

5600-S AMH ICEV H0954.1

SSB 5600 - H COMM AMD

By Committee on Innovation, Community & Economic Development, & Veterans

1 Strike everything after the enacting clause and insert the
2 following:

3 **"Sec. 1.** RCW 80.36.630 and 2019 c 365 s 11 are each amended to
4 read as follows:

5 (1) The definitions in this section apply throughout this section
6 and RCW 80.36.650 through 80.36.690 and 80.36.610 unless the context
7 clearly requires otherwise.

8 (a) "Basic residential service" means those services set out in
9 47 C.F.R. Sec. 54.101(a) (2011), as it existed on May 13, 2019, and
10 mandatory extended area service approved by the commission.

11 (b) "Basic telecommunications services" means the following
12 services:

13 (i) Single-party service;

14 (ii) Voice grade access to the public switched network;

15 (iii) Support for local usage;

16 (iv) Dual tone multifrequency signaling (touch-tone);

17 (v) Access to emergency services (911);

18 (vi) Access to operator services;

19 (vii) Access to interexchange services;

20 (viii) Access to directory assistance; and

21 (ix) Toll limitation services.

22 (c) "Broadband service" means any service providing advanced
23 telecommunications capability, including internet access and access
24 to high quality voice, data, graphics, or video.

25 (d) "Communications provider" means a provider of communications
26 services that assigns a working telephone number to a final consumer
27 for intrastate wireline or wireless communications services or
28 interconnected voice over internet protocol service, and includes
29 local exchange carriers.

30 (e) "Communications services" includes telecommunications
31 services and information services and any combination thereof.

1 (f) "Incumbent local exchange carrier" has the same meaning as
2 set forth in 47 U.S.C. Sec. 251(h).

3 (g) "Incumbent public network" means the network established by
4 incumbent local exchange carriers for the delivery of communications
5 services to customers that is used by communications providers for
6 origination or termination of communications services by or to
7 customers.

8 (h) "Interconnected voice over internet protocol service" means
9 an interconnected voice over internet protocol service that: (i)
10 Enables real-time, two-way voice communications; (ii) requires a
11 broadband connection from the user's location; (iii) requires
12 internet protocol-compatible customer premises equipment; and (iv)
13 permits users generally to receive calls that originate on the public
14 network and to terminate calls to the public network.

15 (i) "Program" means the state universal communications services
16 program created in RCW 80.36.650.

17 (j) "Telecommunications" has the same meaning as defined in 47
18 U.S.C. Sec. 153(43).

19 (k) "Telecommunications act of 1996" means the telecommunications
20 act of 1996 (P.L. 104-104, 110 Stat. 56).

21 (2) This section expires July 1, (~~2025~~) 2035.

22 **Sec. 2.** RCW 80.36.650 and 2019 c 365 s 12 are each amended to
23 read as follows:

24 (1) A state universal communications services program is
25 established. The program is established to protect public safety and
26 welfare under the authority of the state to regulate
27 telecommunications under Article XII, section 19 of the state
28 Constitution. The purpose of the program is to support continued
29 provision of basic telecommunications services under rates, terms,
30 and conditions established by the commission and the provision,
31 enhancement, and maintenance of broadband services, recognizing that,
32 historically, the incumbent public network functions to provide all
33 communications services including, but not limited to, voice and
34 broadband services.

35 (2) Under the program, eligible communications providers may
36 receive distributions from the universal communications services
37 account created in RCW 80.36.690 in exchange for the affirmative
38 agreement to provide continued telecommunications services under the
39 rates, terms, and conditions established by the commission under this

1 chapter, and broadband services, for the period covered by the
2 distribution. The commission must implement and administer the
3 program under terms and conditions established in RCW 80.36.630
4 through 80.36.690. Expenditures for the program may not exceed (~~five~~
5 ~~million dollars~~) \$5,000,000 per fiscal year; provided, however, that
6 if less than (~~five million dollars~~) \$5,000,000 is expended in any
7 fiscal year, the unexpended portion must be carried over to
8 subsequent fiscal years and, unless fully expended, must be available
9 for program expenditures in such subsequent fiscal years in addition
10 to the (~~five million dollars~~) \$5,000,000 allotted for each of those
11 subsequent fiscal years.

12 (3) A communications provider is eligible to receive
13 distributions from the account if:

14 (a)(i) The communications provider is: (A) An incumbent local
15 exchange carrier serving fewer than (~~forty thousand~~) 40,000 access
16 lines in the state; or (B) a radio communications service company
17 providing wireless two-way voice communications service and broadband
18 services to less than the equivalent of (~~forty thousand~~) 40,000
19 access lines in the state. For purposes of determining the access
20 line threshold in this subsection, the access lines or equivalents of
21 all wireline affiliates must be counted as a single threshold, if the
22 lines or equivalents are located in Washington;

23 (ii) The communications provider has adopted a plan to provide,
24 enhance, (~~or~~) and maintain broadband services in its service area;
25 and

26 (iii) The communications provider meets any other requirements
27 established by the commission pertaining to the provision of
28 communications services, including basic telecommunications services;
29 or

30 (b) The communications provider demonstrates to the commission
31 that the communications provider is able to provide the same or
32 comparable services at the same or similar service quality standards
33 at a lower price; and: (i) Will provide communications services to
34 all customers in the exchange or exchanges in which it will provide
35 service; and (ii) submits to the commission's regulation of its
36 service as if it were the incumbent local exchange company serving
37 the exchange or exchanges for which it seeks distribution from the
38 account.

39 (4)(a) Distributions to eligible communications providers are
40 based on criteria established by the commission.

1 (b) If the program does not have sufficient funds to fully fund
2 the distribution formula set out in (a) of this subsection,
3 distributions must be reduced on a pro rata basis using the amounts
4 calculated for that year's program support as the basis of the pro
5 rata calculations.

6 (c) To receive a distribution under the program, an eligible
7 communications provider must affirmatively consent to continue
8 providing communications services to its customers under rates,
9 terms, and conditions established by the commission pursuant to this
10 chapter for the period covered by the distribution.

11 (5) The program is funded from amounts deposited by the
12 legislature in the universal communications services account
13 established in RCW 80.36.690. The commission must operate the program
14 within amounts appropriated for this purpose and deposited in the
15 account.

16 (6) The commission must periodically review the accounts and
17 records of any communications provider that receives distributions
18 under the program to ensure compliance with the program and monitor
19 the providers' use of the funds.

20 (7) The commission must establish an advisory board, consisting
21 of a reasonable balance of representatives from different types of
22 stakeholders, including but not limited to communications providers
23 and consumers, to advise the commission on any rules and policies
24 governing the operation of the program.

25 (8) The program terminates on June 30, ((2024)) 2034, and no
26 distributions may be made after that date.

27 (9) This section expires July 1, ((2025)) 2035.

28 **Sec. 3.** RCW 80.36.660 and 2019 c 365 s 13 are each amended to
29 read as follows:

30 (1) To implement the program, the commission must adopt rules for
31 the following purposes and review them no less than every five years:

32 (a) Operation of the program, including criteria for: Eligibility
33 for distributions; use of the funds; identification of any reports or
34 data that must be filed with the commission, including, but not
35 limited to, how a communication provider used the distributed funds;
36 and the communications provider's infrastructure;

37 (b) Operation of the universal communications services account
38 established in RCW 80.36.690;

1 (c) Establishment of the criteria used to calculate
2 distributions; and

3 (d) Readoption, amendment, or repeal of any existing rules
4 adopted pursuant to RCW 80.36.610 as necessary to be consistent with
5 RCW 80.36.630 through 80.36.690 and 80.36.610.

6 (2) This section expires July 1, (~~2025~~) 2035.

7 **Sec. 4.** RCW 80.36.670 and 2019 c 365 s 14 are each amended to
8 read as follows:

9 (1) In addition to any other penalties prescribed by law, the
10 commission may impose penalties for failure to make or delays in
11 making or filing any reports required by the commission for
12 administration of the program. In addition, the commission may
13 recover amounts determined to have been improperly distributed under
14 RCW 80.36.650. For the purposes of this section, the provisions of
15 RCW 80.04.380 through 80.04.405, inclusive, apply to all companies
16 that receive support from the universal communications services
17 account created in RCW 80.36.690.

18 (2) Any action taken under this section must be taken only after
19 providing the affected communications provider with notice and an
20 opportunity for a hearing, unless otherwise provided by law.

21 (3) Any amounts recovered under this section must be deposited in
22 the universal communications services account created in RCW
23 80.36.690.

24 (4) This section expires July 1, (~~2025~~) 2035.

25 **Sec. 5.** RCW 80.36.680 and 2019 c 365 s 15 are each amended to
26 read as follows:

27 (1) The commission may delegate to the commission secretary or
28 other staff the authority to resolve disputes and make other
29 administrative decisions necessary to the administration and
30 supervision of the program consistent with the relevant statutes and
31 commission rules.

32 (2) This section expires July 1, (~~2025~~) 2035.

33 **Sec. 6.** RCW 80.36.690 and 2019 c 365 s 16 are each amended to
34 read as follows:

35 (1) The universal communications services account is created in
36 the custody of the state treasurer. Revenues to the account consist
37 of moneys deposited in the account by the legislature and any

1 penalties or other recoveries received pursuant to RCW 80.36.670.
2 Expenditures from the account may be used only for the purposes of
3 the universal communications services program established in RCW
4 80.36.650 and commission expenses related to implementation and
5 administration of the provisions of RCW 80.36.630 through 80.36.690
6 and section 212, chapter 8, Laws of 2013 2nd sp. sess. Only the
7 secretary of the commission or the secretary's designee may authorize
8 expenditures from the account. The account is subject to allotment
9 procedures under chapter 43.88 RCW, but an appropriation is not
10 required for expenditures.

11 (2) This section expires July 1, (~~2025~~) 2035.

12 **Sec. 7.** RCW 80.36.700 and 2019 c 365 s 17 are each amended to
13 read as follows:

14 (1) The universal communications services program established in
15 RCW 80.36.630 through 80.36.690 terminates on June 30, (~~2024~~) 2034.

16 (2) This section expires July 1, (~~2025~~) 2035."

17 Correct the title.

EFFECT: Requires a communications provider to have adopted a plan to provide, enhance, and maintain broadband services, instead of a plan to provide, enhance, or maintain broadband services, among other criteria, in order to be eligible for distributions. Requires the utilities and transportation commission to review rules adopted to implement the universal communications services program (program) no less than every five years. Makes a technical correction to one instance of the termination date of the program.

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