

HOUSE BILL REPORT

SB 5999

As Reported by House Committee On:
Technology, Telecommunications & Energy
Appropriations

Title: An act relating to the Washington telephone assistance program.

Brief Description: Modifying the telephone assistance program.

Sponsors: Senators B. Sheldon, Fairley, Carlson, Snyder, Rossi, Costa, Eide, Kline and Winsley.

Brief History:

Committee Activity:

Technology, Telecommunications & Energy: 2/26/02, 2/28/02 [DP];
Appropriations: 3/2/02, 3/4/02 [DP].

Brief Summary of Bill

- Expands the eligibility for the Washington Telephone Assistance Program by including individuals who have just completed participation in community voice mail programs.

HOUSE COMMITTEE ON TECHNOLOGY, TELECOMMUNICATIONS & ENERGY

Majority Report: Do pass. Signed by 19 members: Representatives Morris, Chair; Ruderman, Vice Chair; Crouse, Ranking Minority Member; Anderson, Berkey, Bush, Casada, DeBolt, Delvin, Esser, Hunt, Linville, Lysen, Nixon, Pflug, Reardon, Romero, Sullivan and Wood.

Staff: Pam Madson (786-7166).

Background:

The Washington Telephone Assistance Program (WTAP) has been operating since 1987 to help provide telephone services to low-income residents of the state. The program provides for a reduced monthly charge for basic telephone service, discounts on connection fees, and waivers of deposits for local service. The WTAP is administered by the Department of Social and Health Services (DSHS).

Households are eligible for WTAP if they have an adult recipient of one or more types of public assistance administered by the DSHS. The program currently serves approximately 24 percent of eligible households.

The Washington Utilities and Transportation Commission sets the excise tax which funds the program. The excise tax is limited by statute to no more than 14 cents on all switched telephone lines in the state. The current excise tax is set at 13 cents and is collected from 55 telephone companies. The excise tax does not apply to wireless companies. In fiscal year 2001, the excise tax receipts collected from participating telephone companies were \$5.76 million, and program costs were \$5.95 million. The unreconciled fund balance at the end of the program year was \$7.6 million.

Community voice mail is a computerized telephone answering system that is housed in a lead public agency and is shared by other community service agencies. It allows agencies to provide clients with an individual telephone number and a voice mail box where they can record a personal message and access their messages through use of a code from any location. The service is provided to those who do not have traditional telephone service.

Ten communities in Washington currently operate community voice mail programs through local community action agencies. They serve low-income and homeless people who are searching for employment or housing, or are working under other case management plans.

Summary of Bill:

Recipients of community voice mail services are eligible to receive telephone services under the Washington Telephone Assistance Program (WTAP) after completing the use of community voice mail services. The period of eligibility includes the remainder of the current WTAP service year and the following service year.

Community service agencies that administer community voice mail programs must notify the Department of Social and Health Services of participants who are eligible for WTAP services.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Access to basic phone service helps people build a support system in their lives. They need to be able to find employment, child care, and contact case

workers. They need a place for people to call when they fill out applications for employment and housing. Usually individuals are homeless, or are low-income with debts piling up. Ten community voice mail programs currently operate in Washington state. The goal of agencies that participate in a community voice mail program is to help people become economically self-sufficient. The customers are low-income and are unable to afford basic phone service. Not all users of community voice mail are eligible for DSHS programs and as a result are not eligible for the Telephone Assistance Program. Some include those who receive veteran's assistance and are low-income and don't receive state benefits, low-income individuals who are single or who don't have children and do not qualify for state benefits, and those receiving federal housing assistance. There is a need to help individuals maintain the gains they have made using community voice mail by making available assistance with basic phone service. The Washington Telephone Assistance Program has a \$7.6 million ending fund balance. About \$1.5 million is outstanding bills to be paid, and by law there needs to be a \$3 million reserve. This has been a fluctuating balance over the years. There is more than enough to cover the cost impact of this bill. It does involve expansion of eligibility. Community action agencies will forward names of eligible clients to DSHS to include them in the Washington Telephone Assistance Program.

Testimony Against: None.

Testified: John O'Rourke, Spokane Neighborhood Action Programs; Eileen Bidwell, Seattle Community Voice Mail--Fremont Public Association; Chuck Schufreider, Snohomish County Community Voice Mail and Volunteers of America; Seth Dawson, Washington State Association for Community Action; and Tony Lee, Fremont Public Association.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 25 members: Representatives Sommers, Chair; Doumit, 1st Vice Chair; Fromhold, 2nd Vice Chair; Sehlin, Ranking Minority Member; Alexander, Boldt, Buck, Clements, Cody, Cox, Dunshee, Grant, Kagi, Kenney, Kessler, Linville, Lisk, Mastin, McIntire, Pearson, Pflug, Ruderman, Schual-Berke, Talcott and Tokuda.

Staff: Patricia Linehan (786-7178).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Technology, Telecommunications & Energy:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Community action agencies tend to administrate the community voice mail program, which is primarily available for people who are homeless, so that they can be in touch with housing, job or health care possibilities. The increased cost for this expansion of eligibility can easily be covered from within the available funds, without a fee or tax increase. Additionally, the Department of Social and Health Services can adjust administratively to reduce the assistance provided if the account begins to over-expend the fund. The clients who will be served with this expansion fall into three categories: 1) persons who are eligible for public assistance, but decline; 2) individuals or single couples who are eligible for food stamps, but decline; and 3) veterans qualified to receive veterans' benefits.

Testimony Against: None.

Testified: Seth Dawson, Washington State Association for Community Action.