

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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SENATE BILL 939
Finance Committee Substitute Adopted 5/28/03

Short Title: Extend TRS Surcharge to Wireless Connections.

(Public)

Sponsors:

Referred to:

April 3, 2003

A BILL TO BE ENTITLED

AN ACT TO EXTEND THE SURCHARGE FOR THE TELECOMMUNICATIONS
RELAY SERVICE TO INCLUDE WIRELESS COMMUNICATIONS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 62-157 reads as rewritten:

"§ 62-157. Telecommunications relay service.

(a) Finding. – The General Assembly finds and declares that it is in the public interest to provide access to public telecommunications services for hearing impaired or speech impaired persons, including those who also have vision impairment, and that a statewide telecommunications relay service for telephone service should be established.

(a1) Definitions. – For purposes of this section:

(1) 'CMRS' is as defined in G.S. 62A-21.

(2) 'CMRS connection' is as defined in G.S. 62A-21.

(3) 'CMRS provider' is as defined in G.S. 62A-21.

~~(4)~~(4) "Exchange access facility" means the access from a particular telephone subscriber's premises to the telephone system of a local exchange telephone company, and includes local exchange company-provided access lines, private branch exchange trunks, and centrex network access registers, all as defined by tariffs of telephone companies as approved by the Commission.

~~(2)~~(5) "Local service provider" means a local exchange company, competing local provider, or telephone membership corporation.

(b) Authority to Require Surcharge. – The Commission shall require local service providers to impose a monthly surcharge on all residential and business local exchange access facilities to fund a statewide telecommunications relay service by which hearing impaired or speech impaired persons, including those who also have vision impairment, may communicate with others by telephone. This surcharge, however, may not be imposed on participants in the Subscriber Line Charge Waiver Program or the Link-up Carolina Program established by the Commission. This surcharge, and long distance

1 revenues collected under subsection (f) of this section, are not includable in gross
2 receipts subject to the franchise tax levied under G.S. 105-120 or the sales tax levied
3 under G.S. 105-164.4.

4 (c) Specification of Surcharge. – The Department of Health and Human Services
5 shall initiate a telecommunications relay service by filing a petition with the
6 Commission requesting the service and detailing initial projected required funding. The
7 Commission shall, after giving notice and an opportunity to be heard to other interested
8 parties, set the initial monthly surcharge based upon the amount of funding necessary to
9 implement and operate the service, including a reasonable margin for a reserve. The
10 surcharge shall be identified on customer bills as a special surcharge for provision of a
11 telecommunications relay service for hearing impaired and speech impaired persons.
12 The Commission may, upon petition of any interested party, and after giving notice and
13 an opportunity to be heard to other interested parties, revise the surcharge from time to
14 time if the funding requirements change. In no event shall the surcharge exceed
15 twenty-five cents (25¢) per month for each exchange access facility.

16 (d) Funds to Be Deposited in Special Account. – The local service providers shall
17 collect the surcharge from their customers and deposit the moneys collected with the
18 State Treasurer, who shall maintain the funds in an interest-bearing, nonreverting
19 account. After consulting with the State Treasurer, the Commission shall direct how and
20 when the local service providers shall deposit these moneys. Revenues from this fund
21 shall be available only to the Department of Health and Human Services to administer
22 the statewide telecommunications relay service program, including its establishment,
23 operation, and promotion. The Commission may allow the Department of Health and
24 Human Services to use up to four cents (4¢) per access line per month of the surcharge
25 for the purpose of providing telecommunications devices for hearing impaired or speech
26 impaired persons, including those who also have vision impairment, through a
27 distribution program. The Commission shall prepare such guidelines for the distribution
28 program as it deems appropriate and in the public interest. Both the Commission and the
29 Public Staff may audit all aspects of the telecommunications relay service program,
30 including the distribution programs, as ~~it does they do~~ with any public utility subject to
31 the provisions of this Chapter. Equipment paid for with surcharge revenues, as allowed
32 by the Commission, may be distributed only by the Department of Health and Human
33 Services.

34 (e) Administration of Service. – The Department of Health and Human Services
35 shall administer the statewide telecommunications relay service program, including its
36 establishment, operation, and promotion. The Department may contract out the
37 provision of this service for four-year periods to one or more service providers, using
38 the provisions of G.S. 143-129.

39 (f) Charge to Users. – The users of the telecommunications relay service shall be
40 charged their approved long distance and local rates for telephone services (including
41 the surcharge required by this section), but no additional charges may be imposed for
42 the use of the relay service. The local service providers shall collect revenues from the
43 users of the relay service for long distance services provided through the relay service.
44 These revenues shall be deposited in the special fund established in subsection (d) of

1 this section in a manner determined by the Commission after consulting with the State
2 Treasurer. Local service providers shall be compensated for collection, inquiry, and
3 other administrative services provided by said companies, subject to the approval of the
4 Commission.

5 (g) Reporting Requirement. – The Commission shall, after consulting with the
6 Department of Health and Human Services, develop a format and filing schedule for a
7 comprehensive financial and operational report on the telecommunications relay service
8 program. The Department of Health and Human Services shall thereafter prepare and
9 file these reports as required by the Commission with the Commission and the Public
10 Staff. The Department shall also be required to report to the Revenue Laws Study
11 Committee.

12 (h) Power to Regulate. – The Commission shall have the same power to regulate
13 the operation of the telecommunications relay service program as it has to regulate any
14 public utility subject to the provisions of this Chapter.

15 (i) Wireless Surcharge. – A CMRS provider, as part of its monthly billing
16 process, must collect the same surcharge imposed on each exchange access facility
17 under this section for each CMRS connection. A CMRS provider may deduct a one
18 percent (1%) administrative fee from the total amount of surcharge collected. A CMRS
19 provider shall remit the surcharge collected, less the administrative fee, to the Wireless
20 911 Board in the same manner and with the same frequency as the local service
21 providers remit the surcharge to the State Treasurer. The Wireless 911 Board shall remit
22 the funds collected from the surcharge to the special account created under subsection
23 (d) of this section."

24 **SECTION 2.** This act becomes effective January 1, 2004, and applies to
25 bills issued on or after that date.