

CHAPTER 7817
PUBLIC UTILITIES COMMISSION
TELEPHONE ASSISTANCE PLAN

7817 0100 DEFINITIONS
 7817 0200 PURPOSE AND CONSTRUCTION
 7817 0300 FUNDING
 7817 0400 ELIGIBILITY FOR TELEPHONE
 ASSISTANCE CREDITS
 7817 0500 CALCULATION OF CREDITS
 7817 0600 PROVISION AND TERMINATION OF
 CREDITS

7817 0700 ADJUSTMENT TO LEVEL OF
 SURCHARGE AND CREDITS
 7817 0800 FEDERAL TELEPHONE ASSISTANCE
 PLANS
 7817 0900 COMPANY RECORDING,
 REPORTING REQUIREMENTS
 7817 1000 APPEALS AND COMPLAINTS

7817.0100 DEFINITIONS.

Subpart 1. **Scope.** The terms used in this chapter have the meanings given them in this part.

Subp. 2. **Access line.** "Access line" means telephone company owned facilities furnished to permit switched access to the telecommunications network that extend from a central office to the demarcation point on the property where the subscriber is served. The term includes access lines provided to residential and business subscribers and includes centrex access lines on a trunk equivalent basis, but does not include private nonswitched or wide area telephone service access lines.

Subp. 3. **Commission.** "Commission" means the Minnesota Public Utilities Commission.

Subp. 4. **Department of Human Services.** "Department of Human Services" means the Minnesota Department of Human Services.

Subp. 5. **Department of Public Service.** "Department of Public Service" means the Minnesota Department of Public Service.

Subp. 6. **Federal matching plan.** "Federal matching plan" means the telephone assistance plan of the Federal Communications Commission in Code of Federal Regulations, title 47, part 69, that waives the federal access charge for eligible local telephone subscribers. This federal plan provides matching federal assistance to eligible households receiving assistance through a state telephone assistance plan.

Subp. 7. **Household.** "Household" means a subscriber, a subscriber's spouse, and the minor children with whom a subscriber resides.

Subp. 8. **Income.** "Income" has the meaning given it in Minnesota Statutes, section 290A.03, subdivision 3.

Subp. 9. **Local agency.** "Local agency" means a county or multicounty agency that is authorized under Minnesota Statutes, sections 393.01, subdivision 7, and 393.07, subdivision 2, to administer public assistance programs.

Subp. 10. **Local exchange service.** "Local exchange service" means telecommunication service provided within local exchange service areas in accordance with the tariffs. It includes the use of exchange facilities required to establish connections between stations within the exchange and between stations and the toll facilities serving the exchange. It also includes extended area service that is interexchange calling for which a message toll charge is not assessed.

Subp. 11. **Permanent changes.** "Permanent changes" means changes in eligibility that are expected to continue for 12 months or more. These changes include increased income, change of residence, or death of the subscriber.

Subp. 12. **Public assistance programs.** "Public assistance programs" means programs administered by local agencies to provide financial assistance to needy individuals.

Subp. 13. **Subscriber.** "Subscriber" means a person in whose name local exchange telecommunications service is provided by a telephone company.

Subp. 14. **Telephone assistance credits.** "Telephone assistance credits" means the credits applied to reduce the local telephone rates of residential households that qualify under the telephone assistance plan.

Subp. 15. **Telephone assistance plan.** "Telephone assistance plan" means the plan required by Minnesota Statutes, sections 237.69 to 237.72, and set out in this chapter.

Subp. 16. **Telephone company.** "Telephone company" has the meanings given it in Minnesota Statutes, section 237.01, subdivisions 2 and 3, that provides local exchange telephone service.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0200 PURPOSE AND CONSTRUCTION.

The purpose of this chapter is to develop and implement a statewide telephone assistance plan to provide telephone assistance credits to reduce the local telephone rates of eligible residential households, to be jointly administered by the commission, the Department of Human Services, and the telephone companies. The purpose of this chapter is also to permit the implementation of federal telephone assistance plans so that the state's local telephone customers are afforded the opportunity to acquire the benefits of these federal plans.

This chapter is to be liberally construed to further these purposes.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0300 FUNDING.

Subpart 1. **Uniform statewide monthly surcharge.** The telephone assistance plan must be funded through the assessment of a uniform recurring monthly surcharge applicable to all classes and grades of access lines provided by each telephone company in the state. The initial surcharge must be assessed beginning with the first billing cycle occurring immediately after the effective date of this part. The commission shall determine the level of the surcharge on an annual basis no later than November 30 of each year beginning with the first billing cycle of the calendar year. The surcharge must be calculated based on the following criteria:

A. the revenue generated by the surcharge must not exceed \$2,500,000 on a statewide basis;

B. the statewide \$2,500,000 must be apportioned between telephone companies based on their relative number of access lines; and

C. the surcharge level must be uniform statewide.

Subp. 2. **Use of surcharge revenues.** A telephone company shall bill the surcharge and collect the surcharge revenues. The telephone company shall use those revenues to extend credits to eligible subscribers under the telephone assistance plan. The company shall also use the surcharge revenues to cover its administrative expenses associated with the telephone assistance plan. The telephone company shall remit, with its quarterly report, excess surcharge revenues to the commission to become part of the statewide surcharge revenue pool.

Subp. 3. **Statewide surcharge revenue pool.** Excess surcharge revenues remitted by the telephone companies to the commission must be placed in a statewide surcharge revenue pool to be administered by the commission. The commission shall use the surcharge revenue pool funds:

A. for full or partial reimbursement of its reasonable administrative expenses associated with the telephone assistance plan; and

B. to reimburse a telephone company, within 60 days of receipt of the company's quarterly report, reasonable expenses and telephone assistance credits associated with the telephone assistance plan and not covered by the surcharge revenues collected by the telephone company.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0400 ELIGIBILITY FOR TELEPHONE ASSISTANCE CREDITS.

Subpart 1. Information provided. On request, the local agency shall offer to a person an application form developed by the Department of Human Services and a brochure that describes the telephone assistance plan's eligibility requirements and application process.

Subp. 2. Application process. On completing the application stating income within the guidelines, the applicant must return it to the telephone company for enrollment in the telephone assistance plan. An application may be made by the subscriber, the subscriber's spouse, or a person authorized by the subscriber to act on the subscriber's behalf.

Subp. 3. Documenting, verifying, and reviewing eligibility. A local agency shall verify the income of an applicant and the applicant's spouse. When a condition of eligibility changes, and at each redetermination of eligibility, the local agency may verify income.

A. In a timely manner, an applicant or recipient shall document income or authorize the local agency to verify the income. The local agency shall help an applicant or recipient obtain documents that the applicant or recipient does not possess and cannot obtain. Information previously verified and retained by the local agency must not be verified again unless the information no longer applies to current circumstances.

B. The local agency shall not request information about an applicant or recipient that is not of public record from a source other than local agencies or the Department of Human Services without the applicant's or recipient's prior written consent. The local agency may request information about an applicant or recipient that is not of public record from the telephone companies by obtaining the applicant's or recipient's prior written consent on an application or recertification form. The local agency shall not provide third parties with access to information about an applicant's or recipient's eligibility status or other case record information without the prior written consent of that applicant or recipient, except where access to specific case information is granted to agencies designated by the Minnesota Government Data Practices Act, Minnesota Statutes, chapter 13. Information designated as confidential by the Minnesota Government Data Practices Act may only be made available to agencies granted access under that law and must not be provided to an applicant, recipient, or third party.

C. The local agency shall inform the recipient of the recipient's responsibility to report permanent changes in circumstances that affect eligibility within ten days of each change.

Subp. 4. Eligibility criteria. To be eligible for a telephone assistance credit:

A. the household must not be in receipt of assistance for telephone service under any other state public assistance program;

B. the subscriber must be 65 years of age or older; and

C. the subscriber must reside in Minnesota or has moved to Minnesota and intends to remain.

Subp. 5. Income. To determine eligibility, a local agency shall evaluate income received by household members. All payments must be counted as income if listed in Minnesota Statutes, section 290A.03, subdivision 3. Maximum total annual household income must not exceed:

- A. when the size of the household is one, \$7,862;
- B. when the size of the household is two, \$10,281;
- C. when the size of the household is three, \$12,699;
- D. when the size of the household is four, \$15,118; or
- E. when the size of the household is more than four, \$15,118 plus, for each additional household member, \$2,419.

For the purpose of calculating income under this subpart, household income does not include the income of minor children.

Subp. 6. Local agency responsibilities. On receiving notification of an application from the telephone company, the local agency shall determine the applicant's eligibility or ineligibility within 120 days. At the end of every 12-month period, the local agency shall redetermine eligibility.

Subp. 7. Applicant and recipient responsibilities. An applicant shall provide current information on an application form about circumstances that permanently affect the applicant's eligibility. At least 30 days before the end of every 12-month period, the recipient shall complete a recertification form required for the redetermination of eligibility.

Subp. 8. Notices. An applicant or recipient must be notified of the disposition of the application in the following manner.

A. If an applicant or recipient is found eligible, the local agency shall notify the telephone company.

B. If eligible, the telephone company shall notify the applicant or recipient by placing telephone assistance credits on the bill.

C. If an applicant is denied eligibility or a recipient's eligibility is terminated, the local agency shall notify the applicant or recipient in writing of the reasons for the denial or termination, of the right to appeal, and of the right to reapply.

D. If an applicant is denied eligibility or a recipient's eligibility is terminated, the local agency shall notify the telephone company.

E. Sixty days before the end of every 12-month period, the local agency shall notify the recipient of the need to redetermine eligibility.

Subp. 9. Denial or termination of eligibility. A local agency shall deny or terminate eligibility for telephone assistance credits if income limits permanently exceed the maximums described in subpart 5, or the local agency is notified of permanent changes in basic eligibility requirements.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0500 CALCULATION OF CREDITS.

The commission shall establish the level of telephone assistance plan credits for each telephone company on an annual basis no later than November 30 of each year to be effective for the subsequent calendar year. The credits must be calculated based on the following criteria:

A. the credits must not exceed the amount of credit available under the federal matching plan;

B. the credits must not exceed more than 50 percent of the weighted average of the local exchange rate charged for local exchange service provided to the household by that household's telephone company;

C. the credits must not exceed the level of credits that can actually be funded in accordance with the surcharge limitations in part 7817.0300; and

D. the level of credits must be uniform for each company statewide.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0600 PROVISION AND TERMINATION OF CREDITS.

Subpart 1. Provision of credits. A telephone company shall apply telephone assistance credits against monthly charges for each certified household. Telephone assistance credits must be made available within 90 days after the date the surcharge is first assessed. A telephone company shall apply telephone assistance credits to an applicant's earliest possible billing cycle but no later than the applicant's second billing cycle after enrollment in the telephone assistance plan.

Subp. 2. Termination of credits. After the telephone company receives an application from an applicant or a termination notice from the local agency, the telephone company shall proceed according to items A and B.

A. A telephone company shall cease credits at the end of every 12 month period by billing cycle when notified by the local agency that ineligibility has been determined.

B. A telephone company shall cease credits before the end of the 12 month period when notified by the local agency that eligibility has been permanently terminated. When so notified, the credit ends with the start of the telephone company's billing cycle beginning in the month after the month in which the company is notified.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0700 ADJUSTMENT TO LEVEL OF SURCHARGE AND CREDITS.

When it appears to the commission that the revenue generated by the maximum level of surcharge permitted under part 7817.0300 will be inadequate to fund a particular level of telephone assistance credits, the commission by official order and on 30 days' notice to the telephone companies, shall reduce the credits to a level that can be adequately funded by the maximum level of surcharge. Similarly, the commission by official order and on 30 days' notice to the telephone companies, may increase the level of the telephone assistance plan credits that are available or reduce the surcharge to a level and for a period of time that will prevent an unreasonable overcollection of surcharge revenues.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0800 FEDERAL TELEPHONE ASSISTANCE PLANS.

The telephone assistance plan must be combined with the existing federal matching plan. Telephone companies shall participate in both plans. If and when other federal telephone assistance plans are developed, the commission shall seek outside comment on those plans and review each plan and the comments submitted by interested persons. After appropriate proceedings, the commission shall determine whether to incorporate those plans into the telephone assistance plan and require telephone companies to participate.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.0900 COMPANY RECORDING, REPORTING REQUIREMENTS.

Subpart 1. Records to be maintained. A telephone company shall maintain adequate records of surcharge revenues, expenses, and credits related to the telephone assistance plan.

Subp. 2. Quarterly report. No later than 30 days after the end of each calendar year quarter, a telephone company shall file a quarterly report with the commission and the Department of Public Service for review. With the quarterly report, the telephone company shall submit a check to the commission in the amount of the excess surcharge revenues collected during that quarter. The quarterly report must list, quarterly and cumulatively for the year:

MINNESOTA RULES 1988

19

TELEPHONE ASSISTANCE PLAN 7817.1000

- A. the surcharge revenues collected by the telephone company;
- B. the number of access lines billed the surcharge;
- C. itemized telephone assistance plan expenses incurred by the company;
- D. the amount of excess surcharge revenues collected;
- E. the amount of surcharge revenue deficiency;
- F. the amount of reimbursement from the federal matching plan applied for or received;
- G. the number of subscribers that received credits under the telephone assistance plan and the number of subscribers that were given waivers under the federal matching plan; and
- H. the monetary amount of credits extended by the telephone company under the telephone assistance plan and the monetary amount of waivers given under the federal matching plan.

This report must be made on a form prescribed by the commission.

Subp. 3. Annual report. No later than 30 days after the end of a calendar year, a telephone company shall file a year-end report with the commission and the Department of Public Service. The cumulative fourth quarter report provided under subpart 2 may serve as the annual report. This report must be a financial report and accounting for the telephone company's experience under the telephone assistance plan. The report must also be adequate to satisfy the reporting requirements of the federal matching plan.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*

7817.1000 APPEALS AND COMPLAINTS.

Subpart 1. Appeal after termination or denial of eligibility. An applicant or recipient who is denied or terminated telephone assistance credits has the right to appeal. Appeal hearings must be conducted at a reasonable time, date, and place by an impartial referee employed by the Department of Human Services. An applicant or recipient may introduce evidence relevant to the issues on appeal. Recommendations of an appeals referee to the designee of the commissioner of the Department of Human Services must be based on evidence introduced at the hearing and are not limited to a review of the propriety of a local agency's action.

Subp. 2. Complaint procedure. Complaints against the telephone companies regarding the telephone assistance plan may be referred to the commission. Complaints against telephone companies regarding the telephone assistance plan must be investigated by the Department of Public Service. The Department of Public Service shall report the status of its investigation to the commission within 45 days of receipt of the complaint.

Statutory Authority: *MS s 237.69 to 237.72*

History: *12 SR 1256*