ENGROSSED SENATE AMENDMENT
TO
ENGROSSED HOUSE
BILL NO. 2165

By: Echols, Hulbert, Ritze and McDaniel (Jeannie) of the House

and

Standridge of the Senate

An Act relating to telecommunications; amending 17 O.S. 2011, Section 139.105, which relates to the Oklahoma Lifeline Fund; prohibiting reimbursements from the Oklahoma Lifeline Fund for certain carriers until certain conditions are met; specifying conditions required for reimbursement; authorizing the Corporation Commission to adopt certain rules; allowing fines and penalties for certain actions; and declaring an emergency.

AMENDMENT NO. 1. Page 1, strike the title, enacting clause and entire bill and insert

"An Act relating to telecommunications; amending 17 O.S. 2011, Section 139.105, which relates to the Oklahoma Lifeline Fund; limiting program eligibility; defining term; prohibiting reimbursements without compliance with certain documentation; stating requirements for obtaining certain consumer information; stating procedures for reimbursement from certain fund; authorizing Corporation Commission to promulgate rules; authorizing assessment of fines for violations; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 17 O.S. 2011, Section 139.105, is amended to read as follows:

Section 139.105. A. Each local exchange telecommunications service provider who receives funding from the Oklahoma Lifeline Fund shall file tariffs with the Corporation Commission implementing a program to provide a full waiver of the End User Common Line Charge ~~and a credit equal to the End User Common Line Charge~~ on the monthly basic service rate of qualifying customers. Eligibility criteria for this program shall comply with the provisions of 47 C.F.R., Section 69.104(k)(1) and shall be limited to customers who:

1. Are eligible for or receive assistance or benefits, as certified by the Department of Human Services, under programs providing:

a. Temporary Assistance to Needy Families,

b. Food Stamps,

c. Medical Assistance, or

d. Supplemental Security Income;

2. Are eligible for or receive assistance or benefits, as certified by the State Department of Rehabilitation Services, under programs providing vocational rehabilitation, including, but not limited to, aid to the deaf or hard-of-hearing; or

3. Are eligible for or receive assistance or benefits, as certified by the Oklahoma Tax Commission, pursuant to the Sales Tax Relief Act.

B. There is hereby created within the Corporation Commission the "Oklahoma Lifeline Fund". The Commission shall administer and maintain the Oklahoma Lifeline Fund to help ensure that low-income Oklahomans are provided financial assistance in maintaining basic local exchange telecommunications service. Proceeds from the Oklahoma Lifeline Fund shall be distributed to all local exchange telecommunications service providers who are required to file lifeline tariffs.

C. The Oklahoma Lifeline Fund charges shall be levied, collected, and administered pursuant to Section 139.107 of this title. Telecommunications carriers may, at their option, recover from their retail customers who are not eligible for lifeline assistance, on an equitable basis, the amount of the lifeline charges paid by the carrier. The Oklahoma Lifeline Fund charges shall not be subject to state or local taxes or franchise fees.

D. An eligible telecommunications carrier may not receive reimbursements from the Oklahoma Lifeline Fund unless it demonstrates that its rates have been reduced by an amount equal to the amount of the Lifeline payments which have been previously included in the rate structure of the carrier. A carrier shall be eligible for support from the Oklahoma Lifeline Fund for any amount which is greater than the amount which has been previously included in the rate structure of the carrier.

E. After the effective date of this act, an eligible telecommunications carrier shall not receive reimbursements from the Oklahoma Lifeline Fund until it provides documentation in the approved format to the Director of the Public Utility Division of the Oklahoma Corporation Commission confirming its compliance with federal and state guidelines and rules and establishes an ongoing process for providing documentation in the approved format to the Director of the Public Utility Division of the Oklahoma Corporation Commission demonstrating that the eligible telecommunications carrier:

1. Is collecting and maintaining reliable records regarding the verification of initial and continued eligibility for Lifeline services; and

2. Is in compliance with the Oklahoma Corporation Commission and Federal Communications Commission rules and regulations for Lifeline services.

F. In order to satisfy the provisions of paragraph 1 of subsection E of this section, an eligible telecommunications carrier shall obtain in writing the following information from the customer seeking Lifeline service:

1. The customer's name;

2. The last four (4) digits of the customer's Social Security Number or Tribal Identification Number if the customer does not have a Social Security Number;

3. The customer's date of birth; and

4. The customer's billing address.

G. Additionally, an eligible telecommunications carrier seeking reimbursement from the Oklahoma Universal Service Fund for the provisioning of Lifeline service must obtain a certified statement in writing from the customer at the time Lifeline services are initially requested and on an annual basis thereafter that:

1. The customer seeking Lifeline services participates in one of the programs listed in subsection A of this section;

2. The telephone service location to which the certification applies is the customer's primary residential service address rather than a second home or business;

3. If in the future the customer no longer participates in or qualifies for at least one of the programs listed in subsection A of this section, the customer will notify the eligible telecommunications carrier within thirty (30) days;

4. The telephone service which is being requested is listed in the customer's legal name;

5. The customer is eighteen (18) years of age or older and is not claimed as a dependent on another person's tax return; and

6. The customer's residence will only receive one (1) Lifeline service benefit and, to the best of the customer's knowledge is not already receiving Lifeline service.

If the customer seeking Lifeline service does not have a primary residential address, the eligible telecommunications carrier seeking reimbursement from the Oklahoma Universal Service Fund for the provision of Lifeline service must obtain a certified statement in writing from the customer that the address provided is temporary and that the customer will recertify his or her temporary address every ninety (90) days.

H. In order to obtain reimbursement from the Oklahoma Universal Service Fund, the eligible telecommunications carrier must also obtain a certified statement in writing from the customer, at the time Lifeline services are initially requested and on an annual basis thereafter, that the customer has read, understands and acknowledges the following:

1. The eligible telecommunications carrier or its duly appointed representative has authorization to access any records required to verify the statements made by the customer in order to confirm continued participation in any of the programs listed in subsection A of this section, and authorizes representatives of those programs to discuss with and/or provide copies to the eligible telecommunications carrier or its duly appointed representative to verify the customer's eligibility for and participation in any of the programs listed in subsection A of this section; and

2. The eligible telecommunications carrier is authorized to transmit to any governmental entity or its designee handling a

Lifeline accountability database, the customer's full name, full residential address, date of birth, and the last four digits of the customer's Social Security Number or Tribal Identification Number if the customer does not have a Social Security Number, the telephone number associated with the Lifeline service provided, the date on which Lifeline service will or has begun, the date on which the Lifeline service ends, the amount of support sought by the company and the means through which one qualifies for program benefits. The customer must also acknowledge that transmission of this information is required to ensure the proper administration of the Lifeline program and that if the customer refuses to have this information transmitted to the administrator, he or she will be denied Lifeline service; and

3. The eligible telecommunications carrier seeking reimbursement from the Oklahoma Universal Service Fund for the provisioning of Lifeline services shall also note on the certified written statement obtained from the customer the name of the employee or representative who verified the customer's eligibility for Lifeline service and the type of documentation reviewed.

I. The Corporation Commission is authorized to promulgate rules necessary to implement the provisions of this section, including the establishment of fines of up to Ten Thousand Dollars ($10,000.00) per day per violation. A telecommunications carrier may be fined by the Oklahoma Corporation Commission for marketing practices

determined by an administrative law judge to be in violation of the Oklahoma Corporation Commission's rules and noncompliance with other provisions of the Oklahoma Lifeline Fund program rules, as the Oklahoma Corporation Commission may deem proper after notice and opportunity for hearing.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval."

Passed the Senate the 16th day of April, 2013.

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Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____, 2013.

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Presiding Officer of the House of Representatives

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SECTION 3. AMENDATORY 17 O.S. 2011, Section 139.105, is amended to read as follows:

Section 139.105 A. Each local exchange telecommunications service provider shall file tariffs with the Corporation Commission implementing a program to provide a full waiver of the End User Common Line Charge and a credit equal to the End User Common Line Charge on the monthly basic service rate of qualifying customers. Eligibility criteria for this program shall comply with the

provisions of 47 C.F.R., Section 69.104(k)(1) and shall be limited to customers who:

1. Are eligible for or receive assistance or benefits, as certified by the Department of Human Services, under programs providing:

a. Temporary Assistance to Needy Families,

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c. Medical Assistance, or

d. Supplemental Security Income;

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B. There is hereby created within the Corporation Commission the "Oklahoma Lifeline Fund". The Commission shall administer and maintain the Oklahoma Lifeline Fund to help ensure that low-income Oklahomans are provided financial assistance in maintaining basic local exchange telecommunications service. Proceeds from the Oklahoma Lifeline Fund shall be distributed to all local exchange telecommunications service providers who are required to file lifeline tariffs.

C. The Oklahoma Lifeline Fund charges shall be levied, collected, and administered pursuant to Section 139.107 of this title. Telecommunications carriers may, at their option, recover from their retail customers who are not eligible for lifeline assistance, on an equitable basis, the amount of the lifeline charges paid by the carrier. The Oklahoma Lifeline Fund charges shall not be subject to state or local taxes or franchise fees.

D. An eligible telecommunications carrier may not receive reimbursements from the Oklahoma Lifeline Fund unless it demonstrates that its rates have been reduced by an amount equal to the amount of the Lifeline payments which have been previously included in the rate structure of the carrier. A carrier shall be eligible for support from the Oklahoma Lifeline Fund for any amount which is greater than the amount which has been previously included in the rate structure of the carrier.

E. After the effective date of this act, an eligible telecommunications carrier shall not receive reimbursements from the Oklahoma Lifeline Fund until it provides documentation confirming compliance with federal and state guidelines and rules and establishes an ongoing process for providing documentation to the Corporation Commission demonstrating that the carrier:

1. Is collecting and maintaining reliable records regarding the verification of initial and continued eligibility for Lifeline services;

2. Is collecting and maintaining sufficient information to prevent a customer from receiving multiple Lifeline credits from carriers in Oklahoma; and

3. Is in compliance with the Commission and Federal Communications Commission rules and regulations for Lifeline services.

F. The Corporation Commission is authorized to adopt all necessary rules to implement the provisions of this section, including the establishment of fines and penalties. A telecommunications carrier may be fined or penalized by the Commission for marketing practices and noncompliance with the phone issuance provisions of the Oklahoma Lifeline Fund program, as the Commission may deem proper after notice and opportunity for hearing.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 6th day of March, 2013.

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Presiding Officer of the House
of Representatives

Passed the Senate the ___ day of _____, 2013.

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Presiding Officer of the Senate