

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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SENATE DRS75172-RBx-4 (3/28)

Short Title: Extend TRS Surcharge to Wireless Connections. (Public)

Sponsors: Senator Kerr.

Referred to:

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. – Defined in G.S. 62A-21.

(2) CMRS connection. – Defined in G.S. 62A-21.

(3) CMRS provider. – Defined in G.S. 62A-21.

~~(4)~~(4) "Exchange access facility" means the Exchange access facility. – 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 service provider. – A local exchange company, competing local provider, ~~or~~ telephone membership ~~corporation~~ corporation, or CMRS provider."

(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 and CMRS connections to fund a statewide telecommunications relay service by which hearing impaired or speech impaired persons, including those who

1 also have vision impairment, may communicate with others by telephone. This
2 surcharge, however, may not be imposed on participants in the Subscriber Line Charge
3 Waiver Program or the Link-up Carolina Program established by the Commission. This
4 surcharge, and long distance revenues collected under subsection (f) of this section, are
5 not includable in gross receipts subject to the franchise tax levied under G.S. 105-120 or
6 the sales tax levied under G.S. 105-164.4.

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

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

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

43 (f) Charge to Users. – The users of the telecommunications relay service shall be
44 charged their approved long distance and local rates for telephone services (including

1 the surcharge required by this section), but no additional charges may be imposed for
2 the use of the relay service. The local service providers shall collect revenues from the
3 users of the relay service for long distance services provided through the relay service.
4 These revenues shall be deposited in the special fund established in subsection (d) of
5 this section in a manner determined by the Commission after consulting with the State
6 Treasurer. Local service providers shall be compensated for collection, inquiry, and
7 other administrative services provided by said companies, subject to the approval of the
8 Commission.

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

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

19 **SECTION 2.** Notwithstanding G.S. 62-157(c), the monthly surcharge on
20 each exchange access facility and CMRS connection is eight cents (8¢) per month,
21 effective for bills issued on or after January 1, 2004. The Department of Health and
22 Human Services must review the funding requirements of the telecommunications relay
23 service and the amount of revenue generated by the monthly surcharge by January 1,
24 2005. If the Department of Health and Human Services finds that the surcharge needs
25 to be revised, then it shall petition the Utilities Commission to revise it as provided in
26 G.S. 62-157(c).

27 **SECTION 3.** This act becomes effective January 1, 2004, and applies to
28 bills issued on or after that date.

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