

CHAPTER 7817
PUBLIC UTILITIES COMMISSION
TELEPHONE ASSISTANCE PLAN

<p>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.</p>	<p>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.</p>
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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. 3a. **Department of Administration.** "Department of Administration" means the Minnesota Department of Administration.

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. 5a. **Disabled.** "Disabled" has the meaning given it in Minnesota Statutes, section 363.01, subdivision 13.

Subp. 6. **Federal matching plan.** "Federal matching plan" means any telephone assistance plan of the Federal Communications Commission, including the federal plan in Code of Federal Regulations, title 47, part 69, that waives the federal interstate 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 telephone service provided within local exchange service areas in accordance with telephone company 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. 12a. **Service order record change charge.** "Service order record change charge" means the fee that a telephone company charges to a subscriber for making a change in the subscriber's billing record for local service.

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

Subp. 13a. **TAP enrollment charge.** "TAP enrollment charge" means the administrative cost to a telephone company of enrolling each new participant in the telephone assistance program as determined under part 7817.0300, subpart 5.

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. 14a. **Telephone assistance fund.** "Telephone assistance fund" means a statewide surcharge revenue pool created by Laws of Minnesota 1988, chapter 621, section 16.

Subp. 15. **Telephone assistance plan or TAP.** "Telephone assistance plan" or "TAP" 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 in Minnesota Statutes, section 237.01, subdivisions 2 and 3, and also means a company that provides local exchange service.

Statutory Authority: *MS s 237.10; 237.69 to 237.711*

History: *12 SR 1256; 13 SR 2283; L 1990 c 567 s 10; 15 SR 2734*

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 exchange service 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 237.10; 237.69 to 237.711*

History: *12 SR 1256; 13 SR 2283*

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, not to exceed ten cents per access line, applicable to all classes and grades of access lines provided by each telephone company in the state. Each telephone company may assess the surcharge per access line, combine the surcharge with the charges for other programs such as the emergency 911 telephone service, or include the surcharge in existing or future rates. The initial surcharge must be assessed beginning with the first billing cycle occurring immediately after December 29, 1987. The commission shall determine the level of the surcharge on an annual basis no later than November 30 of each year. The recalculated surcharge must be effective beginning with the first billing cycle of the next calendar year.

Subp. 2. **Collection of surcharge revenues.** A telephone company shall bill the surcharge and collect the surcharge revenues. At the time of reporting under part 7817.0900, subpart 3, item H, a telephone company shall notify the commission if a subscriber does not pay the surcharge.

Subp. 3. **Use of surcharge revenues and fund.** A telephone company shall remit, under Minnesota Statutes, section 403.11, surcharge revenues to the Department of Administration for deposit in the telephone assistance fund. The commission shall use the money in the telephone assistance fund to:

A. reimburse the telephone assistance credits extended by a telephone company within 60 days of the deadline for filing the telephone company's report under part 7817.0900 or the date the report is filed, whichever occurs later;

MINNESOTA RULES 1993

657

TELEPHONE ASSISTANCE PLAN 7817.0300

B. reimburse the administrative expenses of the Department of Human Services not to exceed the amount specified in Minnesota Statutes, section 237.701;

C. reimburse the administrative expenses of the commission not to exceed the amount specified in Minnesota Statutes, section 237.701; and

D. reimburse a telephone company's administrative expenses in accordance with subpart 4.

Subp. 4. Reimbursing telephone company expenses. The commission shall reimburse telephone company expenses as provided in items A to E.

A. The commission shall reimburse only with money in the telephone assistance fund.

B. The commission shall not reimburse the expenses of collecting the surcharge.

C. The commission shall not reimburse expenses under this subpart unless the telephone company has filed a report that complies with part 7817.0900. The commission shall reimburse the telephone company within 60 days after the deadline for filing its report under part 7817.0900 or the date the report is filed, whichever occurs later.

D. A telephone company with five or more new TAP participants enrolled during the reporting period for which reimbursement is sought must be reimbursed for expenses actually incurred and claimed up to an amount no greater than the number of new participants enrolled during the reporting period times one of the following:

- (1) the company's tariffed service order record change charge; or
- (2) the company's tariffed TAP enrollment charge determined under subpart

5.

E. A telephone company with fewer than five new TAP participants enrolled during the reporting period for which reimbursement is sought must be reimbursed for expenses actually incurred and claimed up to an amount no greater than five times one of the following:

- (1) the company's tariffed service order record change charge; or
- (2) the company's tariffed TAP enrollment charge determined under subpart

5.

Subp. 5. TAP enrollment charge. A telephone company may petition the commission to establish a TAP enrollment charge for the company, which may differ from the company's service order record change charge. The TAP enrollment charge must be determined according to items A and B.

A. A company's petition to establish a TAP enrollment charge must include financial and cost-study information adequate to support the company's proposed TAP enrollment charge. The commission may accept, modify, or reject the company's petition.

B. A TAP enrollment charge must be based exclusively on the cost of one or more of the following company activities directly related to administering TAP:

- (1) responding to customer inquiries regarding TAP;
- (2) mailing TAP applications to customers;
- (3) changing manual or computerized customer records and billing systems to reflect the addition or removal of a customer's TAP credit;
- (4) sending annual notice of TAP to all subscribers;
- (5) notifying the Department of Human Services of customers added to or removed from TAP;
- (6) removing customers from TAP when declared ineligible by the Department of Human Services;
- (7) storing TAP applications;
- (8) remitting surcharge revenues to the Department of Administration as required by part 7817.0300, subpart 3; and
- (9) reporting to the Public Utilities Commission and Department of Public Service under part 7817.0900, subparts 2 to 4.

Subp. 6. Absence of TAP enrollment service charge. If a telephone company does not have a tariffed TAP enrollment charge when claiming reimbursement for TAP-related ex-

penses, the maximum reimbursement allowed must be based on the company's service order record change charge as provided in subpart 4, item D, subitem (1); or item E, subitem (1).

Statutory Authority: *MS s 237.10; 237.69 to 237.711*

History: *12 SR 1256; 13 SR 2283; 15 SR 2734*

7817.0400 ELIGIBILITY FOR TELEPHONE ASSISTANCE CREDITS.

Subpart 1. Information provided. Each telephone company shall annually mail a notice of the availability of the telephone assistance plan to each residential subscriber in a regular billing. The notice must state the following: You may be eligible for assistance in paying your telephone bill if you meet certain household income limits, and you are 65 years of age or older or are disabled. For more information or an application form please contact On request, the telephone company shall mail 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 certifying that the statutory criteria for eligibility are satisfied, 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. The Department of Human Services or a local agency shall verify whether the applicant is eligible.

When a condition of eligibility changes, and at each redetermination of eligibility, the Department of Human Services or a local agency shall verify eligibility.

A. In a timely manner, an applicant or recipient shall document income or authorize the Department of Human Services or a local agency to verify the income. The Department of Human Services or a 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 Department of Human Services or a local agency must not be verified again unless the information no longer applies to current circumstances.

B. The Department of Human Services or a 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 Department of Human Services or a 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 Department of Human Services or a 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 the Department of Human Services or local 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 Department of Human Services or a 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 the applicant must certify that:

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

B. the subscriber is disabled or 65 years of age or older;

C. the subscriber resides in Minnesota or has moved to Minnesota and intends to remain; and

D. the household income satisfies the criteria in subpart 5.

Subp. 5. Income. To determine eligibility, the Department of Human Services or 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.

The applicant's household income must be 150 percent or less of the federal poverty income guidelines, as published periodically in the Federal Register, or the applicant must be currently eligible for:

- A. aid to families with dependent children;
- B. medical assistance;
- C. general assistance;
- D. Minnesota supplemental aid;
- E. food stamps;
- F. refugee cash assistance or refugee medical assistance;
- G. energy assistance; or
- H. supplemental security income.

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

Subp. 6. Agency responsibilities. On receiving notification of an application from the telephone company, the Department of Human Services or a local agency shall determine the applicant's eligibility or ineligibility within 120 days. At least once in every 12-month period, the Department of Human Services or a local agency shall redetermine eligibility.

Subp. 7. Applicant and recipient responsibilities. An applicant shall provide current information about circumstances that permanently affect the applicant's eligibility.

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

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

B. If an applicant is denied eligibility or a recipient's eligibility is terminated, the Department of Human Services or a 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.

C. If an applicant is denied eligibility or a recipient's eligibility is terminated, the Department of Human Services or a local agency shall notify the telephone company.

D. The Department of Human Services or a local agency shall notify the recipient of the need to verify eligibility and shall allow at least 30 days for the recipient to respond.

Subp. 9. Ineligibility. The Department of Human Services or a local agency shall determine that a recipient is ineligible if (1) the recipient does not meet the eligibility criteria of subpart 4, (2) the recipient does not respond within 30 days to a request for verification under subpart 8, item D, or (3) the Department of Human Services or a local agency is notified of permanent changes in basic eligibility requirements that result in ineligibility.

Statutory Authority: *MS s 237.10; 237.69 to 237.711*

History: *12 SR 1256; 13 SR 2283*

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 237.711*

History: *12 SR 1256*

7817.0600 PROVISION AND TERMINATION OF CREDITS.

Subpart 1. **Provision of credits.** After a telephone company receives an application for telephone assistance credits, the company shall enroll the applicant in the telephone assistance plan and shall apply telephone assistance credits against monthly charges for each certified household. 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 certification in the telephone assistance plan.

Subp. 2. **Termination of credits.** After the telephone company enrolls an applicant in the telephone assistance plan, the company shall cease credits when notified by the Department of Human Services that ineligibility has been determined or when local exchange service ends. 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 237.10; 237.69 to 237.711*

History: *12 SR 1256; 13 SR 2283*

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 237.711*

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 237.711*

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. **Reporting requirements.** A telephone company shall file at its option either quarterly or monthly reports with the commission and the Department of Public Service for review. A telephone company with 100 or fewer subscribers may file an annual report under subpart 4 rather than filing quarterly or monthly reports. Quarterly reports are due no later than 30 days after the end of each quarter of a calendar year. Monthly reports are due no later than 30 days after the end of each calendar month. The reports must be made on a form prescribed by the commission.

Subp. 3. **Contents of report.** The quarterly or monthly reports must list the following items for that reporting period and cumulatively for the year:

- 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 reimbursement requested from the telephone assistance fund;
- E. the amount of reimbursement from the federal matching plan applied for or received;
- F. 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;
- G. 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; and
- H. a list of the subscribers who did not pay the surcharge.

These reports must be made on forms prescribed by the commission.

Subp. 4. 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. A telephone company with 100 or fewer subscribers that files only an annual report must include the information required by subpart 3 in its annual report. Depending on the reporting option chosen under subpart 2, a cumulative year-end monthly or quarterly report provided under subpart 3 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 237.10; 237.69 to 237.711*

History: *12 SR 1256; 13 SR 2283*

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 237.711*

History: *12 SR 1256*