

HSB 664

COMMERCE AND REGULATION

Successful  
SF 2490

Metcalf Ch.  
Hansens  
Peterson

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED DEPARTMENT  
OF COMMERCE/UTILITIES  
DIVISION BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the assessment of telephone utilities for the  
2 dual party relay service.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section. 1. Section 477C.7, Code 2001, is amended to read  
2 as follows:

3 477C.7 FUNDING.

4 1. The board shall impose an annual assessment to fund the  
5 programs upon all telephone utilities providing service in the  
6 state ~~as follows:~~

7 ~~1.---The-total-assessment-shall-be-allocated-one-half~~  
8 including but not limited to local exchange telephone  
9 ~~utilities and-one-half-to-the-following-telephone-utilities:1~~  
10 wireless telephone service providers,

11 ~~a.---Interexchange~~ interexchange carriers;1

12 ~~b.---Centralized~~ centralized equal access providers;1

13 ~~c.---Alternative~~ and alternative operator services  
14 companies.

15 2. The assessment shall be levied upon revenues from all  
16 intrastate regulated, deregulated, unregulated, and exempt  
17 telephone services ~~under-sections-476-1-and-476-1B.~~

18 3. The telephone utilities shall remit the assessed  
19 amounts quarterly to a special fund, as defined under section  
20 8.2, subsection 9. The moneys in the fund are appropriated  
21 solely to plan, establish, administer, and promote the relay  
22 service and equipment distribution programs.

23 4. The telephone utilities subject to assessment shall  
24 provide the information requested by the board necessary for  
25 implementation of the assessment.

26 5. The local exchange telephone utilities shall not  
27 recover from intrastate access charges any portion of ~~such~~ the  
28 utilities assessment imposed under this section.

29 EXPLANATION

30 This bill amends Code chapter 477C, relating to dual party  
31 relay service.

32 The bill amends Code section 477C.7, relating to the  
33 assessment of telephone utilities for the dual party relay  
34 service. The bill eliminates the current percentage of  
35 assessment allocated to certain types of telephone utilities,

1 adds wireless telephone service providers to the list of  
2 telephone utilities subject to assessment for dual party relay  
3 service, and adds that the assessment shall also be levied on  
4 revenues from all intrastate unregulated services.

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HSB 664

# STATE OF IOWA

THOMAS J. VILSACK  
GOVERNOR  
SALLY J. PEDERSON  
LT. GOVERNOR

IOWA UTILITIES BOARD  
IOWA DEPARTMENT OF COMMERCE

**Memo to:** Iowa General Assembly  
**From:** Iowa Utilities Board  
**Date:** January 28, 2002  
**Subject:** Dual Party Relay Assessment

The Iowa Utilities Board administers the dual party relay and equipment distribution programs that make it possible for deaf, hearing-impaired, and speech-impaired persons to use the telephone network. **This proposed legislation would amend Iowa Code to add wireless companies to the dual party relay assessment.**

**Analysis:** All telephone companies, **including wireless carriers**, are required by the Federal Communications Commission to provide access to telephone relay service (TRS). This was reemphasized in an FCC order of August 9, 2000, which explicitly required telephone companies, including wireless carriers, to provide 711 access to TRS.

Iowa Code chapter 477C governs telephone relay service in Iowa. Section 477C.7 specifically addresses funding of relay service and the associated equipment distribution program. The section, however, is unclear as to whether wireless telephone companies, that carry relay calls, are required to help pay for telephone relay service and the equipment distribution program. This section begins with the statement that "The board shall impose an annual assessment to fund the programs upon all telephone utilities providing service in the state," but then specifies types of telephone utilities and how they are to be assessed. Wireless carriers are not specifically listed.

To remove any argument that wireless carriers cannot be assessed under the present statutory language, the code provision should be amended to specifically include wireless carriers. Fairness and equity require that all telecommunications service providers, including wireless companies, pay a share of the program costs. Currently, wireless companies are not being assessed.

In addition, section 477C.7 provides that the total assessment be allocated one-half to local exchange telephone utilities and one-half to the following utilities: interexchange carriers, centralized equal access providers, and alternative operator services companies. Given the dynamic nature of the telecommunications industry, it would be more equitable to assess all telephone companies based on their revenues rather than dividing them into arbitrary categories. The division should be eliminated.

The FY 02 budget for the Dual Party Relay is \$1,929,500. That amount would not be affected by this legislation.

3/20/02 Rereferred To: Commerce & Reg.

FEB 21 2002  
Place On Calendar

HOUSE FILE 2490  
BY COMMITTEE ON COMMERCE AND  
REGULATION

(SUCCESSOR TO HSB 664)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

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HF 2490

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4 1. The board shall impose an annual assessment to fund the  
5 programs upon all telephone utilities providing service in the  
6 state as follows:

7 ~~1.--The total assessment shall be allocated one-half~~  
8 including but not limited to local exchange telephone  
9 ~~utilities and one-half to the following telephone utilities:~~  
10 wireless telephone service providers,

- 11 ~~a.--Interexchange~~ interexchange carriers,
  - 12 ~~b.--Centralized~~ centralized equal access providers,
  - 13 ~~c.--Alternative~~ and alternative operator services
- 14 companies.

15 2. The assessment shall be levied upon revenues from all  
16 intrastate regulated, deregulated, unregulated, and exempt  
17 telephone services ~~under sections 476.1 and 476.1B.~~

18 3. The telephone utilities shall remit the assessed  
19 amounts quarterly to a special fund, as defined under section  
20 8.2, subsection 9. The moneys in the fund are appropriated  
21 solely to plan, establish, administer, and promote the relay  
22 service and equipment distribution programs.

23 4. The telephone utilities subject to assessment shall  
24 provide the information requested by the board necessary for  
25 implementation of the assessment. Revenue information  
26 provided to the board pursuant to this subsection shall be  
27 held confidential pursuant to section 22.7, subsections 3 and  
28 6.

29 5. The local exchange telephone utilities shall not  
30 recover from intrastate access charges any portion of such the  
31 utilities assessment imposed under this section.

32 EXPLANATION

33 This bill amends Code chapter 477C, relating to dual party  
34 relay service.

35 The bill amends Code section 477C.7, relating to the

1 assessment of telephone utilities for the dual party relay  
2 service. The bill eliminates the current percentage of  
3 assessment allocated to certain types of telephone utilities,  
4 adds wireless telephone service providers to the list of  
5 telephone utilities subject to assessment for dual party relay  
6 service, and adds that the assessment shall also be levied on  
7 revenues from all intrastate unregulated services. Revenue  
8 information provided to the utilities board by telephone  
9 utilities shall remain confidential.

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