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By: **Senators Miller and Middleton**

Introduced and read first time: February 3, 2006

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Telephone Companies - Telephone Lifeline Service**

3 FOR the purpose of altering and expanding the types of telephone lifeline service that  
 4 are available to eligible subscribers; requiring certain telephone companies to  
 5 provide telephone lifeline service at the direction of the Public Service  
 6 Commission; requiring certain telephone companies to obtain access to certain  
 7 information from the Department of Human Resources in a certain manner for  
 8 certain purposes; and generally relating to telephone companies and telephone  
 9 lifeline service.

10 BY repealing and reenacting, with amendments,

11 Article - Public Utility Companies

12 Section 8-201

13 Annotated Code of Maryland

14 (1998 Volume and 2005 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Public Utility Companies**

18 8-201.

19 (a) (1) In this section the following words have the meanings indicated.

20 (2) "Eligible subscriber" means an individual who is certified to [the] A  
 21 local telephone company [in whose service area the individual is applying for service]  
 22 by the Department of Human Resources as receiving:

23 (I) assistance under Article 88A, §§ 44A through 53 of the Code[,  
 24 receiving];

25 (II) ASSISTANCE FROM THE ELECTRIC UNIVERSAL SERVICE  
 26 PROGRAM UNDER § 7-512.1 OF THIS ARTICLE;

1 (III) ASSISTANCE FROM THE MARYLAND ENERGY ASSISTANCE  
2 PROGRAM UNDER ARTICLE 41, TITLE 6, SUBTITLE 4 OF THE CODE;

3 (IV) State-funded public assistance benefits[,]; or [receiving]

4 (V) Supplemental Security Income under Title XVI of the federal  
5 Social Security Act.

6 (3) "Telephone lifeline service" means [a] local telephone [service]  
7 SERVICES provided to eligible subscribers [that,] at a discount[, provides an  
8 individual residential local exchange dial access line plus the first 30 residential local  
9 untimed messages per billing month] IN ACCORDANCE WITH THIS SECTION.

10 (b) [A] AT THE DIRECTION OF THE COMMISSION, A local telephone company  
11 with more than 10,000 subscribers shall offer telephone lifeline service to eligible  
12 subscribers subject to the following conditions:

13 (1) no other local voice telephone service may be provided to the dwelling  
14 unit of the eligible subscriber applying for telephone lifeline service; AND

15 [(2) except for tone signaling capability, premium services, including  
16 foreign zone or foreign exchange service, are not provided to the eligible subscriber;  
17 and

18 (3)] (2) an inside wiring maintenance plan is not provided to the  
19 eligible subscriber.

20 [(c) (1) The rate that a telephone company charges for telephone lifeline  
21 service shall be 50% of the lowest applicable and approved federal and State tariff  
22 rates for an individual residential local exchange dial access line and for residential  
23 local untimed messages per month, less any waivers of federal tariff provisions  
24 applicable to eligible customers allowed by federal statute, order, rule, or regulation,  
25 plus all applicable federal, State, and local taxes and fees.

26 (2) (i) If an eligible subscriber elects to subscribe to tone signaling  
27 capability, the rate charged shall be 50% of the applicable and approved federal and  
28 State tariff rates for this service, plus all applicable federal, State, and local taxes.

29 (ii) For an eligible subscriber, repairs to inside wiring will be  
30 charged at 50% of the applicable filed tariff.

31 (3) (i) Whenever initial installation or connection of service is  
32 required, the rate charged shall be 50% of the applicable and approved federal and  
33 State tariff charges for the installation and connection of residential dial access  
34 service to one terminating location within the eligible subscriber's dwelling unit, plus  
35 all applicable federal, State, and local taxes.

36 (ii) Custom installation or construction charges shall be charged at  
37 the applicable approved federal and State tariff rates.

1 (4) (i) A telephone company may not require the payment of an order  
2 processing charge or line change charge for an eligible subscriber's change to  
3 telephone lifeline service from any other class of residential service.

4 (ii) A subscriber to telephone lifeline service who no longer qualifies  
5 as an eligible subscriber may not be charged a fee for disconnecting from telephone  
6 lifeline service and connecting to another class of telephone service.

7 (5) All other services provided to eligible subscribers, including all local  
8 messages after the first 30 within a given billing month, shall be charged at the  
9 applicable and approved federal and State tariff rates.]

10 (C) (1) AN ELIGIBLE SUBSCRIBER MAY SELECT A TELEPHONE LIFELINE  
11 SERVICE UNDER EITHER PARAGRAPH (2) OR (3) OF THIS SUBSECTION.

12 (2) AN ELIGIBLE SUBSCRIBER WHO SELECTS TELEPHONE LIFELINE  
13 SERVICE UNDER THIS PARAGRAPH:

14 (I) SHALL RECEIVE:

15 1. AN INDIVIDUAL RESIDENTIAL LOCAL EXCHANGE ACCESS  
16 LINE; AND

17 2. THE FIRST 30 RESIDENTIAL LOCAL UNTIMED MESSAGES  
18 EACH BILLING MONTH AT NO ADDITIONAL CHARGE;

19 (II) SHALL BE CHARGED:

20 1. 50% OF THE LOWEST APPLICABLE AND APPROVED  
21 FEDERAL AND STATE TARIFF RATES FOR THE ACCESS LINE AND INCLUDED  
22 RESIDENTIAL LOCAL UNTIMED MESSAGES, MINUS ANY APPLICABLE WAIVER OF  
23 FEDERAL TARIFF PROVISIONS FOR ELIGIBLE SUBSCRIBERS, PLUS ALL APPLICABLE  
24 FEDERAL, STATE, AND LOCAL TAXES;

25 2. THE FULL APPLICABLE TARIFF RATES FOR ALL OTHER  
26 RESIDENTIAL LOCAL UNTIMED MESSAGES; AND

27 3. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (D) OF  
28 THIS SECTION, THE FULL APPLICABLE TARIFF RATES FOR ALL OTHER SERVICES;  
29 AND

30 (III) MAY NOT BE PROVIDED ANY PREMIUM SERVICES, INCLUDING  
31 FOREIGN ZONE OR FOREIGN EXCHANGE SERVICE.

32 (3) AN ELIGIBLE SUBSCRIBER WHO SELECTS TELEPHONE LIFELINE  
33 SERVICE UNDER THIS PARAGRAPH:

34 (I) SHALL RECEIVE AN INDIVIDUAL RESIDENTIAL LOCAL  
35 EXCHANGE ACCESS LINE WITH UNLIMITED RESIDENTIAL LOCAL UNTIMED  
36 MESSAGES FOR A MONTHLY CHARGE OF \$10; AND

1 (II) MAY PURCHASE UP TO TWO VALUE-ADDED SERVICES AT THE  
2 FULL APPLICABLE TARIFF RATES.

3 (D) THE TELEPHONE COMPANY SHALL CHARGE TO AN ELIGIBLE SUBSCRIBER  
4 50% OF THE APPLICABLE FILED TARIFF FOR:

5 (1) REPAIRS TO INSIDE WIRING; AND

6 (2) INSTALLATION AND CONNECTION OF RESIDENTIAL DIAL ACCESS  
7 SERVICE TO ONE TERMINATION IN THE DWELLING UNIT OF THE ELIGIBLE  
8 SUBSCRIBER.

9 (E) THE TELEPHONE COMPANY SHALL CHARGE TO THE ELIGIBLE  
10 SUBSCRIBER ALL APPLICABLE FEDERAL, STATE, AND LOCAL TAXES AND FEES.

11 (F) (1) A TELEPHONE COMPANY MAY NOT REQUIRE PAYMENT OF AN ORDER  
12 PROCESSING CHARGE OR LINE CHANGE CHARGE TO CHANGE AN ELIGIBLE  
13 SUBSCRIBER TO TELEPHONE LIFELINE SERVICE FROM ANY OTHER CLASS OF  
14 RESIDENTIAL TELEPHONE SERVICE.

15 (2) A TELEPHONE LIFELINE SERVICE SUBSCRIBER WHO NO LONGER  
16 QUALIFIES AS AN ELIGIBLE SUBSCRIBER MAY NOT BE CHARGED A FEE TO CHANGE  
17 FROM TELEPHONE LIFELINE SERVICE TO ANY OTHER CLASS OF RESIDENTIAL  
18 TELEPHONE SERVICE.

19 [(d)] (G) (1) A telephone company may not request a deposit to secure  
20 payment in connection with the initial installation or connection of telephone lifeline  
21 service.

22 (2) An eligible subscriber applying for service may be denied service if  
23 the eligible subscriber:

24 (i) has an outstanding unpaid net telephone debt of \$100 or more  
25 for prior telephone service; and

26 (ii) has not established a reasonable payment plan to satisfy the  
27 debt.

28 (3) An eligible subscriber may not be denied service if the eligible  
29 subscriber has an outstanding unpaid net telephone debt of less than \$100 for prior  
30 telephone service.

31 (H) (1) TO THE EXTENT ALLOWED BY FEDERAL LAW, THE DEPARTMENT OF  
32 HUMAN RESOURCES SHALL PROVIDE TO LOCAL TELEPHONE COMPANIES THAT  
33 OFFER TELEPHONE LIFELINE SERVICE MONTHLY ELECTRONIC ACCESS TO A FILE  
34 CONTAINING A LIST OF ALL INDIVIDUALS WHO RECEIVE ASSISTANCE FROM ANY OF  
35 THE PROGRAMS LISTED IN SUBSECTION (A)(2) OF THIS SECTION.

36 (2) TO OBTAIN ACCESS TO THE FILE, A LOCAL TELEPHONE COMPANY  
37 MUST ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE DEPARTMENT

1 OF HUMAN RESOURCES THAT GOVERNS ACCESS TO USE, CONFIDENTIALITY, AND  
2 RETENTION OF THE FILE.

3 (3) THE GRANT OF ACCESS TO THE FILE SATISFIES THE CERTIFICATION  
4 REQUIREMENT OF SUBSECTION (A)(2) OF THIS SECTION.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2006.