within the commission's existing budgeted resources.

20 The State Planning Office, the Public Advocate, the State Library Commission, the Department of Administrative and 22 Financial Services and the Department of Education will incur some minor additional costs to consult with the Public Utilities 24 Commission in the preparation of a report to the Legislature. These costs can be absorbed within the agencies' existing 26 budgeted resources.'

STATEMENT OF FACT

This amendment, which is the majority report of the Joint Standing Committee on Utilities and Energy, replaces the bill. 32 The amendment repeals an outdated provision requiring the Public Utilities Commission to submit a report. 34 The amendment also establishes a new state policy that affordable access to those information services that require a computer and rely on the use 36 of the telecommunications network should be made available in all 38 communities of the State without regard to geographic location. The amendment gives the Public Utilities Commission the authority 40 to do the following to carry out the goals of the State's telecommunications policy.

 It may require a telecommunications carrier offering
 intrastate telecommunications services to provide telecommunications services, including instruction and equipment
 related to such services, at reduced charges or at no charge to qualified libraries and schools for the establishment and use of
 a program providing access to information networks.

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2. It may require a telecommunications carrier offering intrastate telecommunications services to provide funds for qualified libraries and schools to obtain telecommunications services, including instruction and equipment related to such services, from other vendors.

3. It may establish a telecommunications access fund to which all telecommunications carriers offering telecommunications services in the State are required to contribute.

The amendment also imposes limitations on the authority 12 granted to the Public Utilities Commission by the Maine Revised Statutes, Title 35-A, section 7104-A, subsection 1. The Public 14 Utilities Commission shall limit the annual cost to each telecommunications carrier of all programs to not more than 1.5% of its intrastate revenues; the Public Utilities Commission shall 16 ensure that funds are collected in a competitively neutral 18 manner; the Public Utilities Commission shall attribute any amount collected from a telecommunications carrier as an offset to any required intrastate support mechanism to preserve and 20 advance universal service; and the Public Utilities Commission 22 its authority with may not exercise respect to anv telecommunications carrier other than a local exchange carrier serving more than 100,000 lines until September 30, 1997, except 24 to the extent required by federal law.

The amendment defines "gualified library," "gualified 28 school," "telecommunications carrier" and "telecommunications service." The amendment also requires the Public Utilities 30 Commission to report annually to the joint standing committee of the Legislature having jurisdiction over utilities matters on the progress made in meeting the goal of information access 32 established in Title 35-A, section 7101, subsection 4 and factors 34 promoting or impeding the achievement of that goal.

36 The amendment provides for the repeal of the provision granting the Public Utilities Commission additional authority and the provision imposing limitations on that authority on February 38 1, 2001. The amendment also makes the bill retroactive to May 1, 1995. Finally, the amendment clarifies that the Public Utilities 40 Commission's approval of NYNEX's plan to provide access to information networks and services to public schools and public 42 libraries is authorized by this legislation.

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The amendment also adds a fiscal note.

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