

SENATE BILL 649

C5

7lr2711
CF HB 999

By: ~~Senator Middleton~~ Senators Middleton, Benson, and Oaks

Introduced and read first time: February 3, 2017

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 13, 2017

CHAPTER _____

1 AN ACT concerning

2 **Public Utilities – Telephone Lifeline Service – Revisions**

3 FOR the purpose of providing that a certain local telephone company provide “lifeline” to
4 certain qualifying low-income consumers under certain circumstances; altering
5 certain terminology used with respect to telephone lifeline service and its
6 requirements; repealing a requirement that a telephone company charge an eligible
7 subscriber a percentage of a certain tariff under certain circumstances; requiring the
8 Department of Human Resources to provide certain information to local telephone
9 companies to the extent allowed by State law in addition to federal law and until
10 certain eligibility is determined; specifying that the Department maintain a certain
11 file; authorizing the Department to certify a certain qualifying low-income consumer
12 under certain circumstances; making certain conforming changes; providing for the
13 scope and construction of a certain provision of law; defining certain terms; repealing
14 certain definitions; and generally relating to telephone service.

15 BY repealing and reenacting, with amendments,
16 Article – Public Utilities
17 Section 8–201
18 Annotated Code of Maryland
19 (2010 Replacement Volume and 2016 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
21 That the Laws of Maryland read as follows:

22 **Article – Public Utilities**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 8–201.

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

3 [(2) “Eligible subscriber” means an individual who is certified to a local
4 telephone company by the Department of Human Resources as receiving:

5 (i) assistance under Title 5, Subtitle 3 of the Human Services
6 Article;

7 (ii) assistance from the electric universal service program under §
8 7–512.1 of this article;

9 (iii) assistance from the Maryland Energy Assistance Program under
10 Title 5, Subtitle 5A of the Human Services Article;

11 (iv) State–funded public assistance benefits; or

12 (v) Supplemental Security Income under Title XVI of the federal
13 Social Security Act.]

14 (2) **“ECONOMIC UNIT” MEANS ALL ADULT INDIVIDUALS
15 CONTRIBUTING TO AND SHARING IN THE INCOME AND EXPENSES OF A HOUSEHOLD.**

16 [(3) “Telephone lifeline service” means local telephone services provided to
17 eligible subscribers at a discount in accordance with this section.]

18 (3) **“HOUSEHOLD” MEANS AN INDIVIDUAL OR A GROUP OF
19 INDIVIDUALS WHO ARE LIVING TOGETHER AT THE SAME ADDRESS AS ONE
20 ECONOMIC UNIT.**

21 (4) **“LIFELINE” MEANS A NONTRANSFERABLE RETAIL SERVICE
22 OFFERING PROVIDED DIRECTLY TO QUALIFYING LOW–INCOME CONSUMERS FOR
23 WHICH QUALIFYING LOW–INCOME CONSUMERS PAY REDUCED CHARGES AS A
24 RESULT OF FEDERAL OR STATE LIFELINE SUPPORT.**

25 (5) **“QUALIFYING LOW–INCOME CONSUMER” MEANS AN INDIVIDUAL
26 WHO:**

27 (I) **MEETS THE QUALIFICATIONS FOR LIFELINE UNDER 47
28 C.F.R. §§ 54.400, 54.409, AND 54.410; AND**

29 (II) **IS CERTIFIED TO RECEIVE LIFELINE.**

1 **(B) EXCEPT AS PROVIDED IN SUBSECTION (I) OF THIS SECTION, THIS**
2 **SECTION APPLIES ONLY TO A LOCAL TELEPHONE COMPANY AND THE PROVISION OF**
3 **LOCAL TELEPHONE SERVICE.**

4 **[(b)] (C)** At the direction of the Commission, a local telephone company with
5 more than 10,000 subscribers shall offer [telephone] lifeline [service] to [eligible
6 subscribers] **QUALIFYING LOW-INCOME CONSUMERS** subject to the following conditions:

7 (1) no other local voice telephone service may be provided to the [dwelling
8 unit] **HOUSEHOLD** of the [eligible subscriber] **QUALIFYING LOW-INCOME CONSUMER**
9 applying for [telephone] lifeline [service]; and

10 (2) an inside wiring maintenance plan is not provided to the [eligible
11 subscriber] **QUALIFYING LOW-INCOME CONSUMER.**

12 **[(c)] (D)** (1) [An eligible subscriber] **A QUALIFYING LOW-INCOME**
13 **CONSUMER** may select a [telephone] lifeline [service] under either paragraph (2) or (3) of
14 this subsection.

15 (2) [An eligible subscriber] **A QUALIFYING LOW-INCOME CONSUMER**
16 who selects [telephone] lifeline [service] under this paragraph:

17 (i) shall receive:

18 1. an individual residential local exchange access line; and

19 2. the first 30 residential local untimed messages each billing
20 month at no additional charge;

21 (ii) shall be charged:

22 1. 50% of the lowest applicable and approved federal and
23 State tariff rates for the access line and included residential local untimed messages, minus
24 any applicable waiver of federal tariff provisions for [eligible subscribers] **QUALIFYING**
25 **LOW-INCOME CONSUMERS**, plus all applicable federal, State, and local taxes;

26 2. the full applicable tariff rates for all other residential local
27 untimed messages; and

28 3. [except as otherwise provided in subsection (d) of this
29 section,] the full applicable tariff rates for all other services; and

30 (iii) may not be provided any premium services, including foreign
31 zone or foreign exchange service.

1 (3) [An eligible subscriber] **A QUALIFYING LOW-INCOME CONSUMER**
2 who selects [telephone] lifeline [service] under this paragraph:

3 (i) shall receive an individual residential local exchange access line
4 with unlimited residential local untimed messages for a monthly charge of \$10; and

5 (ii) may purchase up to two value-added services at the full
6 applicable tariff rates.

7 [(d) The telephone company shall charge to an eligible subscriber 50% of the
8 applicable filed tariff for:

9 (1) repairs to inside wiring; and

10 (2) installation and connection of residential dial access service to one
11 termination in the dwelling unit of the eligible subscriber.]

12 (e) The telephone company shall charge to the [eligible subscriber] **QUALIFYING**
13 **LOW-INCOME CONSUMER** all applicable federal, State, and local taxes and fees.

14 (f) (1) A telephone company may not require payment of an order processing
15 charge or line change charge to change [an eligible subscriber] **A QUALIFYING**
16 **LOW-INCOME CONSUMER** to [telephone] lifeline [service] from any other class of
17 residential telephone service.

18 (2) [A telephone lifeline service subscriber] **AN INDIVIDUAL** who **IS** no
19 longer [qualifies as an eligible subscriber] **A QUALIFYING LOW-INCOME CONSUMER** may
20 not be charged a fee to change from [telephone] lifeline [service] to any other class of
21 residential telephone service.

22 (g) (1) A telephone company may not request a deposit to secure payment in
23 connection with the initial installation or connection of [telephone] lifeline [service].

24 (2) [An eligible subscriber] **A QUALIFYING LOW-INCOME CONSUMER**
25 applying for service may be denied service if the [eligible subscriber] **QUALIFYING**
26 **LOW-INCOME CONSUMER**:

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

29 (ii) has not established a reasonable payment plan to satisfy the
30 debt.

31 (3) [An eligible subscriber] **A QUALIFYING LOW-INCOME CONSUMER**
32 may not be denied service if the [eligible subscriber] **QUALIFYING LOW-INCOME**

1 CONSUMER has an outstanding unpaid net telephone debt of less than \$100 for prior
2 telephone service.

3 (h) (1) To the extent allowed by federal AND STATE law, the Department of
4 Human Resources shall provide to local telephone companies that offer [telephone] lifeline
5 [service] monthly electronic access to a file containing a list of [all individuals who receive
6 assistance from any of the programs listed in subsection (a)(2) of this section] **QUALIFYING
7 LOW-INCOME CONSUMERS UNTIL THE FEDERAL COMMUNICATIONS COMMISSION
8 OR ITS DESIGNEE DETERMINES ELIGIBILITY.**

9 (2) To obtain access to the file **MAINTAINED BY THE DEPARTMENT OF
10 HUMAN RESOURCES**, a local telephone company must enter into a memorandum of
11 understanding with the Department of Human Resources that governs access to use,
12 confidentiality, and retention of the file.

13 (3) The grant of access to the file satisfies the certification requirement of
14 subsection [(a)(2)] **(A)(5)** of this section.

15 (4) **ONCE THE FEDERAL COMMUNICATIONS COMMISSION OR ITS
16 DESIGNEE DETERMINES ELIGIBILITY, THAT DETERMINATION WILL SATISFY THE
17 CERTIFICATION REQUIREMENT UNDER SUBSECTION (A)(5) OF THIS SECTION.**

18 (I) **THE DEPARTMENT OF HUMAN RESOURCES MAY CERTIFY CONSUMERS
19 AS QUALIFYING LOW-INCOME CONSUMERS IF THEY USE SERVICES OTHER THAN
20 LOCAL TELEPHONE SERVICE.**

21 (J) **NOTHING IN THIS SECTION MAY BE CONSTRUED TO ESTABLISH
22 JURISDICTION BY THE COMMISSION OVER WIRELESS SERVICES, BROADBAND
23 SERVICES, VOICE OVER INTERNET PROTOCOL SERVICES, OR OTHER SERVICES THAT
24 ARE NOT PROVIDED THROUGH TELEPHONE LINES.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
26 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.