

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 2317

7 S.P. 930

In Senate, April 2, 1986

8 Referred to the Committee on Utilities and ordered printed. Sent down
9 for concurrence.

JOY J. O'BRIEN, Secretary of the Senate

10 Presented by Senator Baldacci of Penobscot.

Cosponsored by Representative Vose of Eastport.

11
12 STATE OF MAINE
13

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

17 AN ACT to Establish a Universal Telephone
18 Service Program.
19

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

22 35 MRSA §74-A is enacted to read:

23 §74-A. A program to ensure universal telephone ser-
24 vice

25 1. Legislative intent and findings. The Legisla-
26 ture, wishing to reaffirm its support of affordable
27 rates and universal telephone service in the State,
28 but recognizing that events outside the control of
29 the commission may place the total monthly charge for
30 basic telephone service, including the Federal Commu-
31 nications Commission's customer access line charge,
32 beyond the reach of Maine's low-income households,
33 declares and finds that a targeted state universal
34 telephone service program should be implemented to
35 ensure that basic telephone service continues to be
36 available to everyone in Maine.

1 2. Program implementation. The Department of Hu-
2 man Services is responsible for the administration of
3 this program and shall provide, in conjunction with
4 the Division of Community Services, applications for
5 this program to all households receiving assistance
6 under any of the programs listed in subsection 4.

7 Telephone companies shall deduct \$2 from the monthly
8 bill of each household eligible for this program.

9 Within 60 days of the effective date of this section,
10 the department will begin receiving applications from
11 households for verification of eligibility. Within
12 120 days, the Department of Human Services, with the
13 cooperation of the Division of Community Services,
14 will furnish an initial master list of participating
15 households to telephone companies for use in extend-
16 ing credit under this program. Thereafter, the de-
17 partment will update the master list on a quarterly
18 basis.

19 The department will reimburse telephone companies for
20 credit extended under this program.

21 3. Amount of assistance per eligible household.
22 Assistance to each eligible household shall be \$2
23 each month.

24 4. Eligibility. Eligibility for this program
25 shall be limited to households who qualify for any
26 one of the 5 following programs:

27 A. Aid to Families with Dependent Children;

28 B. Supplemental Security Income;

29 C. Medicaid;

30 D. Food stamps; or

31 E. Home energy assistance.

32 To apply for the monthly credit available under this
33 program, eligible households shall declare their eli-
34 gibility and furnish such additional necessary infor-
35 mation as the department may require to administer
36 the program. Upon verification of eligibility, the

department shall add the applicant's name to the next quarterly listing of participating households sent to telephone companies.

5. Funding. In order to maintain universal service and to maintain the financial integrity of the telephone companies, there is established a nonlapsing Universal Telephone Service Account to be composed of revenues from the General Fund.

Money from this account shall be used to reimburse telephone companies for the amounts credited under this program, under subsection 2.

6. Relationship to any joint state-federal universal telephone service or lifeline programs. This program shall be coordinated to the fullest extent possible with any joint state-federal universal telephone service or lifeline programs so as to reduce administrative costs and inconvenience to the public.

FISCAL NOTE

HUMAN SERVICES, DEPARTMENT OF

Universal Telephone Service Account	\$1,440,000
Administrative costs	60,000
Total	\$1,500,000

STATEMENT OF FACT

This bill establishes a credit for certain low-income users in order to help them continue to have basic telephone service.

The Federal Communications Commission now imposes a \$1 per month access charge for residential customers. In June 1986, the charge will be raised to \$2. The Federal Communications Commission will waive the \$2 charge for low-income customers if a state provides a matching \$2 per month per eligible customer. The total state-federal reduction is \$4 per month.

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