

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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SENATE BILL 939

Short Title: Extend TRS Surcharge to Wireless Connections.

(Public)

Sponsors: Senator Kerr.

Referred to: Finance.

April 3, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO EXTEND THE SURCHARGE FOR THE TELECOMMUNICATIONS
3 RELAY SERVICE TO INCLUDE WIRELESS COMMUNICATIONS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 62-157 reads as rewritten:

6 "§ 62-157. Telecommunications relay service.

7 (a) Finding. – The General Assembly finds and declares that it is in the public
8 interest to provide access to public telecommunications services for hearing impaired or
9 speech impaired persons, including those who also have vision impairment, and that a
10 statewide telecommunications relay service for telephone service should be established.

11 (a1) Definitions. – For purposes of this section:

12 (1) CMRS. – Defined in G.S. 62A-21.

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

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

15 ~~(1)(4) "Exchange access facility" means the Exchange access facility. – The~~
16 ~~access from a particular telephone subscriber's premises to the~~
17 ~~telephone system of a local exchange telephone company, and includes~~
18 ~~local exchange company-provided access lines, private branch~~
19 ~~exchange trunks, and centrex network access registers, all as defined~~
20 ~~by tariffs of telephone companies as approved by the Commission.~~

21 ~~(2)(5) "Local service provider" means a Local service provider. – A local~~
22 ~~exchange company, competing local provider, or telephone~~
23 ~~membership corporation, or CMRS provider."~~

24 (b) Authority to Require Surcharge. – The Commission shall require local service
25 providers to impose a monthly surcharge on all residential and business local exchange
26 access facilities and CMRS connections to fund a statewide telecommunications relay
27 service by which hearing impaired or speech impaired persons, including those who
28 also have vision impairment, may communicate with others by telephone. This
29 surcharge, however, may not be imposed on participants in the Subscriber Line Charge

1 Waiver Program or the Link-up Carolina Program established by the Commission. This
2 surcharge, and long distance revenues collected under subsection (f) of this section, are
3 not includable in gross receipts subject to the franchise tax levied under G.S. 105-120 or
4 the sales tax levied under G.S. 105-164.4.

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

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

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

41 (f) Charge to Users. – The users of the telecommunications relay service shall be
42 charged their approved long distance and local rates for telephone services (including
43 the surcharge required by this section), but no additional charges may be imposed for
44 the use of the relay service. The local service providers shall collect revenues from the

1 users of the relay service for long distance services provided through the relay service.
2 These revenues shall be deposited in the special fund established in subsection (d) of
3 this section in a manner determined by the Commission after consulting with the State
4 Treasurer. Local service providers shall be compensated for collection, inquiry, and
5 other administrative services provided by said companies, subject to the approval of the
6 Commission.

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

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

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

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

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