CHAPTER 229

[Engrossed Senate Bill No. 5097]
LIFELINE TELEPHONE ASSISTANCE PROGRAM ESTABLISHED—DOUBLE
AMENDMENTS CORRECTED

AN ACT Relating to regulations of the utility and transportation commission; amending RCW 80.36.390; reenacting RCW 80.04.010; reenacting and amending RCW 80.04.130; adding new sections to chapter 80.36 RCW; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 80.04.010, chapter 14, Laws of 1961 as last amended by section 1, chapter 161, Laws of 1985 and by section 1, chapter 167, Laws of 1985 and by section 2, chapter 450, Laws of 1985 and RCW 80.04.010 are each reenacted to read as follows:

As used in this title, unless specifically defined otherwise or unless the context indicates otherwise:

"Commission" means the utilities and transportation commission.

"Commissioner" means one of the members of such commission.

"Competitive telecommunications company" means a telecommunications company which has been classified as such by the commission pursuant to RCW 80.36.320.

"Competitive telecommunications service" means a service which has been classified as such by the commission pursuant to RCW 80.36.330.

"Corporation" includes a corporation, company, association or joint stock association.

"Person" includes an individual, a firm or partnership.

"Gas plant" includes all real estate, fixtures and personal property, owned, leased, controlled, used or to be used for or in connection with the transmission, distribution, sale or furnishing of natural gas, or the manufacture, transmission, distribution, sale or furnishing of other type gas, for light, heat or power.

"Gas company" includes every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receiver appointed by any court whatsoever, and every city or town, owning, controlling, operating or managing any gas plant within this state.

"Electric plant" includes all real estate, fixtures and personal property operated, owned, used or to be used for or in connection with or to facilitate the generation, transmission, distribution, sale or furnishing of electricity for light, heat, or power for hire; and any conduits, ducts or other devices, materials, apparatus or property for containing, holding or carrying conductors used or to be used for the transmission of electricity for light, heat or power.

"Electrical company" includes any corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever (other than a railroad or street

railroad company generating electricity solely for railroad or street railroad purposes or for the use of its tenants and not for sale to others), and every city or town owning, operating or managing any electric plant for hire within this state. "Electrical company" does not include a company or person employing a cogeneration facility solely for the generation of electricity for its own use or the use of its tenants or for sale to an electrical company, state or local public agency, municipal corporation, or quasi municipal corporation engaged in the sale or distribution of electrical energy, but not for sale to others, unless such company or person is otherwise an electrical company.

"LATA" means a local access transport area as defined by the commission in conformance with applicable federal law.

"Private telecommunications system" means a telecommunications system controlled by a person or entity for the sole and exclusive use of such person, entity, or affiliate thereof, including the provision of private shared telecommunications services by such person or entity. "Private telecommunications system" does not include a system offered for hire, sale, or resale to the general public.

"Private shared telecommunications services" includes the provision of telecommunications and information management services and equipment within a user group located in discrete private premises in building complexes, campuses, or high-rise buildings, by a commercial shared services provider or by a user association, through privately owned customer premises equipment and associated data processing and information management services and includes the provision of connections to the facilities of a local exchange and to interexchange telecommunications companies.

"Radio communications service company" includes every corporation, company, association, joint stock association, partnership, and person, their lessees, trustees, or receivers appointed by any court, and every city or town making available facilities to provide radio communications service, radio paging, or cellular communications service for hire, sale, or resale.

"Telecommunications company" includes every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, and every city or town owning, operating or managing any facilities used to provide tolecommunications for hire, sale, or resale to the general public within this state.

"Facilities" means lines, conduits, ducts, poles, wires, cables, crossarms, receivers, transmitters, instruments, machines, appliances, instrumentalities and all devices, real estate, easements, apparatus, property and routes used, operated, owned or controlled by any telecommunications company to facilitate the provision of telecommunications service.

"Telecommunications" is the transmission of information by wire, radio, optical cable, electromagnetic, or other similar means. As used in this definition, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols.

"Water system" includes all real estate, easements, fixtures, personal property, dams, dikes, head gates, weirs, canals, reservoirs, flumes or other structures or appliances operated, owned, used or to be used for or in connection with or to facilitate the supply, storage, distribution, sale, furnishing, diversion, carriage, apportionment or measurement of water for power, irrigation, reclamation, manufacturing, municipal, domestic or other beneficial uses for hire.

"Water company" includes every corporation, company, association, joint stock association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, and every city or town owning, controlling, operating, or managing any water system for hire within this state: PROVIDED, That for purposes of commission jurisdiction it shall not include any water system serving less than one hundred customers where the average annual gross revenue per customer does not exceed three hundred dollars per year, which revenue figure may be increased annually by the commission by rule adopted pursuant to chapter 34.04 RCW to reflect the rate of inflation as determined by the implicit price deflator of the United States department of commerce: AND PROVIDED FURTHER, That such measurement of customers or revenues shall include all portions of water companies having common ownership, regardless of location or corporate designation. However, water companies exempt from commission regulation shall be subject to the provisions of chapter 19.86 RCW.

"Cogeneration facility" means any machinery, equipment, structure, process, or property, or any part thereof, installed or acquired for the primary purpose of the sequential generation of electrical or mechanical power and useful heat from the same primary energy source or fuel.

"Public service company" includes every gas company, electrical company, telecommunications company, and water company. Ownership or operation of a cogeneration facility does not, by itself, make a company or person a public service company.

"Local exchange company" means a telecommunications company providing local exchange telecommunications service.

"Department" means the department of social and health services.

The term "service" is used in this title in its broadest and most inclusive sense.

- Sec. 2. Section 80.04.130, chapter 14, Laws of 1961 as last amended by section 2, chapter 161, Laws of 1985 and by section 1, chapter 206, Laws of 1985 and by section 12, chapter 450, Laws of 1985 and RCW 80.04.130 are each reenacted and amended to read as follows:
- (1) Whenever any public service company shall file with the commission any schedule, classification, rule or regulation, the effect of which is to change any rate, charge, rental or toll theretofore charged, the commission

shall have power, either upon its own motion or upon complaint, upon notice, to enter upon a hearing concerning such proposed change and the reasonableness and justness thereof, and pending such hearing and the decision thereon the commission may suspend the operation of such rate, charge, rental or toll for a period not exceeding ten months from the time the same would otherwise go into effect, and after a full hearing the commission may make such order in reference thereto as would be provided in a hearing initiated after the same had become effective.

The commission may suspend the initial tariff filing of any water company removed from and later subject to commission jurisdiction because of the number of customers or the average annual gross revenue per customer provisions of RCW 80.04.010. The commission may allow temporary rates during the suspension period. These rates shall not exceed the rates charged when the company was last regulated. Upon a showing of good cause by the company, the commission may establish a different level of temporary rates.

- (2) At any hearing involving any change in any schedule, classification, rule or regulation the effect of which is to increase any rate, charge, rental or toll theretofore charged, the burden of proof to show that such increase is just and reasonable shall be upon the public service company.
- (3) The implementation of mandatory local measured telephone service is a major policy change in available ((telephone)) telecommunications service. The commission shall not accept for filing or approve, prior to June 1, 1987, a tariff filed by a ((telephone)) telecommunications company which imposes mandatory local measured service on any customer or class of customers. This subsection does not apply to land, air, or marine mobile service, or to pay telephone service, or to any service which has been traditionally offered on a measured service basis.
- (4) The implementation of lifeline service is a major policy change in available telecommunications service. The implementation of lifeline service will aid in achieving the stated goal of universal telephone service.

NEW SECTION. Sec. 3. The legislature finds that universal telephone service is an important policy goal of the state. The legislature further finds that recent changes in the telecommunications industry, such as federal access charges, raise concerns about the ability of low-income persons to continue to afford access to local exchange telephone service. Therefore, the legislature finds that it is in the public interest to take steps to mitigate the effects of these changes on low-income persons.

<u>NEW SECTION.</u> Sec. 4. Lifeline assistance shall be available to participants of department programs set forth in section 9 of this act. Lifeline assistance shall consist of the following components:

- (1) A discount on service connection fees of fifty percent as set forth in section 8 of this act.
- (2) A waiver of deposit requirements on local exchange service, as set forth in section 8 of this act.

- (3) A discounted flat rate lifeline service rate for local exchange service, which shall be subject to the following conditions:
- (a) The commission shall establish a single lifeline service rate for all local exchange companies operating in the state of Washington. The lifeline service rate shall include any federal end user access charges and any other charges necessary to obtain local exchange service.
- (b) The commission shall, in establishing the lifeline service rate, consider all charges for local exchange service, including federal end user access charges, mileage charges, extended area service, and any other charges necessary to obtain local exchange service.
- (c) The lifeline service rate shall only be available to eligible customers subscribing to the lowest available local exchange flat rate service, where the lowest local exchange flat rate, including any federal end user access charges and any other charges necessary to obtain local exchange service, is greater than the lifeline service rate.
- (d) The cost of providing the lifeline service shall be paid, to the maximum extent possible, by a waiver of all or part of the federal end user access charge and, to the extent necessary, from the lifeline fund created by section 5 of this act.

NEW SECTION. Sec. 5. Costs associated with lifeline telephone service shall be recovered through a lifeline surcharge on all other switched access lines. The lifeline surcharge shall be applied equally to all residential and business access lines not to exceed sixteen cents per month. The surcharge collected by the telecommunications companies shall not be construed as gross income or gross receipts for purposes of state, county or municipal public utility taxes. All money collected from the lifeline surcharge shall be transferred to a lifeline fund administered by the department. Local exchange companies shall bill the fund for their expenses incurred in offering lifeline telecommunications services, including administrative and program expenses. The department shall disburse the money to the local exchange companies. The department shall recover its administrative costs from the fund.

NEW SECTION. Sec. 6. The commission and the department may adopt any rules necessary to implement sections 3 through 10 of this act.

<u>NEW SECTION.</u> Sec. 7. Lifeline service shall be limited to one residential access line per eligible household.

NEW SECTION. Sec. 8. Local exchange companies shall file tariffs with the commission which waive deposits on local exchange service for eligible subscribers and which establish a fifty percent discount on service connection fees for eligible subscribers. The remaining portion of the connection fee to be paid by the subscriber shall be expressly payable by installment fees spread over a period of months. A subscriber may, however, choose to pay the connection fee in a lump sum. Costs associated with the

waiver and discount shall be accounted for separately and recovered from the lifeline fund. Eligible subscribers shall be allowed one waiver of a deposit and one discount on service connection fees per year.

<u>NEW SECTION.</u> Sec. 9. Participants in the following department programs are eligible for lifeline assistance: Aid to families with dependent children, chore services, food stamps, supplemental security income, refugee assistance, and community options program entry system (COPES). The department shall notify the participants of their eligibility.

<u>NEW SECTION</u>. Sec. 10. The energy and utilities committees of the legislature shall review the results of the lifeline program and shall explore by December 15, 1989, whether additional lifeline measures are warranted.

NEW SECTION. Sec. 11. Sections 3 through 10 of this act are each added to chapter 80.36 RCW.

NEW SECTION. Sec. 12. Sections 3 through 10 of this act shall expire June 30, 1990, unless extended by the legislature.

- Sec. 13. Section 2, chapter 277, Laws of 1986 and RCW 80.36.390 are each amended to read as follows:
- (1) As used in this section, "telephone solicitation" means the unsolicited initiation of a telephone call by a commercial or nonprofit company or organization to a residential telephone customer and conversation for the purpose of encouraging a person to purchase property, goods, or services or soliciting donations of money, property, goods, or services. "Telephone solicitation" does not include:
- (a) Calls made in response to a request or inquiry by the called party. This includes calls regarding an item that has been purchased by the called party from the company or organization during a period not longer than twelve months prior to the telephone contact;
- (b) Calls made by a not-for-profit organization to its own list of bona fide or active members of the organization;
- (c) Calls limited to polling or soliciting the expression of ideas, opinions, or votes; or
 - (d) Business-to-business contacts.

For purposes of this section, each individual real estate agent or insurance agent who maintains a separate list from other individual real estate or insurance agents shall be treated as a company or organization. For purposes of this section, an organization as defined in RCW 29.01.090 or 29.01.100 and organized pursuant to RCW 29.42.010 shall not be considered a commercial or nonprofit company or organization.

(2) A person making a telephone solicitation must identify him or herself and the company or organization on whose behalf the solicitation is being made and the purpose of the call within the first thirty seconds of the telephone call.

- (3) If, at any time during the telephone contact, the called party states or indicates that he or she does not wish to be called again by the company or organization or wants to have his or her name and individual telephone number removed from the telephone lists used by the company or organization making the telephone solicitation, then:
- (a) The company or organization shall not make any additional telephone solicitation of the called party at that telephone number within a period of at least one year; and
- (b) The company or organization shall not sell or give the called party's name and telephone number to another company or organization: PROVIDED, That the company or organization may return the list, including the called party's name and telephone number, to the company or organization from which it received the list.
- (4) A violation of subsection (2) or (3) of this section is punishable by a fine of up to one thousand dollars for each violation.
- (5) The attorney general may bring actions to enforce compliance with this section. For the first violation by any company or organization of this section, the attorney general shall notify the company with a letter of warning that the section has been violated.
- (6) A person aggrieved by ((a)) repeated violations of this section may bring a civil action in superior court to enjoin future violations, to recover damages, or both. The court shall award damages of at least one hundred dollars for each individual violation of this section. If the aggrieved person prevails in a civil action under this subsection, the court shall award the aggrieved person reasonable attorneys' fees and cost of the suit.
- (7) The utilities and transportation commission shall by rule ensure that telecommunications companies inform their residential customers of the provisions of this section. The notification may be made by (a) annual inserts in the billing statements mailed to residential customers, or (b) conspicuous publication of the notice in the consumer information pages of local telephone directories.

Passed the Senate April 18, 1987. Passed the House April 9, 1987. Approved by the Governor April 30, 1987. Filed in Office of Secretary of State April 30, 1987.

CHAPTER 230

[Substitute Senate Bill No. 5253]

DISPLACED HOMEMAKER ACT REAUTHORIZED—MARRIAGE LIGENSE SURCHARGE—DISPLACED HOMEMAKER PROGRAM ADVISORY COMMITTEE CREATED

AN ACT Relating to displaced homemakers; amending RCW 36.18.010; adding a new section to chapter 28B.04 RCW; repealing section 11, chapter 15, Laws of 1982 1st ex. sess. (uncodified); establishing an effective date; and declaring an emergency.