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LC02216/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2003

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A N A C T

RELATING TO PUBLIC UTILITIES AND CARRIERS

Introduced By: Senator Hanna M. Gallo

Date Introduced: February 26, 2003

Referred To: Senate Financial, Technology, Regulatory

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 39-1 of the General Laws entitled "Public Utilities Commission" is
2 hereby amended by adding thereto the following section:

3 **39-1-61. Rhode Island telecommunications education access fund.** - - (a) Definitions.
4 As used in this section, unless the context otherwise indicates, the following terms have the
5 following meanings.

6 (1) "Department of Education" means the Rhode Island Department of Elementary and
7 Secondary Education.

8 (2) "Telecommunications Education Access Fund" means the programs and funding
9 made available to qualified libraries and schools to assist in paying the costs of acquiring and
10 using telecommunications technologies, to access the internet.

11 (b) Purpose. The purpose of the Telecommunications Education Access Fund shall be to
12 fund a basic level of internet connectivity for all of the qualified schools (K through 12) and
13 libraries in the state.

14 (c) Authority. The commission shall establish, by rule or regulation, an appropriate
15 funding mechanism to recover the costs of providing telecommunications technology to access
16 the internet from the general body of rate payers:

17 (1) The commission shall determine the appropriate level of a monthly surcharge which
18 shall be levied upon each residence and business telephone access line or trunk in the state
19 including PBX trunks and centrex equivalent trunks and each line or trunk serving, and upon each

1 user interface number or extension number or similarly identifiable line, trunk, or path to or form
2 a digital network. The surcharge shall be billed by each telecommunications services provider and
3 shall be payable to the telecommunications services provider by the subscriber of the
4 telecommunications services.

5 (2) The amount of the surcharge shall not exceed thirty-five cents (\$.35) per access line
6 or trunk.

7 (3) The amount of the surcharge shall not be subject to the sales and use tax imposed
8 under general laws chapter 44-18 nor be included within the gross earnings of the
9 telecommunications corporation providing telecommunications service for the purpose of
10 computing the tax under general laws chapter 44-13.

11 (d) Administration. The department of education shall administer the telecommunications
12 education access fund. The department of education is authorized to contract with and
13 independent third-party, through the competitive bid process, to collect from the
14 telecommunications service providers, the amounts of the surcharge collected from their
15 subscribers in an interest bearing account and to disperse said funds in accordance with the
16 commission's directives.

17 (e) Annual Review. The commission shall conduct an annual review of the budget and
18 programs proposed by the department of education for the upcoming year and to set the funding
19 level for that year.

20 (f) The effective date of assessment for the Telecommunications Education Access Fund
21 shall be January 1, 2004.

22 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would establish the Rhode Island Telecommunications Education Access Fund.
- 2 This act would take effect upon passage.

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