

By Mr. Serra of Boston, petition of Emanuel G. Serra for legislation to assure universal telephone service throughout the Commonwealth. Government Regulations.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Eighty-Eight.

AN ACT TO ASSURE UNIVERSAL TELEPHONE SERVICE THROUGHOUT THE COMMONWEALTH OF MASSACHUSETTS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. (a) The Massachusetts General Court finds  
2 that —

3 (1) the fifty-year effort to bring affordable and universally  
4 available telephone service to the public has served the Nation and  
5 the Commonwealth of Massachusetts well;

6 (2) universal telephone service has contributed to the Nation's  
7 and the Commonwealth of Massachusetts' economic, social, and  
8 political integration and development;

9 (3) the public benefits from universal telephone service because  
10 each telephone subscriber receives a more valuable service when  
11 virtually anyone else in the country can be called; and

12 (4) significant rate increases will threaten universal service by  
13 forcing many residents of Massachusetts, especially the poor, the  
14 elderly, the handicapped, and those living in high-cost urban and  
15 rural areas, to discontinue their telephone service.

16 (b) The purposes of this Act are —

17 (1) to assure the availability to all the people of the  
18 Commonwealth of Massachusetts affordable, reliable, efficient  
19 communication services which are essential to full participation  
20 in the economic, political, and social life of this Commonwealth;  
21 and

22 (2) to assure that the costs of maintaining such availability of  
23 services are equitably allocated among all users and providers of  
24 communication services who benefit from the availability of such  
25 services.

1 SECTION 2. Definitions

2 (a) the term "exchange area" means the geographic area within  
3 which telephone service is provided;

4 (b) the term "exchange carrier" means a carrier authorized to  
5 provide telephone exchange service on a universal basis within an  
6 exchange area;

7 (c) the term "lifeline service" means telephone service for any  
8 residential subscriber which is offered for a single, discounted  
9 charge and under which a subscriber can make an unlimited  
10 number of calls within the exchange area in which such service  
11 is offered;

12 (d) the term "end-user common line charge" means a charge  
13 assessed upon any customer of telephone exchange service to  
14 recover the intrastate portion of non-traffic sensitive costs;

15 (e) the term "non-traffic sensitive costs" means facilities and  
16 equipment costs which do not vary with usage;

17 (f) the term "flat rate service" means a rate structure which  
18 charges customers one fixed monthly rate for calls within the  
19 exchange area, regardless of frequency, time, duration or  
20 destination of the calls;

21 (g) the term "local measured service" means a rate structure  
22 which charges customers for calls within an exchange area on the  
23 basis of one, all, or any combination of the following: number  
24 of calls made; time of day the call is placed; duration of the call;  
25 and destination of the call.

1 SECTION 3. Lifeline service

2 (a) The D.P.U. shall establish rules for the provision of lifeline  
3 telephone service by exchange carriers. Such rules shall provide  
4 that —

5 (1) lifeline service may only be provided for the principal  
6 residence of a household.

7 (2) a household may not have more than one lifeline telephone  
8 service line; and

9 (3) any household receiving such service may not receive any  
10 other exchange telephone service.

11 (b) Any charge for lifeline telephone service shall not be based  
12 on time of day, the duration, or the destination of the calls placed  
13 within the exchange area.

14 (c) The D.P.U. shall restrict eligibility for such service on the  
15 basis of low-income criteria. In establishing such criteria, the  
16 D.P.U. shall take into account the composition of the low-income  
17 population of the Commonwealth, and specifically consider the  
18 needs of the elderly, single heads of households, the unemployed  
19 and the disabled.

20 (d) Any charge for lifeline telephone service shall recover no  
21 more than 50 per centum of an exchange carrier's average charges  
22 per residential subscriber of providing telephone exchange service  
23 to residential subscribers.

1 SECTION 4. Residential intrastate access charges

2 (a) The D.P.U. shall not approve or assess any end-user  
3 common line charge on any residential subscriber of telephone  
4 exchange service.

1 SECTION 5. Residential flat rate service

2 (a) The D.P.U. shall assure that telephone exchange carriers  
3 providing telephone service in the Commonwealth continue to  
4 make available and maintain an affordable flat rate service option  
5 to residential subscribers.

6 (b) The D.P.U. shall endeavor to assure that the goals of  
7 universal service, and the policies expressed in Sec. 1 of this Act,  
8 are prompted by its determinations regarding the rates and  
9 conditions approved for such flat rate service.

1 SECTION 6. Local measured service for residential  
2 subscribers

3 (a) The D.P.U. shall not consider proposals made by any  
4 telephone exchange carrier to provide new local measured service  
5 to residential subscribers in the Commonwealth, or to amend  
6 existing tariffs concerning local measured service options  
7 currently offered to residential subscribers, unless such proposals



8 include an analysis and evaluation of the impact that local  
9 measured service would have on the average monthly bills and  
10 established telephone usage patterns of residential subscribers,  
11 and its impact on universal telephone service in the  
12 Commonwealth.

13 (b) The D.P.U. shall consider the above described analysis and  
14 evaluation and shall determine that the goal of affordable  
15 universal telephone service is furthered by such a proposal before  
16 allowing a telephone exchange carrier to provide new local  
17 measured service to residential subscribers, or before approving  
18 any proposed tariff changes for local measured service options  
19 currently offered to residential subscribers.