

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: S.B. 547 Telecommunications Relay Service/AB

SHORT TITLE: Telecommunications Relay Service/AB

SPONSOR(S): Senator David Hoyle

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	Millions				
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
REVENUES					
Special Acct.	\$1.73	\$1.73	\$1.73	\$1.73	\$1.73
EXPENDITURES					
Special Acct.	* See Assumptions and Methodology *				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: The Utilities Commission, the State Treasurer, and the Department of Health and Human Services.					
EFFECTIVE DATE: When it becomes law.					

BILL SUMMARY: The legislation modifies the law controlling public telecommunications services for the hearing impaired. Currently the Utilities Commission is authorized to charge a surcharge of up to \$0.25 per month. The bill establishes a telecommunications relay service to assist deaf and hearing-impaired persons, including those who are also visually impaired. The bill authorizes the Utility Commission to allow the Department of Health and Human Services to use up to four cents (\$0.04) of the surcharge amount to provide special equipment to the hearing impaired, as well as the visually and speech impaired, to assist with telephone communication. The Commission is authorized to develop guidelines for distribution of the equipment.

ASSUMPTIONS AND METHODOLOGY: According to the Public Staff of the Utilities Commission, the current surcharge amount is \$0.07 per month. The latest revenue report indicates that the surcharge generated approximately \$1,516,000 in six months ending December 31, 1998, or \$3,032,000 per year. Given the \$0.07 rate, these numbers suggest the surcharge raised approximately \$433,000 per penny. If the Commission increases the surcharge by the full \$0.04 allowed by the bill, the bill could raise approximately \$1,732,000. The Public Staff estimates that this amount would never exceed \$2,000,000.

At this point there is no accurate estimate of the equipment needs. The Public Staff reports that the equipment cost can range from a few hundred dollars to several thousands of dollars, depending on the needs of the user. At this point the exact needs of individual program recipients is unknown. Therefore, no expenditure estimate is possible.

While the Utilities Commission will set distribution guidelines and control how revenue is transferred from telephone companies to the Treasurer, the Department of Health and Human Services will administer the program itself.

FISCAL RESEARCH DIVISION 733-4910

PREPARED BY: Linda Struyk Millsaps

APPROVED BY: Tom Covington

DATE: Tuesday, June 22, 1999



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