

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

5422 SLAB SJR 64 - HB 23

994

FORT WAINWRIGHT HANDICAPPED ACCESS BLDG 1045
Project No. DAKF70-87-B-0104
Owner U S Army
Contractor JC Company (\$149,930)

FORT WAINWRIGHT BASSETT ARMY HOSPITAL WINDOW REPLACEMENT
Project No. DAKF70-87-B-0121
Owner U S Army
Contractor Johnson Company (\$369,400)

FORT WAINWRIGHT REPAIR BLDG 1555
Project No. DACA85-87-B-0043
Owner Corps of Engineers
Contractor Neal & Company (\$4,309,000)

FORT WAINWRIGHT RENOVATE BASSETT HOSPITAL
Project No. DACA85-87-B-0070
Owner Corps of Engineers
Contractor Western Mechanical (\$737,950)

FORT WAINWRIGHT REROOF BUILDINGS
Project No. DACA85-87-B-0072
Owner Corps of Engineers
Contractor Weatherguard Roofing (\$494,869)

FORT WAINWRIGHT REPAIR/RENOVATE OFFICES BLDG 1557
Project No. DAKF70-87-B-0122
Owner U S Army
Contractor Gaston & Associates (\$2,444,840)

GALENA AIR FORCE STATION ELECTRIC POWER
Project No. F65517-87-R0002
Location Galena, Ak.
Owner U. S. Air Force
Amount unknown

U. S. Air Force, HQ AAC/LG
PO Box 758, Elmendorf AFB, Ak. 99506-0758
(907) 552-2420

GALENA AFS AIRFIELD PAVEMENTS REPAIR
Project No. DACA85-B-0019
Location Galena, Ak.
Owner Corps of Engineers
\$10 million +
Contractor M-B Contracting (\$7,171,921)

GALENA AFS RELOCATE DORMITORIES
Project No. DACA85-87-B-0022
Location Galena AFS, Ak.
Owner Corps of Engineers
\$250,000 - \$500,000 100% small business set-aside
Contractor GLI (\$364,740)

GALENA AFB MAINTAIN/REPAIR DIESEL PIPELINES & TANKS

Project No. F65501-87-B0084

Owner U S Air Force

\$1 - 5 million

Contractor Western Ak Contractors (\$4,187,000)

GALENA AFS REPAIR SUPPLY FACILITY BLDG 1769

Project No. F65501-87-B0079

Owner USAF

Contractor Wolverine Supply (\$172,000)

JUNEAU U S COAST GUARD PAINT EXTERIOR SURFACES BLDGS 30, 26, 2 & 515

Project No. DTCG35-87-B-70014

Owner U S Coast Guard

\$100,000 - 250,000 100% small business set-aside

Contractor MZP Inc. (\$117,909)

KETCHIKAN USCG BASE UPH FACILITY

Project No. DTCG50-87-B-00096

Owner U S Coast Guard

Amount unknown 100% small business set-aside

Contractor MZP Inc. (\$2,041,200)

KETCHIKAN USCG BREAKWATER CONSTRUCTION

Project No. DTCG50-87-R-00102

Owner U S Coast Guard

\$250,000 - 500,000 100% small business set-aside

Contractor Hardrock Construction (\$307,000)

KING SALMON AFS UNACCOMPANIED PERSONNEL HOUSING

Project No. DACA85-87-B-0024

Location King Salmon, Ak.

Owner Corps of Engineers

\$1 - 5 million 100% small business set-aside

Contractor Cree Construction (\$3,787,306)

KING SALMON AIRPORT TAXIWAYS REPAIR

Project No. F65501-87-B0080

Owner U S Air Force

\$500,000 - 1 million

Contractor Nugget Construction (\$745,000)

KING SALMON ADAL COMPOSITE OPERATIONS FACILITY

Project No. DACA85-87-B-0050

Owner Corps of Engineers

\$1 - 5 million

Contractor Rockford Corp. (\$2,779,982)

KING SALMON AIRPORT MAINTAIN/REPAIR JP-4 PIPELINES/TANKS

Project No. DACA85-87-B-0050

Owner U S Air Force

\$1 - 5 million 100% small business set-aside

Contractor Rockford Corporation (\$3,340,160)

KING SALMON MAINTAIN/REPAIR DIESEL TANKS & CONSTRUCT DIKE LINEARS

Project No. V65501-87-B0087

Owner U S Air Force

\$1 - 5 million 100% S B s-a

KING SALMON AIR FORCE BASE GRAVEL SCREENING

Project No. F65501-87-B0121

Owner USAF

Contractor Earthmovers of Fairbanks (\$805,000)

KODIAK U S COAST GUARD CONST OF HEALTH CARE FACILITY

Project No. DTCG50-E-0070

Owner U S Coast Guard

\$5 -10 million

Contractor Neal & Co. (\$5,222,218)

USCG Facil Design & Const Ctr West

915 2nd Ave, Rm 2664, Seattle, Wa 98174-1011

(206) 442-1683

KODIAK U S COAST GUARD HOUSING REPAIRS

Project No. DTCG35-87-B-70013

Owner U S Coast Guard

\$2,750,000 to \$4,000,000

Contractor Ibex Ltd. (\$4 million +)

KODIAK USCG HELICOPTER WASH RACK

Project No. DTCG50-87-B-00088

Owner U S Coast Guard

\$250,000 - 500,000

Contractor Alaska Mechanical (\$208,000)

KODIAK USCG REROOFING & RESIDING OF BLDG 614

Project No. DTCG35-87-B-70021

Owner U S Coast Guard

\$200,000 - 700,000

Contractor Interstate Sheetmetal (\$225,900)

KODIAK USCGSC LINING TANK 163

Project No. DTCG87-87-B-70002

Owner U S Coast Guard

Contractor Coastal Coatings (\$119,579)

SEWARD REC CAMP MAINTAIN/REPAIR MAIN BUILDING

Project No. F65501-87-B0113

Owner USAF

Contractor Alcan Electrical & Engrg. (\$386,433)

SEWARD REC CAMP EXTERIOR UTILITIES REPAIR

Project No. F65501-87-B0099

Owner USAF

Contractor AK Commercial Systems (\$249,989)

SHEMYA AFB REPAIR/REPLACE GYM FLOOR

Project No. F65501-87-B0039

Owner U S Air Force

Amount unknown

Contractor Walsky Const. (\$73,333)

SHEMYA AFB VARIOUS ELECTRICAL PROJECTS

Project No. DACA85-87-B-0031

Owner Corps of Engineers

\$1 - 5 million 100% small business set-aside

Contractor Prosser Construction (\$1,298,950)

SHEMYA AFB VORTAC FACILITY

Project No. DACA85-87-B-0026

Owner Corps of Engineers

\$250,000 - 500,000 100% small business set-aside

Contractor Western Alaska Contractors (\$453,000)

SHEMYA BOILERS REPLACEMENT BLDGS 110, 503, 600 & 731

Project No. DACA85-87-B-0033

Owner Corps of Engineers

\$250,000 - 500,000 100% small business set-aside

Contractor Walsky Construction (\$472,244)

SHEMYA AFB MISCELLANEOUS SOUND ROCK LAUNCH REVISIONS

Project No. DACA85-87-B-0045

Owner Corps of Engineers

Amount unknown

SHEMYA AFB AIRCRAFT CONTROL TOWER REPAIRS

Project No. DACA85-87-B-0046

Owner Corps of Engineers

\$250,000 - 500,000

Contractor Stromhill Company (\$386,000)

SHEMYA AFB MAINTAIN/REPAIR JP-4 TANKS PHASE III

Project No. DACA85-87-B-0047

Owner Corps of Engineers

Contractor Shemya Constructors (\$831,000)

SHEMYA AFB REPAIR HANGARS 2, 3 & 4

Project No. DACA85-87-B-0061

Owner Corps of Engineers

Contractor Walsky Construction (\$3,353,400)

SITKA USCG AIR STATION CONSTRUCT SHOP STORAGE FACILITY

Project No. DTC650-87-R-00093

Owner US Coast Guard

\$250,000 - 500,000 100% small business set-aside

Contractor Keystone Associates (\$203,700)

SITKA USCG MEDICAL FACILITY ADDITION

Project No. DTCG87-88-B-80001

Owner USCG

Contractor Katco (\$183,465)

TIN CITY REPAIR COMPOSITE FACILITY ROOF

Project No. DACA85-87-B-0060

Owner Corps of Engineers

Contractor A & A Roofing (\$1,191,813)

ELMENDORF AFB PROTECTIVE COATING MAINTENANCE

Project no. F65501-87-B-0042

Owner USAF

Contractor Mark-Rite Lines (\$2,560,484)

HB

3

State of Alaska

House Majority Leader

COMMITTEES

HOUSE HEALTH, EDUCATION
AND SOCIAL SERVICES
HOUSE JUDICIARY
HOUSE RULES



Representative Max F. Gruenberg, Jr.
District 11
Spenard, Upper Midtown Anchorage

P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3718
465-4968/4986

914 CLARK COURT
ANCHORAGE, ALASKA 99503
(907) 76-6844

MEMORANDUM

DATE: May 13, 1987

TO: Members of the Senate Labor and Commerce Committee

FROM: Max F. Gruenberg, Jr. *MAX*

RE: CSHB 3(Rules), "An Act Related to the Sale and Consignment of Art."

HB 3 is intended to protect Alaskan artists. It provides that art work delivered to an art dealer for sale constitutes a trust in the legal sense. The bill also guarantees that the right of reproduction is not transferred with the artist's transfer of the work of art itself, unless there's a specific agreement to that effect.

HB 3 is based on HB 517 which passed the House last session, but died in the Senate Rules Committee.

HB 517 was adapted from two New York statutes that were passed in 1966. These statutes are now considered model legislation in this area.

State of Alaska

House Majority Leader

COMMITTEES

HOUSE HEALTH, EDUCATION
AND SOCIAL SERVICES
HOUSE JUDICIARY
HOUSE RULES



Representative Max F. Gruenberg, Jr.
District 11
Spenard, Upper Midtown Anchorage

P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3718
465-4968/4986

914 CLAY COURT
ANCHORAGE, ALASKA 99503
(907) 276-6844

MEMORANDUM

DATE: May 8, 1987
TO: All Representatives
FROM: Max F. Gruenberg, Jr. *MFG*
RE: C.S. for HB3 (Rules), "An Act Relating to the
Private Sale and Consignment of Works of Art."

Sectional Analysis

Sec. 1

AS 45.02.326(e) The present law protects works of art from the claims of an art dealer's creditors. This section adds language which requires that art dealers post notice that works of art are being sold on consignment so that potential creditors will be on notice that the works of art will not be subject to their claims against the art dealer.

Sec. 2

AS 45.67.010 Provides that works of art sold on consignment and the proceeds from such a sale are trust property. It also requires that the art dealer transmit the proceeds to the artist within 30 days of the sale.

AS 45.670.20 Provides that the only valid waiver of the above provisions is a waiver which is clear, conspicuous, and agreed to in writing by the artist.

AS 45.67.030 Provides that an art dealer will return an unsold work of art to the artist on demand unless otherwise agreed to in writing.

AS 45.67.040 Provides that the provisions of 45.67.010, 020 and 030 do not have an effect on contracts or arrangements in existence before the effective date of the bill unless agreed to in writing.

As 45.67.050 Provides that when a work of art is transferred by an artist, the right to reproduce the artwork remains the property of the artist unless the right is specifically transferred by a written instrument and that conversely when a right to reproduce or publicly display a work of art is transferred by an artist the work of art remains the property of the artist unless specifically transferred in a written instrument.

AS 45.67.100 Defines for the purposes of the bill the terms artist, art dealer, consignment, creditor, right of reproduction and work of art.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: HB 3
Publish Date: HOUSE 2/13/87

Revision Date: _____

Agency Affected: Department of Law
BRU: Legal Services

Title: "An Act relating to the private sale and consignment of works of art."

Sponsor: Repr. Gruenberg

Components: Operations

Requestor: House Labor and Commerce

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Please see attached analysis.

Richard I. Pegues

Prepared by: Richard I. Pegues, Director

Phone: 465-3672

Division: Administrative Services

Date: 1/21/87

Ronald W. Lorensen

Approved by Commissioner: Acting Attorney General

Date: 1/21/87

Agency: Department of Law

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

CONTINUATION of FISCAL NOTE ANALYSIS

No. 1

For Bill/Resolution No. HB 3

2/13/87

This bill sets out some of the property rights of artists, providing for the sale and consignment of works of art under Title 45. The bill, which adds a new Chapter to this Title, does not contain penalty provisions. Any disputes arising from the provisions of the bill would be civil matters between private parties and would not involve the Department of Law.

HB

5

Alaska State Legislature

FOUCH V
JUNEAU, ALASKA 99811
(907) 465-4931

DISTRICT 10
BOX 111038
ANCHORAGE, ALASKA 99511
(907) 349-2192



CHAIRMAN
Special Committee on
Telecommunications

MEMBER
Labor and Commerce
State Affairs
Finance—Subcommittee Administration

Representative H. A. "Red" Boucher

TO: MEMBERS OF SENATE STATE AFFAIRS COMMITTEE
FROM: H.A. "RED" BOUCHER *HAB*
SUBJECT: CSHB 5 (L&C) "Universal Service"
DATE: APRIL 27, 1987

INTENT

The intent of the bill is to put the state on record in support of "universal service" (i.e., basic telephone service that is available to all Alaskans at affordable rates).

The bill does not intend to make a statement about preferential telephone market structures (i.e., competition vs. monopoly). The market structure issue is being decided at the federal level within the context of the State/Federal Joint Board.

THE ISSUE

The deregulation of long distance telephone utilities (AT&T) in 1984 and the resulting rise in private sector competition in the telephone and telecommunications industry has already affected basic telephone rates and the market structure in Alaska. Telephone rates have decreased for some services (long distance calls) but increased for others (subscriber line charges).

Continuing technological advances and market restructuring are likely to continue having effects on the affordability and availability of basic telephone service.

POLICY GUIDELINES PROPOSED BY HB 5

The Alaska Public Utilities Commission (APUC) has the responsibility (AS 42.05) for regulating telephone utilities within the state. CSHB 5 directs the APUC to consider public access to affordable telephone service when regulating telephone utilities within the state.

DEFINITIONS

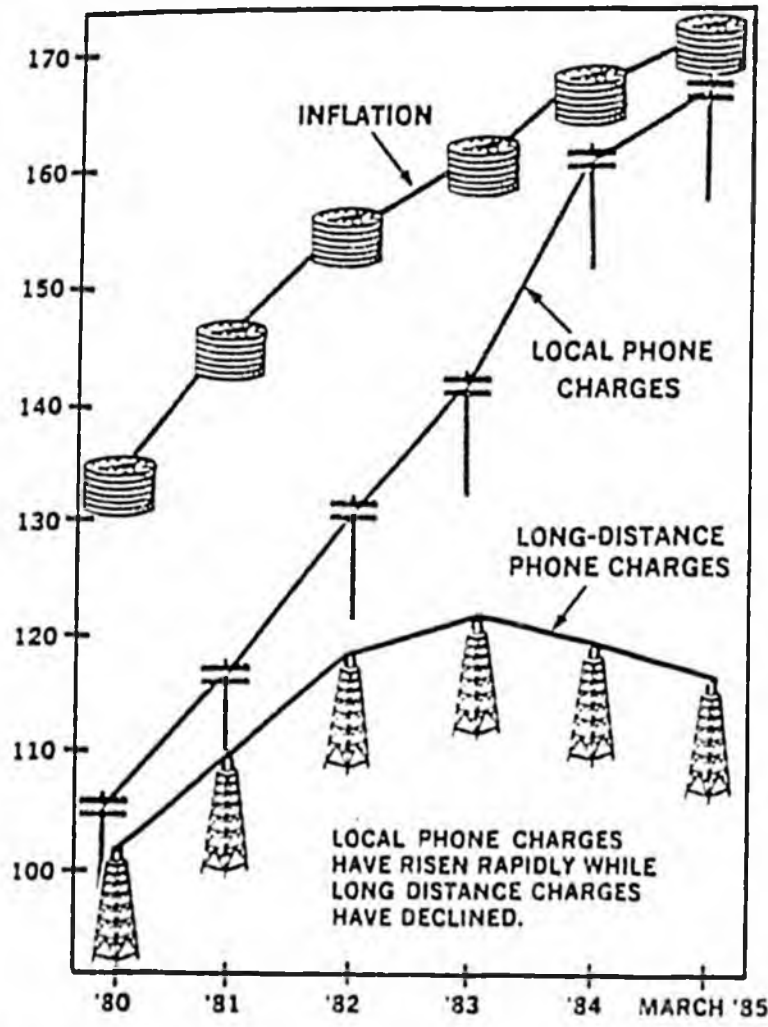
"local exchange" means telephone service within a community.

"interexchange" means telephone service between communities.

*Back-up CSHB 5
L&C*

CONSUMER COSTS FOR PHONE SERVICE

BASED ON CONSUMER PRICE INDEX 1977=100



LOCAL PHONE CHARGES HAVE RISEN RAPIDLY WHILE LONG DISTANCE CHARGES HAVE DECLINED.

SOURCE Bureau of Labor Statistics

BY J.D. ELLEN MURPHY FOR THE WASHINGTON POST

After divestiture

Breaking up is

by Michal Smith

It was a legendary love-hate relationship.

The American consumer's passion for the telephone made it a fixture in virtually every home. While we happily let our fingers do the walking, we never let *The Telephone Company* off easily. Whenever service was poor, it denied us access to an essential lifeline or simply frustrated our efforts to do what we most wanted to do — talk to another human being. It seemed an unforgivable transgression.

On January 1, 1984, the telephone company we knew and loved — and sometimes hated — ceased to exist. With it went that comfortable knowledge of who was the source and the solution to all our telephone problems.

In the wake of the Bell System breakup, consumers found themselves in an often bewildering marketplace, confused by choices of equipment and services. They had to select service contracts, buy or lease telephones, sort through dozens of promotional gimmicks to find a long distance provider, and adjust to cryptic new billing procedures.

This intensely competitive environment came to life with AT&T's fulfillment of a January 1982 consent agreement it reached with the federal government. The agreement settled an eight-year-old anti-trust suit against AT&T and required the then-monopoly to divest itself of its local operating companies within two years.

As a result of the breakup of the Bell System, local and long distance services became separate. Until that time, AT&T had inflated long distance rates in order to subsidize the costly maintenance of local services. The federal government carefully regulated AT&T's rate of return, but by the mid-1970s competitors began entering the long distance market. The

pressure to lower rates mounted. AT&T attempted to hold the competition at bay by frustrating its access to customers via the AT&T-owned local companies. The Justice Department and the new competitors answered with a series of antitrust suits that eventually forced AT&T to divest.

Issues remain the same

Three years post divestiture, the same issues that loomed over the breakup continue to dominate the public policy agenda for telecommunications. At the core of these issues is the persistent question of whether "universal" telephone service, service that is affordable and accessible to all, can and will remain an American reality.

Though long distance rates have declined since divestiture, consumers are paying an estimated 20 percent more overall for telephone service and 40 percent more for local rates alone, according to the Consumer Federation of America.

"Affordable service is going down the tubes," says Gene Kimmelman, legislative director for the Consumer Federation of America. "... people are paying more and getting less for their phone-service dollar."

The movement toward cost-based rates which reflect the actual cost of service will in all likelihood continue to push local rates upward. Consumer advocates argue that rising rates for a simple telephone hookup threaten universal service, but proponents of deregulation view the gradual price adjustment as a necessary move. In the past the infrequent telephone user subsidized the loquacious, paying the same rate regardless of how much he or she used the telephone. Similarly, inflated long distance rates financed local operations, placing the burden of cost on those



Photo courtesy of NERAC

The preservation of universal telephone service remains central to the competition vs regulation argument that dominates the telecommunications agenda today. At greatest risk in a totally unregulated market is the rural user.

hard to do

who made the most use of the system. This artificial rate structure distanced consumer costs from the actual cost of providing a service.

Also contributing to the upward push on local rates is a force that many have predicted will prove the demise of universal service: bypass. Bypass refers to the abandonment of the telephone network by big users who create their own closed communications systems. Typically, fewer than 10 percent of a local telephone company's users account for between 50 and 80 percent of its revenues. As large corporate and government users leave the existent network, operating revenues for local companies go with them. Left behind to maintain a costly telecommunications infrastructure are residential and small business users, for whom costs could soar.

And some consumer advocates predict that local telephone companies, which continue to gain a monopoly over local service, will eventually enter more lucrative markets and finance these ventures through higher local rates, a move that only state public service commissions will be in a position to block. The vast majority of residential and small business customers have no alternative to the local operating company, generally the sole source of basic telephone service. And, in Nebraska, even the public service commission check on local rates has been afforded a "bypass" option as long as rate increases do not exceed 10 percent a year.

Though the seven independent telephone operating companies do not have access to some potentially lucrative markets at present, that will likely change. A consent decree provision that bars them from manufacturing equipment or entering the long distance market may soon be lifted per February's Justice Department recommendation to that effect. That will open a path to new markets that consumer advocates fear will be fi-

nanced on the backs of powerless local ratepayers.

Critics of unregulated telecommunications competition also argue that the revolutionary advances in communications technology that were the promised benefits of competition have little chance of ever reaching small town America. As with airline deregulation, service is likely to become concentrated in large urban areas where the rate of return justifies investment in advanced telecommunications offerings. For the rural user, pricing which reflects real costs could render even the most basic phone service a luxury item.

For low-income families, the increased costs of basic telephone service already represent a deeper cut in family income, but that cut has not resulted in a significant decline in telephone use, according to U.S. Census Bureau data. The percentage of families with a telephone has actually increased since divestiture, from 91.4 percent in November 1983 to 91.9 percent in November 1985. Households with incomes below \$5,000 experienced the greatest increase in telephone service, a development that may be a reflection of moves by states to protect low-income users through lifeline legislation. Lifeline rates provide basic telephone service to the elderly and indigent families at an abbreviated monthly cost.

Proponents of complete or partial deregulation argue that government intervention stands in the path of progress, that free to explore, create, and market at will, the industry will rapidly advance America's telecommunications capabilities. Under a free market, they believe consumers will ultimately benefit from a myriad of choices. And given the freedom to create consumer alternatives, proponents believe competition will ultimately force prices downward.

Because of the growing interconnectedness of telecommunications and computer technology, obsta-

cles to rapid advancement are also widely viewed as obstacles to American dominance in the Information Age.

The regulatory dilemma

State policymakers are faced with the challenge of striking a difficult balance between encouraging technological advancement and protecting the consumer.

To that end, such groups as the Midwestern Legislative Conference Utility Regulation Task Force are exploring regulatory avenues open to state leaders in achieving this balance.

In Missouri, Gov. John Ashcroft spearheaded a task force on telecommunications that has yielded proposed legislation aimed at granting greater regulatory flexibility to commissions and protecting universal service. The draft legislation is based upon testimony from industry and consumer spokespersons. It suggests distinctions between those markets which are monopolized by single providers, those that are openly competitive, and those in transition.

From this complex new telecommunications industry and the regulatory maze that surrounds it, states want to emerge as viable competitors for high-tech jobs while preserving basic phone service for their citizens. At the same time, they must enhance the efficiency of their own vast telecommunications networks, often the largest in a state.

The final question from ratepayers and taxpayers is likely to remain, "How much?" State leaders are challenged to find the larger, long-term answers through savings within their own networks and economic opportunity throughout their states. But, in the short-term, the constituent consumer who wants nothing more than affordable, accessible telephone service is likely to remain a top priority for lawmakers.

HB 5: An Act relating to the regulation of telecommunications services.

This bill directs regulation of telecommunications utilities to seek three goals:

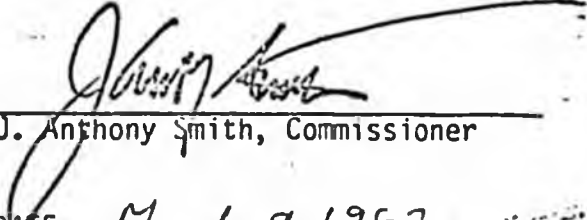
efficiency and affordability

reasonable cost

ensure that noncompetitive service delivery does not subsidize competitive service delivery

The Alaska Public Utilities Commission supports this bill. The Commission believes that this bill is compatible with established goals of the Commission. The Commission further believes that the same concept could and possibly should apply to all other utilities that provide essential services

There is no fiscal impact associated with this bill.



J. Anthony Smith, Commissioner

DATE: March 9, 1987

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

112

REQUEST: _____
Revision Date: _____
Title: "An Act relating to regulation of telecommunication services"
Sponsor: Boucher
Requestor: _____

Bill Version: CSHB 5(Tele)
Publish Date: HOUSE 3/4/87
Agency Affected: Commerce & Econ. Dev.
BRU: Alaska Public Utilities Commission
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This bill proposes a basis statement of telecommunications policy and is not expected to have any fiscal impact on this agency.

Prepared by: T.S. Moninski, II, Executive Director Phone: 276-6222
Division: Alaska Public Utilities Commission Date: _____

Approved by Commissioner: [Signature] Date: 2/20/87
Agency: Commerce and Economic Development

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version : HB 5
Publish Date : _____

Revision Date: _____
Title: "An Act relating to regulation
of telecommunication services"
Sponsor: Boucher
Requestor: _____

Agency Affected: Commerce & Econ. Dev.
BRU: Alaska Public Utilities Commission
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, C. AIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This bill proposes a basis statement of telecommunications policy and is not expected to have any fiscal impact on this agency.

Prepared by: T.S. Moninski, II, Executive Director Phone: 276-6222
Division: Alaska Public Utilities Commission Date: _____

Approved by Commissioner: [Signature] Date: 2/22/87
Agency: Commerce and Economic Development

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

HOUSE COMMITTEE REPORT

(7)

Date referred: 3/4/87

FURTHER REFERRALS:

DATE: 3/26/87
HB 5

The Labor & Commerce Committee has considered

"An Act relating to regulation of telecommunication services."

RECOMMENDS:

- replace with CSHBS (L+C) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

SIGNING OTHER RECOMMENDATIONS:

W Furnace None

[Signature]
 Chairman's signature

HOUSE COMMITTEE REPORT

2/4

(5)

Date referred: 1/19/87

FURTHER REFERRALS Labor & Commerce

DATE: 2/26/87

The House Special Committee on Telecommunications Committee has considered HB 5

"An Act relating to regulation of telecommunication services."

RECOMMENDS:

CSNB 5 (Tele)

- replace with CS FOR HOUSE BILL 5 TELE
- attached amendment(s)
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

- the same title
- a new title

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis
- same as previous fiscal note published _____
- same as previous zero fiscal note published _____

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

 Chairman's signature

Alaska State Legislature

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4931

DISTRICT 10
BOX 111038
ANCHORAGE, ALASKA 99511
(907) 349-2192



CHAIRMAN
Special Committee on
Telecommunications

MEMBER
Labor and Commerce
State Affairs
Finance—Subcommittee Administration

Representative H. A. "Red" Boucher

TO: MEMBERS OF SENATE LABOR AND COMMERCE COMMITTEE

FROM: H.A."RED" BOUCHER

SUBJECT: CSHB 5 (L&C) "Universal Service"

DATE: MAY 11, 1987

INTENT

The intent of the bill is to put the state on record in support of "universal service" (i.e., basic telephone service that is available to all Alaskans at affordable rates).

THE ISSUE

The deregulation of long distance telephone utilities (AT&T) in 1984 and the resulting rise in private sector competition in the telephone and telecommunications industry has already affected basic telephone rates and the market structure in Alaska. Telephone rates have decreased for some services (long distance calls) but increased for others (subscriber line charges).

Continuing technological advances and market restructuring are likely to continue having effects on the affordability and availability of basic telephone service.

POLICY GUIDELINES PROPOSED BY HB 5

The Alaska Public Utilities Commission (APUC) has the responsibility (AS 42.05) for regulating telephone utilities within the state. CSHB 5 directs the APUC to consider public access to affordable telephone service when regulating telephone utilities within the state.

DEFINITIONS

"local exchange" means telephone service within a community.

"interexchange" means telephone service between communities.

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

112

REQUEST: _____

Bill Version :CSHB 5(Tele)
Publish Date :HOUSE 3/4/87

Revision Date: _____

Agency Affected: Commerce & Econ. Dev.
BRU: Alaska Public Utilities Commission

Title: "An Act relating to regulation of telecommunication services"

Sponsor: Boucher

Components: _____

Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This bill proposes a basis statement of telecommunications policy and is not expected to have any fiscal impact on this agency.

Prepared by: T.S. Moninski, II, Executive Director

Phone: 276-6222

Division: Alaska Public Utilities Commission

Date: _____

Approved by Commissioner: [Signature]

Date: 2/20/87

Agency: Commerce and Economic Development

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____
 Revision Date: _____
 Title: "An Act relating to regulation of telecommunication services"
 Sponsor: Boucher
 Requestor: _____

Bill Version: HB 5
 Publish Date: _____
 Agency Affected: Commerce & Econ. Dev.
 BRU: Alaska Public Utilities Commission
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This bill proposes a basis statement of telecommunications policy and is not expected to have any fiscal impact on this agency.

Prepared by: T.S. Moninski, II, Executive Director Phone: 276-6222
 Division: Alaska Public Utilities Commission Date: _____

Approved by Commissioner: [Signature] Date: 2/2/87
 Agency: Commerce and Economic Development

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)
 Senate Secretary

HOUSE COMMITTEE REPORT

(7)

Date referred: 3/4/87

FURTHER REFERRALS:

DATE: 3/26/87

The Labor & Commerce Committee has considered HB 5

"An Act relating to regulation of telecommunication services."

RECOMMENDS:

- replace with CSHBS (L+C) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

W. K. Korman

B. C. Fisher

J. Ellis

W. D. Dain

Dave Doulley

W. Furnace None

Dave Doulley
Chairman's signature

HOUSE COMMITTEE REPORT

74

(5)

Date referred: 1/19/87

FURTHER REFERRALS Labor & Commerce

DATE: 2/26/87

The House Special Committee on Telecommunications Committee has considered HB 5

"An Act relating to regulation of telecommunication services."

RECOMMENDS:

CSNB 5 (Tele)

- replace with CS FOR HOUSE BILL 5 TELE the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

 Chairman's signature

CSHB 5: An Act relating to the regulation of telecommunications services.

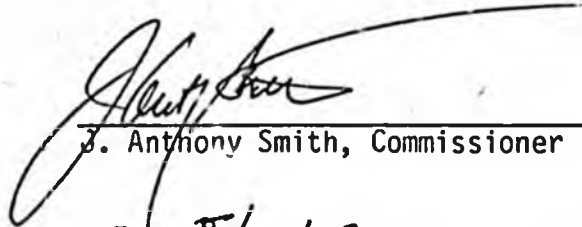
This bill directs regulation of telecommunications utilities to seek two goals:

efficiency and affordability

reasonable cost

The Alaska Public Utilities Commission supports this bill. The Commission believes that this bill is compatible with established goals of the Commission. The Commission further believes that the same concept could and possibly should apply to all other utilities that provide essential services

There is no fiscal impact associated with this bill.



J. Anthony Smith, Commissioner

DATE: 5/11/87

HB

22

Bill No. House Bill 22

Date January 22, 1987

Title "An Act relating to hazardous physical agents in the workplace."

Contact: Eileen Plate
465-2700

Richard Arab
465-4856

Under existing law, employers are required to provide information and training to employees on certain toxic and hazardous substances. This bill seeks to expand this "Right-to-Know" law to include physical agents.

Physical agents are defined as those listed in the "Threshold Limit Values for Chemical Substances and Physical Agents in the Work Environment" as published by the American Conference of Governmental Industrial Hygienists. The latest edition of this publication lists the following physical agents:

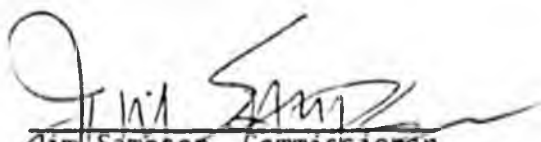
- Heat Stress
- Ionizing Radiation
- Lasers
- Noise
- Impulse or Impact Noise
- RF/Microwave Radiation
- Ultraviolet Radiation
- Airborne Upper Sonic and Ultrasonic Acoustic Radiation
- Cold Stress
- Hand-Arm (Segmental) Vibration

Exposure to physical agents can result in permanent disabilities, such as deafness. Often employers and employees are not aware of the harmful effects of a particular hazard present in the workplace, and the training and information requirements provided in this bill would assist in filling this void. This would, in turn, effect implementation of protective measures by the employer to safeguard employees, as well as provide employees with an understanding of the importance of following safe and healthful work practices.

As part of its Occupational Safety and Health program, the Department of Labor enforces regulations to protect employees from certain physical hazards (ionizing radiation, lasers, noise, RF/Microwave radiation, and ultraviolet radiation). The information and training requirement of this bill would, therefore, enhance the Department's efforts to protect Alaska's workers.

The Department of Labor supports House Bill No. 22. It will not have a fiscal impact on the Department.

APPROVED:


Jim Sampson, Commissioner
Department of Labor

POSITION PAPER/Department of Labor

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: HB 22

Publish Date: _____

Revision Date: _____
Title: "An Act relating to hazardous
physical agents in the workplace."

Agency Affected: Labor
BRU: Occupational Safety & Health

Sponsor: Pourchot and Boyer et al.
Requestor: House Labor & Commerce

Components: Occupational Safety
and Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Tom Stuart, Director
Division: Labor Standards and Safety

Phone: 465-4870
Date: 1/23/87

Approved by Commissioner: Jim Sandson
Agency: Labor

Date: 1/23/87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

AN ACT RELATING TO HAZARDOUS PHYSICAL AGENTS IN THE WORKPLACE.....

DEAR SENATORS:

THE DISTRICT COUNCIL OF LABORERS IS IN SUPPORT OF HB-22. WE ALSO SUPPORTED A LIKE BILL (HB-319) LAST SESSION WHICH PASSED THE HOUSE BUT RAN OUT OF TIME ON THE SENATE SIDE. THIS LEGISLATION WOULD EDUCATE THE EMPLOYEES ON THE POTENTIAL IRREVERSIBLE DISABILITIES THAT THOSE PHYSICAL AGENTS COULD CAUSE IF SAFE WORK PRACTICES ARE NOT FOLLOWED.

THE LEGISLATION WOULD ALSO EDUCATE THE EMPLOYERS TO THE POTENTIAL DANGERS OF THESE AGENTS- - AND PROPER MEASURES COULD BE PUT INTO EFFECT. THE ADDITION OF THESE PHYSICAL AGENTS TO THE CURRENT "RIGHT TO KNOW" LAW IS NOT A COST FACTOR TO THE EMPLOYER NOR TO THE EMPLOYEE OR TO THE DEPT. OF LABOR.

I KNOW THE SPONSOR OF THIS BILL, REP. POURCHOT, HAS WORKED WITH MANY GROUPS IN SATISFYING EVERYONES CONCERNS AND CAN HONESTLY SAY I CANNOT RECALL ANY OPPOSITION TO THIS BILL OR LAST YEAR'S BILL.

WE URGE THIS COMMITTEE TO PASS THIS RESPONSIBLE PIECE OF LEGISLATION.

THANK YOU.

SINCERELY,



DON ROULEAU

DISTRICT COUNCIL OF LABORERS

710 W. 9TH ST.

JUNEAU, ALASKA

586-3707

5-0231B
Hein
5/8/87

Original sponsors: Pourchot, Boyer,
Ellis, et al.

1 IN THE HOUSE

BY THE LABOR AND
COMMERCE COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 22 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to hazardous physical agents in the
7 workplace."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 18.60.030 is amended to read:

10 Sec. 18.60.030. DUTIES OF DEPARTMENT OF LABOR. The Department
11 of Labor shall

12 (1) study ways and means for prevention of accidents to
13 persons on the streets and highways, in and on the water, in aircraft
14 usage, in homes, on the farms, at schools, industrial and commercial
15 plants, and in public places;

16 (2) plan and execute safety programs, including educational
17 campaigns, designed to reduce accidents in every field of activity;

18 (3) work in cooperation with official and unofficial orga-
19 nizations and instrumentalities in the state that are interested in
20 the promotion of safety so that possible resources can be marshalled
21 and utilized to reduce the menace of accidental death and injury;

22 (4) work toward obtaining better observance and enforcement
23 of laws governing street and highway traffic, and assist in bringing
24 about, wherever feasible, the application of modern engineering mea-
25 sures for the prevention of traffic accidents;

26 (5) confer [ADVISE] with the public agencies responsible
27 for safeguarding the people against accidents, and especially with the
28 Department of Transportation and Public Facilities, the Department of
29 Public Safety, the Department of Education, the Department of Natural

1 Resources, the Department of Health and Social Services, and the heads
2 or representatives of federal departments and agencies operating in
3 the state particularly concerned with safety programs and accident
4 prevention;

5 (6) establish and enforce occupational safety and health
6 standards that prescribe requirements for safe and healthful working
7 conditions for all employment, including state and local government
8 employment, and the requirements are to be at least as effective as
9 those requirements adopted by the United States Secretary of Labor
10 under sec. 6 of Public Law 91-596;

11 (7) require an employer to maintain records and submit
12 reports to the department which records and reports are necessary or
13 appropriate for the enforcement of AS 18.60.010 - 18.60.105 and to
14 maintain records and submit reports to the United States Secretary of
15 Labor in the same manner and to the same extent as set out in federal
16 law and regulations;

17 (8) require an employer to maintain records and submit
18 reports appropriate for use in developing information regarding the
19 causes and prevention of occupational accidents and illnesses;

20 (9) require an employer to make periodic inspections when
21 necessary to carry out the record and reporting requirements of (7)
22 and (8) of this section;

23 (10) participate in occupational safety and health programs
24 if it finds they are necessary to meet the occupational health and
25 safety needs of the state;

26 (11) execute on behalf of the state agreements or contracts
27 necessary or desirable to enable the state to participate in occupa-
28 tional safety and health programs, and to receive and expend funds
29 made available for programs of the state;

1 (12) annually publish a list of toxic and hazardous sub-
2 stances and physical agents;

3 (13) maintain a current set of OSHA form 20's or equivalent
4 information for toxic and hazardous substances and for physical
5 agents, and other information relevant to toxic and hazardous sub-
6 stances and physical agents;

7 (14) assist employers, upon request, to develop employee
8 safety education programs and to identify and obtain information on
9 toxic and hazardous substances and physical agents [AND DEVELOP EM-
10 PLOYEE SAFETY EDUCATION PROGRAMS].

11 * Sec. 2. AS 18.60.066 is amended to read:

12 Sec. 18.60.066. EMPLOYEE SAFETY EDUCATION PROGRAMS. (a) An
13 employer shall conduct a safety education program for an employee
14 before the employee performs a new work assignment that may result in
15 the employee being exposed to a toxic or hazardous substance or a
16 physical agent for which the employee has not received safety instruc-
17 tion as provided under (b) of this section.

18 (b) An employee safety instruction program shall inform the
19 employee of

20 (1) the location, properties, and known or suspected acute
21 and chronic health effects of the hazardous or toxic substances or
22 physical agents to which the employee is exposed in the workplace;

23 (2) the nature of the operations that could result in
24 exposure to hazardous or toxic substances or physical agents [,] as
25 well as any necessary handling or hygienic practices or precautions;
26 and

27 (3) the location, purpose, proper use, and limitations of
28 personal protective equipment used in the workplace.

29 * Sec. 3. AS 18.60.067(a) is amended to read:

1 (a) An employer shall make available to an employee on request a
2 copy of the most recent OSHA form 20 or equivalent written information
3 for a toxic or hazardous substance or for a physical agent to which
4 the employee may be exposed. If the employer does not have the copy
5 or information requested, the employer shall request a copy from the
6 department or the manufacturer of the substance within three state
7 government working days after receiving the request.

8 * Sec. 4. AS 18.60.068 is amended to read:

9 Sec. 18.60.068. POSTING OF INFORMATION IN WORKPLACE. (a) The
10 department shall print and make available to employers posters that
11 contain notice of the provisions of this chapter relating to toxic and
12 hazardous substances and physical agents.

13 (b) An employer whose employees are or may be exposed in the
14 workplace to a toxic or hazardous substance or a physical agent shall
15 display the following information in a manner designed to notify the
16 employees:

17 (1) a poster printed by the department under (a) of this
18 section; and

19 (2) an OSHA form 20 or equivalent information for each
20 toxic or hazardous substance and for each physical agent to which an
21 employee may be exposed in the workplace

22 (A) under normal conditions of work; or

23 (B) during a reasonably foreseeable emergency, includ-
24 ing equipment failure and rupture of containers.

25 (c) Instead of posting the information required under (b)(2) of
26 this section, an employer may post a list of the chemical name and
27 product name of each toxic or hazardous substance and each physical
28 agent to which an employee may be exposed in the workplace, together
29 with an identification of a location, in or near the workplace and

1 accessible to employees, where an employee may inspect the information
2 listed under (b)(2) of this section.

3 * Sec. 5. AS 18.60.105(a)(1) is amended to read:

4 (1) "be exposed" means to ingest, inhale, or absorb through
5 the skin or eyes a substance or physical agent, or fumes or other
6 potentially harmful aspect of a substance or physical agent;

7 * Sec. 6. AS 18.60.105(a) is amended by adding a new paragraph to read:

8 (11) "physical agent" means a physical agent listed in the
9 1986 - 1987 edition of "Threshold Limit Values for Chemical Substances
10 and Physical Agents in the Work Environment" published by the American
11 Conference of Governmental Industrial Hygienists; "physical agent"
12 does not include an agent the exposure to which, because of the
13 agent's low dosage, does not pose a health hazard.

14 * Sec. 7. AS 18.60.105(b) is amended to read:

15 (b) In AS 18.60.030(14), 18.60.065 - 18.60.068, and 18.60.-
16 105(a)(9)

17 (1) "employee" means a person who works for an employer,
18 but not in a place used primarily as a personal residence;

19 (2) "employer" means a person, including the state and a
20 political subdivision of the state, who has one or more employees
21 working in a place not used primarily as a personal residence;

22 (3) "health hazard" means a substance or physical agent
23 capable of causing acute or chronic adverse effects to health;

24 (4) "workplace" means a place of employment other than a
25 place used primarily as a personal residence.

26 * Sec. 8. Notwithstanding the amendments to AS 18.60.068 made by sec. 4
27 of this Act, the department may continue to use existing posters until the
28 next printing of the posters.

29

Alaska State Legislature

REPRESENTATIVE
PAT POURCHOT

HOUSE FINANCE COMMITTEE,
VICE CHAIR

HOUSE ETHICS COMMITTEE, CHAIR

LEGISLATIVE BUDGET & AUDIT
COMMITTEE



House of Representatives

ANCHORAGE
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(H) (907) 338-2425

JUNEAU
P.O. BOX V
STATE CAPITOL
JUNEAU, AK 99811
(907) 465-3712

MEMORANDUM

DATE: April 28, 1987

TO: Senator Tim Kelly, Chairman
Senate Labor and Commerce Committee

FROM: Rep. Pat Pourchot *Pat*

SUBJECT: House Bill 22, Hazardous Physical Agents in the Workplace

This bill, which has been referred to the Senate Labor and Commerce Committee, amends current statutes by adding ten (10) specific "physical agents" to the existing several hundred hazardous and toxic substances of which employers must inform their employees if the substances or agents are in their workplace.

Tim, House Bill 22 is identical to a bill I sponsored last year -- HB 319. You might recall that this proposal, after passage in the House by a vote of 34 to 4, was favorably considered by Senate Labor and Commerce and Finance Committees. However, due to a lack of time at the end of session, it failed to get scheduled for the Senate floor, thus died in the Rules Committee.

HB 22, this session, received no opposition in the House Labor and Commerce or Finance Committees and passed the House by a vote of 33 to 6 on February 11. Senate HESS unanimously recommended "Do Pass" last Friday, April 24th.

This is a good bill which can add significant protection to Alaskan workers with minimal cost and effort by employers or the State. The Department of Labor supports this measure and has provided a zero (\$0) fiscal note as the needed information is readily available.

I would greatly appreciate your attention on this bill and committee consideration in the near future. Your staff has been provided with backup materials and I or my staff would be happy to provide further information or explanation if necessary.

Thank you for your consideration on this proposal.

Alaska State Legislature

REPRESENTATIVE
PAT POURCHOT

HOUSE FINANCE COMMITTEE,
VICE CHAIR

HOUSE ETHICS COMMITTEE, CHAIR

LEGISLATIVE BUDGET & AUDIT
COMMITTEE



House of Representatives

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(907) 465-3712

MEMORANDUM

DATE: May 4, 1987

TO: Senate Labor and Commerce Committee Members
Senator Tim Kelly, Chairman
Senator Dick Eliason, Vice-Chairman
Senator Bettye Fahrenkamp
Senator Rick Uehling
Senator Mike Szymanski

FROM: Representative Pat Pourchot *Pat*

SUBJECT: House Bill 22, Hazardous Physical Agents in the Workplace

House Bill 22, which has been scheduled for a hearing in the Senate Labor and Commerce Committee for Wednesday, May 6, is identical to a bill (HB 319) which passed the House and the Senate Labor and Commerce and Finance Committees last session amending the current "Worker Right to Know" law. This proposal would add ten (10) specific "physical agents" to the existing several hundred hazardous and toxic substances of which employers must inform their employees if they might encounter these situations in their workplace.

These physical agents include microwave radiation, extreme heat, noise, and harmful ultraviolet rays. The known hazards associated with these agents are well documented in the authoritative "Threshold Limit Values for Chemical Substances and Physical Agents in the Work Environment" published by the American Conference of Governmental Industrial Hygienists. The information on these hazardous agents needed by employers is readily available from the Alaska Department of Labor.

This is a good bill which can add significant protection to Alaskan workers with minimal cost and effort by employers of the State. Let me emphasize that the burden of providing information will fall to the Department of Labor and not to individual employers. The Department of Labor supports this measure and has provided a zero fiscal note. I have attached a brief booklet with pertinent information about House Bill 22 and would be happy to provide you or your staff with other information or explanation on the provisions of this bill.

Thank you for this consideration.

Attachment

BILL: HB 22

11:38 AM 04/27/87 4/27/87

NAME:

TITLE: "AN ACT RELATING TO HAZARDOUS PHYSICAL AGENTS IN THE
WORKPLACE."

PRIME SPONSOR: POURCHOT

CO-SPONSOR: BOYER, ELLIS, DAVIS, KOPONEN, DAVIDSON, BROWN, DONLEY, GOLL

FISCAL NOTE: \$000 GENERAL(FNOTE) \$000 OTHER(FNOTE)

CURRENT STATUS: (S) L&C

STATUS DATE: 04/27/87

01/12/87	(H)		PREFILE RELEASED
01/19/87	(H)	23	READ THE FIRST TIME - REFERRAL(S)
01/19/87	(H)	23	LABOR & COMMERCE, HESS
01/21/87	(H)	44	HES REFERRAL WAIVED, FINANCE ADDED
01/21/87	(H)	45	CO-SPONSOR ADDED: DAVIS
01/22/87	(H)	54	CO-SPONSOR ADDED: KOPONEN
02/04/87	(H)	144	L&C RPT 6DP 1NR
02/04/87	(H)	144	ZERO FISCAL NOTE PUBLISHED 2/4/87
02/09/87	(H)	177	CO-SPONSOR ADDED: DAVIDSON
02/11/87	(H)	185	FIN RPT 7DP 2NR
02/11/87	(H)		RULES TO CALENDAR 2/11/87
02/11/87	(H)	203	READ THE SECOND TIME
02/11/87	(H)	204	ADVANCED TO THIRD READING UNAN CONSENT
02/11/87	(H)	204	READ THE THIRD TIME HB 22
02/11/87	(H)	204	PASSED Y33 N6 A1
02/11/87	(H)	208	CO-SPONSOR(S) ADDED: BROWN, DONLEY, GOLL
02/11/87	(H)	208	TRANSMITTED TO (S)
02/12/87	(S)	276	READ THE FIRST TIME - REFERRAL(S)
02/12/87	(S)	276	HESS & LABOR & COMMERCE
04/27/87	(S)		HES RPT 3DP
04/27/87	(S)		REFERRED TO LABOR & COMMERCE

SUMMARY HOUSE BILL 22
WORKER RIGHT-TO-KNOW TO INCLUDE
HAZARDOUS PHYSICAL AGENTS

House Bill 22 amends the "worker right-to-know" statutes to include "physical agents" with other toxic and hazardous substances about which employers must inform their employees.

The existing statute (AS 18.60) directs the Department of Labor to prepare for employers information data sheets on hazardous and toxic materials to which employees may be exposed in the workplace. Information which is compiled by the Department is transmitted to the workers by employers and includes: description of the substantial effects of the substance, known threshold levels where effects occur, activities and situations where the substances are encountered and practices, technology and preventative measures which are available to the workers which will reduce or eliminate the negative impacts of the substance. Safety training for new employees is also required.

The same notice and training requirements for hazardous and toxic substances would be applied to "physical agents" under House Bill 22. Physical Agents are only those identified by the American Conference of Governmental Industrial Hygienists (ACGIH) and include:

- Ionizing radiation (x-rays)
- Heat and cold stress
- Impulsive and impact noise
- Radiofrequency, microwave, ultraviolet, and infrared radiation
- Lasers
- Hand-arm vibrations

With enactment of this bill industrial accidents could be reduced in number and severity. For example, accidents such as the microwave exposure which occurred at Clear Air Force Station several years ago may be avoided if workers are better informed of the substances to which they may be exposed and are not aware of preventative and safety precautions. Many occupations are not readily associate with exposure to dangerous levels of physical agents. Welders and pipe fitters, for example, are often exposed to hazardous exposures of ionizing radiation (x-rays) when examining welds and joints.

It should be emphasized that the bill requires only the dissemination of information and safety training by employers. It does not require that employers or employees implements any safety practices or measures.

The bill carries a fiscal note of \$0. The Department of Labor essentially will be editing existing information from national organizations relating to health and safety in the workplace, including the ACGIH, the Center for Disease Control, and the Occupational Safety and Health Administration.

**EXAMPLES OF IMPACTS RESULTING FROM EXPOSURE
TO CERTAIN PHYSICAL AGENTS**

Physical Stress	Occupation Examples	Effects
Microwave Radiation	Telecommunication station employee	Superheated body core Questionable effects include: cardiac arrhythmia, cataracts, and psychoneurological dysfunction
Ionizing Radiation (x-rays)	Hospital employees Welders	Cancer of many kinds including: bone, lung, liver, leukemia, chromosomal damage and reproductive abnormalities
Ultraviolet Radiation	Outdoor construction work	Skin cancer
Infrared Radiation	Welders Glass blowers	Flash burns to the retina, cataracts
Lasers	Hospital employees	Eye damage and burns, blindness
Heat Stress	Outdoor physical work	Heat stroke, overheating of the body, extreme conditions may cause loss of consciousness and death
Cold Stress	Oil field service workers	Frostbite, hypothermia, death
Noise	Forest products (sawmill employees and loggers)	Deafness
Hand/Arm Vibration	Construction workers Jackhammer operators Drill operators	"White finger" damage to nerve sensors that regulate circulation causing arterial spasms, chronic lack of blood to muscles causing muscle waste
Airborne Upper Sonic and Ultrasonic Acoustic Radiation	Major doses: as an industrial cleaner (industrial hygienists are not aware of such an application in Alaska)	Deafness

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____

Bill Version: HB 22
Publish Date: _____

Revision Date: _____
Title: "An Act relating to hazardous
physical agents in the workplace."
Sponsor: Pourchot and Boyer et al.
Requestor: House Labor & Commerce

Agency Affected: Labor
BRU: Occupational Safety & Health
Components: Occupational Safety
and Health

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Tom Stuart, Director
Division: Labor Standards and Safety

Phone: 465-4870
Date: 1/23/87

Approved by Commissioner: Jim Samdson
Agency: Labor

Date: 1/23/87

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
Senate Secretary

Bill No. House Bill 22

Date January 22, 1987

Title "An Act relating to hazardous physical agents in the workplace."

Contact: Eileen Plate
465-2700

Richard Arab
465-4856

Under existing law, employers are required to provide information and training to employees on certain toxic and hazardous substances. This bill seeks to expand this "Right-to-Know" law to include physical agents.

Physical agents are defined as those listed in the "Threshold Limit Values for Chemical Substances and Physical Agents in the Work Environment" as published by the American Conference of Governmental Industrial Hygienists. The latest edition of this publication lists the following physical agents:

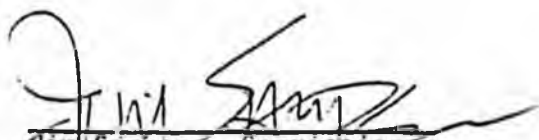
- Heat Stress
- Ionizing Radiation
- Lasers
- Noise
- Impulse or Impact Noise
- RF/Microwave Radiation
- Ultraviolet Radiation
- Airborne Upper Sonic and Ultrasonic Acoustic Radiation
- Cold Stress
- Hand-Arm (Segmental) Vibration

Exposure to physical agents can result in permanent disabilities, such as deafness. Often employers and employees are not aware of the harmful effects of a particular hazard present in the workplace, and the training and information requirements provided in this bill would assist in filling this void. This would, in turn, effect implementation of protective measures by the employer to safeguard employees, as well as provide employees with an understanding of the importance of following safe and healthful work practices.

As part of its Occupational Safety and Health program, the Department of Labor enforces regulations to protect employees from certain physical hazards (ionizing radiation, lasers, noise, RF/Microwave radiation, and ultraviolet radiation). The information and training requirement of this bill would, therefore, enhance the Department's efforts to protect Alaska's workers.

The Department of Labor supports House Bill No. 22. It will not have a fiscal impact on the Department.

APPROVED:


Jim Sampson, Commissioner
Department of Labor

The Right-to-Know Law

In the summer of 1983, Gov. Bill Sheffield signed into law a bill which provides you the right to know about hazardous substances you are working with.

While other federal and state occupational health and safety laws give you access to your workplace medical and exposure records, this new law requires that your employer provide you with information about health effects and proper handling procedures for about 800 hazardous exposures.

Beginning July 1984, each year the Alaska Department of Labor Occupational Safety and Health Section (OSHS) will assemble a list of toxic and hazardous substances to be regulated. The OSHS will include substances on both the U.S. Occupational Safety and Health Administration Toxic and Hazardous Substances List and the American Conference of Governmental Industrial Hygienists' list of hazardous chemicals and physical agents.

If you work with a product containing one of these hazardous substances, your employer must:

- post information relating to your rights under this law, as well as the chemical name of each toxic or hazardous substance you may be exposed to and

- conduct a safety education program for each new work assignment informing you of a) the location and properties of the hazardous substance, b) the known or suspected health effects, c) the nature of any operation that could result in exposure to hazardous or toxic substances, d) any necessary handling or hygienic practices or precautions, and e) the location, proper use, and limitation of personal protective equipment used in the workplace.

If you believe you might be exposed to a hazardous substance, you may request safety and health information about the product or exposure from your employer. The employer must supply an OSHA form 20 material safety data sheet (MSDS) or equivalent in-



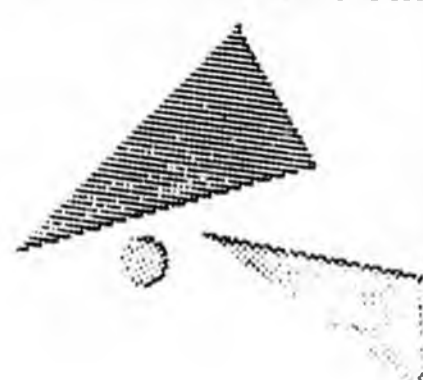
Some supporters of the right-to-know legislation watch Gov. Sheffield sign the bill into law. Pictured left to right are Dave Allison, Alaska Environmental Lobby; Resa King, Associated General Contractors; Judy Knight and Richard Arab, Department of Labor; Mariene Neve, Alaska AFL-CIO; and Richard Neve, Department of Environmental Conservation.

formation. This should include: the product name and chemical name, the name and address of the manufacturer, principal hazardous components, fire and explosion hazard data, health hazard information, precautions to follow during spills and leaks, proper disposal methods, and handling and storage practices.

If your employer does not have this information available, he/she must contact either OSHS or the product's manufacturer within three days of your request. OSHS will have an information retrieval system to assist employers. Workers also may use this system to obtain health and safety information about hazardous workplace exposures.

If you do not receive the information within 15 days of your request, the employer should eliminate the hazardous workplace exposure.

Note: This new law gives you only the right to know the identity of the hazardous substances with which you are working. It does not provide enforcement of procedures to avoid hazardous exposures. If you believe your work conditions are not safe and healthful, talk with your supervisor and/or union representative. If that doesn't help, file a complaint with OSHS.



CAUTION!

Every year hundreds of Alaskan men and women work with chemicals that are potentially dangerous to their health. What kinds of chemicals are YOU exposed to at work???

You Have a Right to Know About Hazardous & Toxic Substances in Your Work Place

Q: What gives me this right?

The Alaska Right To Know Law (AS. 60.068) requires employers, as of July 1, 1984, to collect information on hazardous substances used at their job sites and train workers on those hazards.

Q: Do all Alaskan workers have this right?

YES! The law requires that all Alaskan employers maintain information on the chemicals they use at work and communicate this information to you.

Q: What are my rights?

As an Alaskan worker you have the right to know about the hazards associated with the chemicals you use at work. You have the right to request this information from your employer who must provide you with this information during your work shift. If the information is not immediately available, your employer has 15 days to obtain this information and present it to you. If you do not receive the information within this time period your employer must take measures to prevent your exposure to that substance or substances. Such measures might include removing workers or the substance from the work site. Your employer will provide you with chemical hazard information in the form of a Material Safety Data Sheet (MSDS).

Q: What is a Material Safety Data Sheet (MSDS)?

An MSDS is a form describing chemical health hazard information on a particular chemical product. It also explains emergency handling procedures, disposal information, provides a list of chemical ingredients, and other such information. Of note, a MSDS only provides general information and may not include all the information about a chemical product. Use the MSDS as a stepping stone to obtain more information about the chemicals with which you work. Contact Alaska Health Project if you need assistance.

Q: What responsibility does my boss have?

These are your boss' major responsibilities under the law:

A. Collect and maintain, post, or post notice of the workplace location of MSDSs and provide them to you upon request.

B. Post a poster informing you of your rights under the law (available from the Department of Labor and the Alaska Health Project).

C. Train new employees and other employees who are not aware of the law and who have not received health and safety instruction about the chemicals they may be exposed to at work. See the regulations for specific training requirements.

Q: What should I do with the information once I have it?

Save and study it, then learn as much as you can about the chemicals you work with.

Compare the product name on the MSDS with the name of the chemical you are actually using and make sure they are the same. If not, alert other workers, your foreman, and/or your steward.

Give this information to your doctor when you go for annual check ups and/or emergency situations. This information will help your doctor diagnose any illness or injury that you might have.

Q: How can I get more information on the law and about hazards I may face on the job?

Pick up the phone and call:

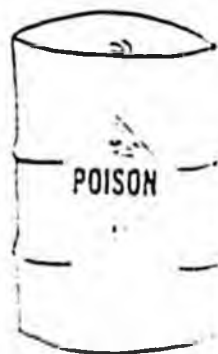
Alaska Health Project

276-2864

or

Alaska Department of Labor

264-2594



————— Please Duplicate & Post —————

U.S. DEPARTMENT OF LABOR
Occupational Safety and Health Administration

Form Approved
OMB No. 44-R1387

MATERIAL SAFETY DATA SHEET

Required under USDL Safety and Health Regulations for Ship Repairing,
Shipbuilding, and Shipbreaking (29 CFR 1915, 1916, 1917)

SECTION I

MANUFACTURER'S NAME WAYNE CHEMICAL CORP.		EMERGENCY TELEPHONE NO. 1-800-424-9300
ADDRESS (Number, Street, City, State, and ZIP Code) 300 So. Barclay Street, Milwaukee, Wisconsin 53204		
CHEMICAL NAME AND SYNONYMS Lead Chromate; Yellow-34; C.I. 77600		TRADE NAME AND SYNONYMS Chrome Yellow Med. Code 89
CHEMICAL FAMILY Inorganic Pigments	FORMULA PbCrO₄	

SECTION II - HAZARDOUS INGREDIENTS

PAINTS, PRESERVATIVES, & SOLVENTS	%	TLV (Unit)	ALLOYS AND METALS COATINGS	%	TLV (Unit)
PIGMENTS Lead as Pb	60	0.15mg	BASE METALS		
CATALYST			ALLOYS		
VEHICLE			METAL COATINGS		
SOLVENTS			FILLER METAL PLUS COATING OR CORE FLUX		
ADDITIVES			OTHERS		
OTHERS Chromate as CrO₃	30	0.10mg/m³			
HAZARDOUS MIXTURES OF OTHER LIQUIDS, SOLIDS, OR GASES				%	TLV (Unit)
Actual compound is PbCrO ₄ , and components as given above are one way of expressing the contents of the product.					

SECTION III - PHYSICAL DATA

BOILING POINT (°F.)	N/A	SPECIFIC GRAVITY (M ₂ O=1)	3.52
VAPOR PRESSURE (mm Hg.)	N/A	PERCENT. VOLATILE BY VOLUME (%)	1.0
VAPOR DENSITY (AIR=1)	N/A	EVAPORATION RATE (_____ =1)	N/A
SOLUBILITY IN WATER	slight		
APPEARANCE AND ODOR	Fine Yellow Powder; Odorless		

SECTION IV - FIRE AND EXPLOSION HAZARD DATA

FLASH POINT (Methods used)	N/A	FLAMMABLE LIMITS	LEL	UEL
EXTINGUISHING MEDIA	Water			
SPECIAL FIRE FIGHTING PROCEDURES	N/A			
UNUSUAL FIRE AND EXPLOSION HAZARDS	N/A			

SECTION V - HEALTH HAZARD DATA

THRESHOLD LIMIT VALUE See Section II

EFFECTS OF OVEREXPOSURE
No immediate harmful effects. Repeated breathing of excessive concentrations can cause minor irritation of skin and mucus membranes.

EMERGENCY AND FIRST AID PROCEDURES

Wash thoroughly with soap and water, especially when exposed to open cuts.
Consult physician if ingested.

SECTION VI - REACTIVITY DATA

STABILITY	UNSTABLE		CONDITIONS TO AVOID
	STABLE	X	

INCOMPATIBILITY (Materials to avoid)

HAZARDOUS DECOMPOSITION PRODUCTS

HAZARDOUS POLYMERIZATION	MAY OCCUR		CONDITIONS TO AVOID
	WILL NOT OCCUR	X	

SECTION VII - SPILL OR LEAK PROCEDURES

STEPS TO BE TAKEN IN CASE MATERIAL IS RELEASED OR SPILLED Wear respirator; vacuum into receptacle for disposal. Wash area with water.

WASTE DISPOSAL METHOD Sanitary landfill in accordance with local, state, and federal regulations.

SECTION VIII - SPECIAL PROTECTION INFORMATION

RESPIRATORY PROTECTION (Specify type) Dust respirators approved by NIOSH

VENTILATION	LOCAL EXHAUST Required	SPECIAL
	MECHANICAL (General)	OTHER

PROTECTIVE GLOVES Leather gloves **EYE PROTECTION** Safety goggles

OTHER PROTECTIVE EQUIPMENT Throw away plastic inserts in leather gloves.

SECTION IX - SPECIAL PRECAUTIONS

PRECAUTIONS TO BE TAKEN IN HANDLING AND STORING Store in dry area; keep containers tightly closed; protect from physical damage; avoid dust.

OTHER PRECAUTIONS Change clothes before eating, wash face and hands before eating or smoking; keep away from food or food products. Periodic blood tests.

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Alaskan workers should have a basic understanding of this document in order to effectively utilize their right to know about hazardous materials in the workplace.

For more information, contact Alaska Health Project, P.O. Box 10-1037, Anchorage, Alaska 99510, or phone (907) 276-2864

HB

23

Alaska Telephone Association

201 E. 56th Avenue / Suite 230
Anchorage, Alaska 99518
(907) 563-4000

*MARK
Hold for
Action*

W. D. Pyron
President

Ted Lehne
Executive Director

14 December 1987

Senator Tim Kelly, Chairman
Senate Labor & Commerce Committee
PO Box 21-0001
Anchorage, AK 99521

Dear Senator Kelly:

Thank you for spending time with Sharon Macklin and me on November 18 to discuss CSHB 23 on reduced rates and discounted service for low income telecommunications customers.

At that meeting you expressed concern that telephone companies would use adoption of the bill as a method of offering discounted service to low income customers who do not really need it, and suggested we offer an amendment. I have attached a copy of the bill and suggest that the words "who qualify for federal or state administered means-test social services assistance programs." be added in each of the appropriate places.

These qualifying words first preclude local, or Native corporation designed social service programs. Second they limit to means-test programs. Third they specify social service assistance programs.

The alternative to this is to list qualifying programs, such as SSI, AFDC, food stamps, etc. But in a diverse state like Alaska this could broaden the program. For example, I have attached a copy of the ordinance adopted by the City of Fairbanks City Council which established their program. They are not economically regulated by the APUC.

Their program offers assistance to those receiving SSI and AFDC. If the state statute included food stamps, it would be difficult for that community to exclude food stamp recipients. By the general language I have proposed, public utilities are free to limit the program in their area, if that is what they desire.

I have also enclosed the latest bulletin from the FCC and consumer groups on Lifeline service and the new "Link Up America."

As we explained, this new program is a substantial national effort, paid for out of a pool of money from long distance calls. A very small percentage of each long distance call goes into this pool, whether the state participates in the Link Up program or not.

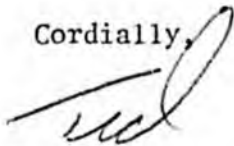
It is unlikely there will be much interest in this program in the rural villages since people can summon aid without a phone, and costs are already high. The real benefit will be in areas surrounding major communities where people often live some distance from their neighbor and need the phone to summon help in an emergency.

Since the affect of implementing such a program is to provide incremental income to local companies, it is unlikely to result in rate increases. I have seen no evidence from other states that have implemented these discounted programs that they have caused rate increases for other customers.

We would not be in favor of a bill that would mandate companies to offer reduced rate services. But we do believe in local option, and therefore support the legislation offered by the House Special Committee on Telecommunications.

If we can provide you with additional information, please let me know. It was good to see you again. Best wishes for the holidays.

Cordially,



Ted Lehne
Executive Director

cc: Sharon Macklin
Rep. Red Boucher

Introduced by: Deputy City Manager -
Utilities
First Reading: April 6, 1987

ORDINANCE NO. 4625, As Amended

AN ORDINANCE TO AMEND FGC 12.119.1.4,
LIFELINE TELEPHONE SERVICE, BY DELETING
THE RESTRICTION ON LIFELINE TELEPHONE
CUSTOMERS LOCAL CALLS; AND SETTING AN
EFFECTIVE DATE.

WHEREAS, Ordinance No. 4457 was adopted August 5, 1985, and enacted FGC 12.119.1.3, Lifeline telephone service; and

WHEREAS, Section 2 of this ordinance states that it would become effective as soon as the general manager certified that he had the equipment to implement such service; and

WHEREAS, it was anticipated that the new digital switch would make it easy to limit individual customers to making calls to a limited number of preselected local numbers; however, this can be done only by tying up a substantial capacity of the switch and at considerable effort; and

WHEREAS, there are approximately 400 recipients of SSI in the Fairbanks area and it is desired that this service be provided to them without restrictions on the local calls they may make; and

WHEREAS, there are approximately 260 households who qualify for aid to families with dependent children, and it is also desired that this service be provided to them.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. That FGC Chapter 12, Utilities, Article I, General Provisions; Rates, Sec. 12.119.1.4, Lifeline telephone service, be amended as follows:

Sec. 12.119.1.4. Lifeline telephone service.

(a) Telephone customers who furnish verification from the Social Security Administration that they are recipients of supplemental security income (SSJ) or who furnish verification from the Alaska Department of Health and Social Services that they are recipients of payments for Aid to Families with Dependent Children (AFDC) are entitled to a lifeline telephone rate.

(b) The lifeline telephone rate will be one-half (1/2) the regular residential telephone tariff rate for basic telephone service. Lifeline customers will pay the same charges as others for all other services, including but not limited to installation, repair, toll calls, etc.

[(C) LIFELINE TELEPHONE CUSTOMERS WILL BE LIMITED TO MAKING OUTGOING CALLS TO FIVE (5) PRESELECTED LOCAL NUMBERS, ONE (1) OF WHICH SHALL BE THE EMERGENCY NUMBER AND FOUR (4) ADDITIONAL LOCAL NUMBERS THEY MAY SELECT, AND MAY RECEIVE UNLIMITED INCOMING CALLS.]

(c) [(D)] Applicants for lifeline service must furnish verification from the Social Security Administration that they are receiving supplemental security income (SSJ) or the Alaska Department of Health and Social Services of payments for Aid to Families with Dependent Children (AFDC). Once a year they [AND] must furnish reverification from the Social Security Administration that they continue to receive SSI or from the Alaska Department of Health and Social Services that they continue to receive payments for AFDC [ONCE A YEAR]. The burden will be upon the applicant to secure such verification. Twelve (12) months after the last verification, the applicant will be charged the full regular telephone rate unless and until such verification is furnished to FMUS.

(d) [(E)] Applicants will be limited to those people receiving supplemental security income (SSI) or AFDC who are heads of household in which they reside. Recipients of supplemental security income (SSI) or AFDC who reside in a

household with adults (other than a spouse) who are not entitled to SSI or AFDC are not eligible for lifeline telephone service.

SECTION 2. That the effective date of this ordinance shall be the 9th day of May, 1987.

BILL WALLEY, Mayor

ADOPTED:

ATTEST:

CARMA B. ROBERSON, City Clerk

LIFELINE TELEPHONE SERVICE

The City of Fairbanks dba Municipal Utilities System, has passed an amended Ordinance 4457 effective April 25, 1987.

The purpose of the amendment is to allow persons receiving Supplemental Security Income (SSI) or aid to Families with Dependant Children (FDC), the availability of telephone service at a reduced basic rate.

REQUIREMENTS FOR LTS:

Verification from the Social Security Administration or the Public Assistance Office of eligibility will be furnished to FMUS by the customer. The customer must immediately notify FMUS if the customer is later determined not eligible for either of these programs.

1. Applicants will be limited to those people who are heads of household in which they primarily reside.
2. The lifeline telephone rate will be one-half (1/2) the regular residential telephone rate for basic telephone service. Lifeline customers will pay the same charges as others for all other services, including but not limited to installation, repair, toll calls, etc.
3. The applicant will have the standard denied toll calling in conjunction with the reduced rate and deposit.
4. If the applicant chooses the option of unrestricted long distance calling, the applicant will be required to pay the full deposit charge.
5. The applicant is responsible for furnishing verification, and reverification every 12 months from the agency that qualified the applicant for Lifeline Telephone Services.
6. On the billing cycle that includes the anniversary date of the customers Lifeline Telephone Service, the customer will be charged the full rate unless verification has been furnished.

FOR INFORMATION CALL 456-1010.

lifeline/bjr/a



Quarterly Update

Vol. 1, No. 1 • A Telephone Service Assistance Program • December, 1987

Link Up America Begins Providing Telephone Service Assistance to Low Income Americans

Link Up America is a new telephone service assistance program directed to low income households currently without telephones. The program is sponsored by the Federal Communications Commission in cooperation with the United States Telephone Association, the Consumer Federation of America, and state regulators.

The Link Up America program was initiated to address the specific concern that not all Americans can afford the connection and installation charges required to obtain access to the telephone network.

Recommended by the Federal-State Joint Board, the program was adopted by the FCC on April 16, 1987. Link Up America was officially introduced at a teleconference on October 6, 1987 in Washington, D.C. (see separate article).

To qualify for Link Up America services, an individual:

- Must not have had telephone service in his or her home for the last three months;
- Is not claimed as a dependent for federal income tax purposes, unless the person is over 60 years old;
- Has not received telephone connection assistance within the last two years; and
- Meets local income and eligibility requirements determined by each state.

Link Up America is designed

as a national consumer education and outreach program. Therefore, its success on the state and local level requires the cooperative efforts of local telephone companies, consumer and community organizations, and state regulators and legislators. Together, these groups are organizing local coalitions to reach the program's target audiences.

Because of the make-up of the target audience, many of whom cannot be reached through conventional channels of mass communication, much of the Link Up effort will focus on working with people on the local level on a one-on-one basis. Outreach efforts also include written materials and radio and television public service announcements.

Local organizers, supported by the national sponsors, are developing state-specific plans to ensure grass roots success.

Pilot programs have been established in Arkansas, the District of Columbia, Texas and West Virginia (see separate reports). These pilot programs do not, however, preclude any state or telephone company outside the study areas from offering Link Up America assistance now. In fact, eleven additional states have already received FCC certification.

As part of the initial outreach effort, support materials written and developed in Washington, D.C., have been made available to the Link Up coalitions in the pilot areas. Community organ-

Continued on Page 2



Luverne McClinton, secretary of the St. Francis Housing Authority (Forrest City, Arkansas), explains the Link Up America program to Carol Bishop.

An Open Letter from the FCC

On behalf of the Federal Communications Commission, I applaud the efforts of all those involved in implementing the Link Up America telephone service assistance program. A great deal of work has been accomplished since the program's kick off on October 6th. People are involved, and most importantly, our commitment to universal service has been reaffirmed, as we strive to provide telephone service to those low income households currently not on the telephone network.

The main objective of this program is to make telephone service more affordable for low income individuals presently without phones. To achieve this goal, Link Up America will pay for one half of the installation and connection charges, or an amount up to \$30. In addition, telephone companies are encouraged to offer interest-free deferred payment schedules on the remaining balance, and where appropriate, to reduce or waive any deposit that may be required.

We estimate the number of low income households that are potentially eligible for Link Up America services to be approxi-



Dennis Patrick

mately five million nationwide. In general, those individuals who do not have telephone service and qualify for social services assistance programs are eligible for the Link Up America program.

In an effort to test implementation and communication methodologies, pilot programs have been established in Arkansas, the District of Columbia, Texas and West Virginia. Link Up America coordinators in these areas have brought together coalitions of local telephone companies, state regulators and legislators, civic organizations, and consumer and religious groups to pool their

quarterly basis. A summary of the pilot areas' data will be distributed to assist other states in implementing their own program.

Local coalition efforts in the pilot areas have been promising. The word is getting out, and low income Americans are being connected to the telephone network.

Link Up America will offer eligible Americans the opportunity to participate in and enjoy the benefits of the information age—through the telephone.

resources and outreach efforts in order to contact the program's target audience. The level of involvement and commitment in this regard has been overwhelming, as you will see in this quarterly report.

Link Up America supporters have been distributing flyers, tacking up posters, preparing mass mailings, and manning information hotlines in a grass roots effort to spread the word about the program's availability. Those out in the field are relying on or 2-on-one contact to inform the low income households of the program.

These pilot programs are good examples of what can be accomplished when government, industry, and citizen groups work together.

Including the pilot programs, 14 states and the District of Columbia have now adopted Link Up America, and it is anticipated that by year-end, many more will have joined in the national campaign. To date, the states that have been certified include: Alabama, Arkansas, Colorado, Connecticut, Maine, Maryland, Montana, New Jersey, New York, North Carolina, Ohio, Rhode Island, Texas and West Virginia.

To ensure the continued success of the Link Up America program, ongoing commitment to our grass roots efforts is essential. I call upon everyone involved with this program to carry on—to maintain the current momentum—to make certain that all eligible Americans are given the opportunity to "link up" to the telecommunications network.

A handwritten signature in cursive script that reads "Dennis R. Patrick".

Dennis Patrick
Chairman, FCC

Link Up Begins

Continued from Page 1

izers are encouraged to tailor the information materials to fit their specific needs.

During the first six months of implementation, the activities in these pilot areas are being monitored monthly. The Link Up coalitions will provide written reports on the progress of their programs.

At the end of the six months, the program will be rolled out nationwide and monitored on a

Teleconference Oct. 6 Kicks Off New Telephone Assistance Program

The Link Up America program was officially kicked off at a teleconference held in Washington, D.C. on October 6. In attendance were representatives from the federal, legislative and regulatory arenas, as well as telephone industry and consumer representatives. Collectively and individually, all endorsed and voiced their support for this new telephone service assistance program.

The Link Up America program will only be as successful as the organizations that support it. As evidenced by the statements made at the teleconference, the program received a most promising send off.

In introducing the program, Federal Communications Commission Chairman Dennis Patrick stated, "The kick off of 'Link Up America' begins a major effort by the FCC, state and local officials,



Speakers at the Link Up America kick off Oct. 6 (left to right): Marion Barry, Edward Burke, Virginia Knauer, John Sodolski (speaking), Dennis Patrick (behind podium), Mickey Leland, Phillip Campbell, Edward Whitacre, and Stephen Brobeck.

telephone companies, and consumer groups to reach low-income individuals currently without telephone service, and to connect them to our telecommunications network."

Representing the local telephone industry, John Sodolski, president of the United States Telephone Association em-

phasized, "The industry is committed to this program and is ready to face the challenges it presents head-on."

In addition to Sodolski, telephone companies in the pilot program areas were represented by Phil Campbell, president of Bell Atlantic and Ed Whitacre, vice chairman and chief financial officer of Southwestern Bell.

"On behalf of the Bell Atlantic companies, we are fully committed to the program from top to bottom," said Campbell. "You may be sure we will do everything we can see to it that its benefits are made available to everyone qualified to receive them."

Said Whitacre, "We look forward to the challenge of reaching out to the potential Link Up subscribers in our service areas...I am confident Southwestern Bell has the kind of people who—along with state officials, local consumer representatives, and independent telephone companies—will produce an implementation plan the rest of the country can follow."

To lend support from the consumer sector were Steve Brobeck, executive director of the Consumer Federation of America and Virginia Knauer, special adviser

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Congressional Involvement Growing In Link Up Program

In support of Link Up America, members of Congress are being asked to appear in 30 second public service announcements (PSAs). Through these spots, congressmen can inform their constituents, who may be eligible for the program, how to procure Link Up services in their area.

Congressmen are also being asked to distribute Link Up America brochures through their Washington or district offices.

The PSAs, to be broadcast on local television stations, will be accompanied by returnable monitoring cards in order to record the number of times the spots are shown. The goal of the Congressional PSA portion of Link Up America is to have all congressmen produce a PSA for viewing in his/her local area.

Members who have completed PSAs for the pilot sites—Arkansas, Texas, West Virginia, and the District of Columbia—include:

Rep. Joe Barton (R-TX)
Rep. Mickey Leland (D-TX)
Rep. Alan Mollohan (D-WV)
Rep. Nick Joe Rahall (D-WV)
Sen. Jay Rockefeller (D-WV)
Rep. Tommy Robinson (D-AR)
Rep. Harley Staggers (D-WV)
Rep. Bob Wise (D-WV)

The remaining congressmen in the pilot areas have been contacted and are in the process of scheduling time to record their PSA.

The Congressional PSA Program is a vital element of Link Up America's grass roots efforts to get the word out to eligible Link Up subscribers.

Arkansas



"Link Up Arkansas" volunteers gather on the steps of the Pulaski County Courthouse for instructions before delivering Link Up materials.

Teleconference

Continued from Page 3

to the President of the United States for Consumer Affairs.

Brobeck emphasized the importance of face-to-face communication by coalitions made up of community leaders and social service workers. Knauer gave the endorsement of the White House to the Link Up program, and also encouraged the establishment of local coalitions.

Speaking on behalf of the state of Texas (one of the four pilot areas) while also stressing the involvement of congressmen in the program, was Rep. Mickey Leland (D-TX). "I am pleased to see that 'Link Up America' will be a cooperative effort—involving consumer and community organizations, state and federal legislators and regulators, and the local telephone industry."

Ed Burke, chairman of the Rhode Island Public Utilities Commission and member of the Federal-State Joint Board stated that, while this is a national program, the key to its success rests on the involvement put

forth at the state level.

Presenting a local perspective was Marion Barry, Mayor of Washington, D.C. (also one of four pilot areas). Barry felt it was appropriate the Link Up America program would begin, in part, in the nation's capital.

Speaking via satellite from two of the other pilot areas were Arch Moore, Governor of West Virginia, and Bill Clinton, Governor of Arkansas. As with Washington, D.C., television, print and radio reporters were able to participate in a live question and answer period through the satellite hookup.

The enthusiasm and commitment demonstrated at the teleconference have grown and become more concrete as the program continues to roll out. The list of participating organizations is increasing almost daily (see back page). With organizations like these forming the backbone of the program, there is every indication Link Up America will be successful in hooking up many eligible Americans who currently are without telephone service.

Link Up information "blitz" spans 75 counties.

Arkansas' Link Up America effort got underway on Saturday, October 31, with a flourish and a considerable amount of hard work. Volunteers went on a 75-county "blitz" spreading the word on Link Up America—everywhere from government offices to laundromats.

In Pulaski County, the most populous in the state and also the site of the capital city, workers attended a rally on the courthouse steps before distributing the materials.

As final instructions were given, posters and brochures were divvied up among the volunteer groups as local reporters and photographers looked on. Because of all the red markers that began appearing on the large highway maps as workers plotted their distribution points, one amused spectator asked, "Are these guys planning a revolution or something?"

About 400 volunteers drove nearly 8,000 miles throughout the state during the weekend, to get the materials into place at 1,500 locations.

Most telephone company business offices and government agencies had already received their supplies in the mail. In all, more than 3,000 posters and 50,000 brochures were in place on November 2, the official starting date for "Link Up Arkansas."

Volunteers from telephone companies (many of them members of community relations teams), the Arkansas Telephone Association and human services agencies, worked with community organizations such as the Arkansas Community Organizations for Reform Now (ACORN), senior citizens' groups, the NAACP, church groups and ministerial alliances.

Continued on Next Page

Arkansas

These groups worked together, driving to grocery stores, banks, restaurants, churches, community centers and other locations selected as delivery sites by county coordinators. City and county officials, nutritionists, social workers and members of local economic development groups also assisted.

Apparently, they had chosen their locations well. Calls began in earnest at telephone company business offices all over the state the following Monday. One east Arkansas business office had to stay open until 8:00 p.m. the first night to handle all the Link Up America telephone calls.

Many people simply were curious about the program, but an encouraging number turned out to be eligible for assistance.

By the end of the first two weeks (November 13), eight telephone companies had reported to the Arkansas Telephone Association a total of 2,357 business office inquiries with 494 customers undertaking the certification process.

Southwestern Bell, the state's largest single telephone company, had received 2,000 inquiries, 800 of those were sent certification cards.

News coverage of the operation was favorable and widespread. County coordinators tracked more than 70 newspaper articles and radio and television reports about the Link Up effort so far. Radio stations have also begun using public service announcements.

In the words of one volunteer, "If this doesn't work, it sure won't be from lack of effort."

"Link Up Arkansas" is officially sponsored by a coalition made up of the Arkansas Telephone Association, ACORN and the state Attorney General's Office. Although not formally a part of

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Texas

Thirty-seven consumer and social service organizations meet to discuss Link Up efforts.

The largest telephone company in Texas, Southwestern Bell officially launched its Link Up America program with an Information Coalition session on November 13 in Austin. Thirty-seven state consumer and social service organizations met to map out implementation strategies for Link Up America in Texas. Their program went into effect on November 15.



William Free (left), vice president-revenues and public affairs for Southwestern Bell and Dennis Thomas (right), chairman of the Texas Public Utility Commission address local specifics during the Link Up America press conference.

An estimated 233,500 households, or nearly four percent of all Texas households, do not have telephone service. The attendees shared their ideas on how to reach the 180,000 of those low-income persons without telephone service who reside in Southwestern Bell territory. A seven-minute video outlining the Link Up America program was shown, and each participant received a packet of material to be used in his or her outreach efforts.

The groups that form the Texas Link Up America program include: Texas' Department of Human Services, Agricultural Extension Service, the Employment

Commission, the Department on Aging, the United Way of Texas, the Texas Senior Citizens Association, the Gray Panthers, the Coalition of Texans with Disabilities, and the Governor's Committee for Disabled Persons.

The following are some of the points that were discussed in the meeting:

—The American Association of Retired Persons (AARP) will begin a program to collect old phones from fellow Texans, as well as encourage their local chapters to raise money to buy phones to donate. In addition, each AARP member will be asked to identify five to ten people who may be in need of Link Up assistance.

—The Texas Department on Aging will educate their members about the availability of Link Up services through the department's publications, as well as work with the Texas Association for Information Referral's 927 senior citizen and nutrition centers.

Participants in other programs will also be called upon to spread the word about Link Up America, including providers of home delivered meals and meter readers, who participate in the gatekeeper program.

—The Texas Department of Human Services will provide Link Up America bill inserts to recipients of Aid to Families with Dependent Children (AFDC) and Food Stamps. A Link Up America presentation will be made at the Department's next board meeting, and an information letter on the program will be sent to all Department of Human Services staff in the 350 local offices throughout the state.

—The United Way of Texas indicated they would be putting Link Up America information in their newsletter. Bill Link, executive

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Washington, D.C.

D.C. program to work through community and civic organizations.

In the District of Columbia, C&P Telephone Company and Bell Atlantic have embarked on an aggressive program to reach potential Link Up America subscribers. The D.C. program is focusing on working through local community and civic organizations.

C&P Telephone Company has six community relations teams that have distributed approximately 10,000 brochures, 5,000 fact sheets and 50 posters throughout Washington, D.C. In addition, bill inserts were mailed to all 400,000 C&P customers in the District.

Efforts to reach low income households in the District can be attributed to an active coalition, formed to assist and enhance C&P's outreach program. Members of the District of Columbia's Link Up America coalition include representatives from the Public Service Commission, Office of the People's Counsel, the D.C. Energy Office, the American Association of Retired Persons, the D.C. Office of Consumer and Regulatory Affairs, the Gordon Adult Education Center, the Center City Community Corporation and the D.C. State Council of Senior Citizens.

As a member of the coalition, the D.C. Energy Office has

already begun to identify qualified applicants by furnishing updated lists to the C&P business office once a week. Letters are then sent to these potential subscribers, notifying them they qualify for Link Up services.

Members of the coalition have also visited several lunch sites at churches and apartment complexes in conjunction with the Urban League Lunch Program. Brochures, fact sheets and posters were distributed and a question and answer period followed. Similar visits are planned at least three times a month.

Also, a C&P speakers bureau has scheduled Link Up America presentations at six churches and homes for the elderly.

The coalition has also identified a large Spanish population in the District that would qualify for Link Up America services. Brochures, fact sheets and posters have been translated into Spanish for distribution.

In addition to the activities mentioned above, C&P has identified many avenues that will be pursued in the near future to reach as many low income households as possible.

C&P is considering reviewing its own records of accounts that have been disconnected for at least three months for reasons such as "non-payment" and "cannot afford," to identify candidates. The company may also

review their records of recent new connect applications that were not installed because advance payments or deposits were not paid.

C&P is also considering distribution of information through the Urban League's Low Cost Meal Program and the similar "Meals on Wheels" program. Both deliver food to the needy throughout the city.

Cross checking the customers of D.C. Natural Gas, Pepco, and the water service with C&P records to identify households without telephones will also be looked into. Once the list is compiled, an effective means of marketing Link Up America to these people will be developed. C&P will also consider a mailing or visitation program to reach all citizens who qualify for energy assistance, and are shown as having no telephone service.

Other organizations to be contacted for assistance are: the United Way, the D.C. Unemployment Agency, the Advisory Neighborhood Commissioners and District of Columbia Council Members.

Information for this article was provided by Veronica R. Brown, staff manager for C&P Telephone.

Link Up Quarterly

This publication is produced quarterly on behalf of the national sponsors of the Link Up America Telephone Assistance Program. The Federal Communications Commission, the United States Telephone Association, and the Consumer Federation of America organizational contacts are:

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The C&P Speakers Bureau has six presentations on the Link Up program scheduled in sites throughout Washington, D.C.

West Virginia

Direct mail campaign reaches 90,000 low income West Virginians.

From mid-October through the end of November, 90,000 low income people in West Virginia learned about Link Up America through a direct mail program. The West Virginia Department of Human Services, a member of the state's Link Up America coalition, mailed applications to public assistance and Food Stamp recipients in the state.

"The direct mail program has already produced results," said Roberta Fowlkes, C&P Telephone Company consumer affairs manager and Link Up America coordinator for West Virginia. "In October, more than 700 applications were received in business offices of the ten telephone companies serving the state," she said.

The West Virginia Commission on Aging, another member of the coalition, also launched a statewide campaign. Outreach workers with the Area Agencies on Aging in each of 55 counties, have received packets of informa-

Texas

Continued from Page 5

vice president of the United Way of Texas, would also be sending a letter to all state chapters.

In addition to Southwestern Bell, General Telephone of Texas is also participating in Link Up America, and United Telephone indicated it will become a participant in early 1988.

A special group of service representatives from Southwestern Bell is in charge of handling the Link Up America inquiries in Texas. Customers can apply for Link Up America services by calling 1/800-832-LINK.

Information for this article was provided by Debra Hollingsworth, area manager-community relations for Southwestern Bell.



Irene Ryan of Charleston, West Virginia, places a Link Up America poster in the Senior Nutrition Site at Career Career Center.

tion on the program to assist in educating clients about Link Up benefits.

Outreach workers will assist applicants directly, by certifying eligibility for the Department of Human Services. This certification procedure is important, since West Virginia's eligibility requirements include low income people who do not currently receive any assistance. These outreach workers can identify eligible candidates not known by Human Services.

"These two state agencies have taken active measures to help eligible people learn about the program," Fowlkes said. "We feel with these combined efforts, we are reaching the large majority of eligible people very early in the trial period."

In December, more than 4,000 people who receive home delivered meals will also get a flyer on Link Up America, with instructions to talk with their outreach worker about the program.

Other members of the coalition are also doing their part. Many have included information in their publications, spreading the word throughout their organizations and membership.

General Telephone Company held Link Up America activities in two cities this past November.

Sandra Walls, public affairs manager, was in Romney, West Virginia on Tuesday, November 10, and in Charlestown Wednesday, November 11, to provide information to the public.

In addition to the Department of Human Services, the Commission on Aging and the telephone companies, the coalition includes local chapters of the National Council of Jewish Women, the National Association of Social Workers, the West Virginia Coalition on Legislation for the Elderly, the West Virginia Public Service Commission, the office of the Consumer Action Against Poverty, the League of Women Voters, and the Council of the Southern Mountains.

The next step in West Virginia's plan is to deliver public service announcements, recently videotaped by the state's congressional representatives in Washington, D.C., to television stations in the state. So far, announcements have been completed by Representatives Molohan, Rahall and Wise and by Senator Rockefeller. In addition, all the congressional offices will distribute information on the program (see separate article).

Information for this article was provided by Roberta P. Fowlkes, staff manager-employee information/consumer affairs for C&P Telephone of West Virginia.



Participating Organizations

American Association of Retired Persons
 American Gas Association
 Area Agencies on Aging
 Arkansas Attorney General's Office
 Arkansas Community Organizations for Reform Now
 Arkansas Public Service Commission
 Arkansas Telephone Association
 Center City Community Corporation
 Coalition of Texans with Disabilities
 Consumer Federation of America
 Council of the Southern Mountains

Arkansas

Continued from Page 5

the sponsoring coalition, the state Public Service Commission has given its endorsement by approving the tariff filings for each of the 28 telephone companies in the state.

Information for this article was provided by Greg Russell, secretary to the district staff manager-news relations for Southwestern Bell

D.C. Energy Office
 D.C. Office of Consumer and Regulatory Affairs
 D.C. Office of People's Counsel
 D.C. Public Service Commission
 D.C. State Council of Senior Citizens
 Federal Communications Commission
 Food Bank Network
 Gordon Adult Education Center
 Governor's Committee for Disabled Persons (Texas)
 Gray Panthers
 League of Women Voters
 NAACP
 National Association of Broadcasters
 National Association of Regulatory Utility Commissioners
 National Association of Social Workers
 National Council of Jewish Women
 National League of Cities
 Office of the Consumer Advocate of West Virginia
 Retired Senior Volunteer Program

Southwest Arkansas Development Council
 Texas Agriculture Extension Service
 Texas Department on Aging
 Texas Department of Human Services
 Texas Employment Commission
 Texas Public Utility Commission
 Texas Senior Citizens Association
 United States Telephone Association
 United Way of Texas
 West Virginia Coalition on Legislation for the Elderly
 West Virginia Commission on Aging
 West Virginia Department of Human Services
 West Virginia Multi-County Community Action Against Poverty
 West Virginia Public Service Commission
 Young Women's Christian Association
 (As of November 30, 1987)



Quarterly Update

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000001866 MBRLT8
 Mr. Ted Lehne
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 Alaska Telephone Association
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NWSLTR

United States Telephone Association
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NLCA Lifeline Assistance Initial Certification
Guidelines

Lifeline Connection Assistance

The FCC in its Decision and Order in Dockets CC 78-72 and 80-286 has expanded the lifeline program to include a Lifeline Connection Expense Adjustment (LCA). The LCA will allow exchange carriers, after having been certified, to assign a portion of the costs for commencing telephone service for eligible subscribers to the interstate jurisdiction.

Certified Exchange Carriers will be allowed to submit as an expense adjustment, 50% of the normal tariffed charges for commencing telephone service for a single residential line. The expense adjustment may not exceed \$30.00. Also for those Exchange Carriers that have deferred payment plans for Tariffed charges for commencing telephone service, the interest on deferred payments up to \$200 may be submitted as an expense adjustment. The interest shall be applied only to the amounts actually outstanding at the same interest rate as the latest 10 year Treasury Bill on January 1 of the submitted data year.

Subscriber Eligibility for LCA are:

1. Must reside at an address where there has been no telephone service for at least 3 months prior to requesting LCA. The address must be the principal place of residence and no one in the household has telephone service.
2. The requesting subscriber has not received LCA for at least 2 years prior to current request.
3. Must meet a state established income test.
4. The requesting subscriber must not be a dependent for federal income tax purposes if under 60 years of age (i.e. not listed on another persons Tax Form 1040 as a dependent).

Certification of eligibility for items 3 and 4 may be self certified by the subscriber. Certification of eligibility for items 1 and 2 may be done by the state or telephone company. If it is administratively infeasible for certification by the state or the telephone company for items 1 and 2, self certification by the subscriber is acceptable but the state established income test must be made by the state, telephone company or a state designated agency.

Exchange Carriers and State Responsibility

The Exchange carriers and/or the State desiring to take advantage of LCA must submit a plan to the Federal Communications Commission for certification. A plan submitted by the state should cover all Exchange carriers within its jurisdiction that are willing to provide LCA. An Exchange carrier can submit its own plan with state concurrence, to the Federal Communications Commission for certification.

The submitted plan shall include

1. The type of LCA being provided, the options are:
 - a) reduction to the eligible subscriber of one half of the tariffed charges for commencing telephone service for a single residential line not to exceed \$30.00
 - b) forgiveness of interest to eligible subscribers on deferred schedule for payments of the tariffed charges for commencing telephone service up to \$200, if the exchange company has such a plan.
 - c) both the reduction of the tariffed charges for commencing telephone service and forgiveness of interest charged to subscribers for deferred payment of commencing service.
2. The criteria for subscriber eligibility and verification tests.
3. The tariffed rate elements for commencing telephone service.
4. Lifeline Assistance Data Form for Initial Certification filed concurrently with the FCC and NECA.

The Exchange Carrier can claim lifeline connection assistance expense adjustment effective with FCC certification and when the relevant tariff provisions are in effect.

Lifeline Assistance SLC Waiver

Lifeline Assistance (LA) for residential subscribers is a reduction of the end user subscriber line charge (SLC). The reduction in residential SLC is accomplished by one of two ways, (1) with the provision of state funds, the SLC is reduced to the extent of the state matching funds (2) the SLC is reduced 50% if the Exchange Carrier reduces the local exchange service rate by an equal amount.

The reduction of the residential SLC involving state provision of funds requires a plan to be submitted to the FCC Secretary for certification. The plan may be submitted by the state or by the individual Exchange Carrier.

To qualify for a SLC reduction a subscriber must be eligible for, and receive assistance or benefits, e.g. Food Stamp, Aid to Dependent Children. The type of assistance or benefits received by the eligible subscriber may vary from state to state.

The plan submitted to the FCC shall include the amount of state assistance being provided for single line residential telephone, details and calculations underlying the amount of state assistance and certification of subscriber eligibility. The Exchange Carrier can begin offering the reduction in the SLC for eligible subscribers, equal to the state assistance as soon as the FCC certifies the plan and the relevant tariff provisions become effective.

The subscriber line charge (SLC) for a residential subscriber can be reduced by 50% if the Exchange Carrier reduces the residential local exchange rate for qualified subscriber by an equal amount. Unlike the subscriber reduction with state matching assistance, no plan has to be filed with the FCC. However, the rate reduction is based on a means test that is verifiable. The SLC reduction is effective with the tariff provisions.

Lifeline Assistance Data for Initial Certification

FCC rules require that when a plan is certified, data be filed with the FCC and NECA. Attached is the required Data Certification Form.

The data requirements must be reported by study area.

A. Lifeline Connection Assistance

Line 605 - Forecast the number of subscribers that are eligible and expected to receive LCA for the initial six month period.

Line 615 - Forecast the total dollar amount discount for LCA for the eligible forecasted subscribers for the initial six month period. The amount per eligible subscriber is 50% of the normal tariffed charges or \$30, whichever is less.

Line 625 - Forecast the number of eligible subscribers for the initial six month period for which payments of service connection charge are on a schedule of deferred payments.

Line 635 - Forecast the total dollar amount of forgiven interest on the outstanding amount of deferred payments for the initial six month period. The deferred amount on which the cost of interest is to be calculated is not to exceed \$200. The interest rate to be applied to

the outstanding amounts is the rate for the most current issued 10 year Treasury Bill as of January 1 of the year which the forecast is made.

B. End User SLC Waiver

Line 655 - Forecast the number of eligible subscribers in the study area that are expected to be granted less than the full reduction of SLC.

Line 665 - Forecast the number of eligible subscribers in the study area that are expected to be granted 100% SLC reduction. In order to qualify for 100% SLC reduction, the state assistance must be equal to or greater than the SLC in effect.

Line 675 - Forecast the total dollar amount for the SLC being reduced for the initial six month forecast period. This amount is for the eligible subscribers forecasted on lines 655 and 665 above.

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reiterated the benefits of rate integration.¹¹ Given the parties' general acceptance of rate integration and the FCC's repeated expression of its intention to retain the policy, we submit that the question is not really in issue. To avoid any possible question, the Joint Board should again confirm, and the FCC reaffirm, the commitment to rate integration as a cornerstone of the public interest in Alaska.¹²

III. THE HISTORICAL AT&T-ALASCOM ARRANGEMENT HAS BROUGHT UNIVERSAL SERVICE TO ALASKA, AND ITS CONTINUATION IS ESSENTIAL TO ACHIEVE THAT PURPOSE.

A. The Arrangement Has Made Possible Universal Service At Affordable Rates and Permits Competitive Entry On the Same Basis as in the Rest of the Country.

Alascom's joint participation with AT&T has made universal Alaskan interstate and intrastate service a reality. The basic public interest goal for Alaska has always been to create a reliable and affordable statewide network in order to provide a full range of interstate and intrastate telecommunications services -- "universal service" -- to all Alaskans.

Beginning in the early 1970s, many Alaskans gained access to basic telephone service for the first time. The "network"

¹¹ Memorandum Opinion and Order, FCC 86-602, CC Docket No. 83-1376, para. 26 (released January 2, 1987). The benefits included (a) helping to offset the competitive damage to Alascom under current interim Alaska policies; (b) bringing reduced rates to "the one-third of the customers in Alaska who do not presently have access to competitive alternatives"; and (c) preventing upward pressure on intrastate jurisdictional costs and rates from Alascom's loss of interstate market share.

¹² See, e.g., NARUC-FCC Separations Manual, 87 FCC 2d 25, 27-28 (1981).

started with few facilities. For many remote villages, there was no dependable contact with the rest of Alaska or the nation, and even the cities were served by a rudimentary system designed to meet military needs.¹³

Today, Alascom provides a full range of interstate and intrastate, switched and private line, analog and digital, voice, television and data services throughout the State and between Alaska and the rest of the world. Alascom's present range of services and propensity for innovation are far greater than when Alascom first started in 1971, and far greater than are to be found today from GCI. That company furnishes basically a voice service in competition with the interstate MTS/WATS service Alascom furnishes jointly with AT&T.

Satellite technology was seen, and proved, to be a breakthrough that made possible otherwise impossible statewide universal service and could substantially improve and broaden service to all Alaskan locations. However, achieving statewide service, even by satellite, turned out to be a phenomenal task. The time, cost and difficulty of developing a state-

¹³ When Alascom's previous owner bid to purchase the Alaska Communication System (ACS) eighteen years ago, the rural service facilities consisted of 14 land radio (shortwave) stations that were intended to maintain contact with the Government-owned network for toll messages and telegrams. Offer to Purchase Alaska Communication System Commercial Communications Network, RCA Global Communications, Inc., Vol. 2, March 1, 1969, Section 6, p.1. Telephone service even to those few villages was erratic and unreliable; the quality of service was low and its availability very limited.

of-the-art, satellite-based network proved to be more than Alascom had predicted and far more than the State and others had forecast. This was the case particularly when it came to instituting new state-of-the art satellite service for the remote rural areas of Alaska. Some equipment required more than forty design changes before it was adequate to the task of providing basic service in the Alaskan Bush.¹⁴

Despite the obstacles, Alascom built its present proven, and reliable, satellite-and-terrestrial network. That network serves the entire 550,000 square miles of the State and connects Alaska with the rest of the world through interconnection with other carriers in the contiguous states and Canada. The network has sufficient capacity and facility, route and satellite-terrestrial redundancy and diversity to enable it to fulfill dependably its role as Alaska's interstate and intrastate universal service provider and carrier of last resort. If Alascom did not provide that service for all Alaskans,

¹⁴ Attachment F, p. 10 n. 5. Final costs per two voice channel Bush earth station were approximately \$150,000, exclusive of all other costs, including gateway costs and receive-only television, compared to much lower cost estimates by government and other participants. One reason was the underestimated hostility of the Alaskan environment. The conditions in remote Alaska made for travails that outdo Jack London stories. For example, Alascom crews told of "white outs," temperatures of 50 to 60 degrees below zero, high frosted winds of 50 to 90 mph and the need to dive helicopters off mountaintops to overcome the buildup of ice and snow. The crews never knew whether they would have to chop six to ten inches of radial ice off the microwave towers or tie themselves together so as not to be blown off the mountain. Substantial previously unanticipated costs were what we now see as the inevitable consequence.



NEWS

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2837

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1975).

Report No. DC-890

ACTION IN DOCKET CASE

April 16, 1987

**FCC ADOPTS JOINT BOARD RECOMMENDATIONS CONCERNING
SUBSCRIBER LINE CHARGES, FEDERAL LIFELINE ASSISTANCE, HIGH COST
ASSISTANCE AND POOLING OF COMMON LINE COSTS
(CC DOCKETS 78-72, 80-286)**

The Commission today adopted the Federal-State Joint Board's recommendations on subscriber line charges, federal lifeline assistance, high cost assistance, and pooling of common line costs, with minor modifications. The FCC described the Joint Board's recommendations as an integrated plan that will provide economic benefits for the nation through reduced long distance rates and more efficient use of the public switched network.

The FCC adopted the Joint Board's recommendation that the cap on subscriber line charges for residential and single-line business increase in three modest increments from the present \$2.00 to a level of \$3.50 as of April 1, 1989. No further increases in subscriber line charges are expected beyond this level.

The FCC, however, modified the Joint Board's implementation dates for the first two increases in subscriber line charges. The FCC found that the first \$.60 increase should be postponed one month to July 1, 1987 and the second \$.60 increase should be postponed three months to December 1, 1988. The final \$.30 increase will be implemented on April 1, 1989, as originally proposed.

The Commission stated that the change in implementation dates was in response to concerns stated by Congress. The FCC further stated that it was sending additional bypass information and median telephone usage data to Congress by June 1, 1987 in response to these stated concerns. Further, the FCC stated that the change from the Joint Board's recommended June 1st implementation date to the July 1 date would also allow additional time for full review of the reductions in carrier access charges and the subsequent flow through to long distance rates paid by customers. It also stated that the change from September 1, 1988 to December 1, 1988 would allow a thorough review of the impact of the first \$.60 increase.

(over)

In addition, the FCC adopted the Joint Board's recommendations to expand the federal lifeline assistance program. One part of the expanded assistance measures is a program to help qualified low income households defray the one-time charge for connection and installation. This program, "Link Up America," will offset one half of the connection and installation charges, up to \$30, and will encourage local telephone companies to offer deferred payments by paying their interest costs on an amount up to \$200. In addition, the current lifeline assistance program, which provides a matching federal-state discount to qualified subscribers, was increased to correspond to the subscriber line charge increases.

The FCC also adopted the Joint Board's recommendation to retarget the high cost assistance to high cost telephone companies, effective January 1, 1988. This will provide additional assistance to small and medium size companies and less assistance to the large telephone companies.

The FCC found that the increased subscriber line charges will permit needed changes to the present nationwide pooling system for non-traffic-sensitive (common line) costs. In this regard, the FCC found that increasing the ceiling on subscriber line charges to \$3.50 would reduce variations in companies' common line cost recovery needs which will substantially alleviate the possibility that pooling modifications would result in deaveraging of interstate long distance rates. Therefore, it adopted the Joint Board's recommendations to permit local telephone companies to withdraw from the nationwide common line pool and to file common line tariffs based on their own common line costs. These modifications would be effective April 1, 1989, with the final increase in the subscriber line charge cap.

In conjunction with all these changes the FCC adopted the Joint Board's recommendation to establish a more comprehensive monitoring program to track the impact of these actions. The program will provide frequent reports on the data collection to Congress and state regulators. In addition, the FCC found that the FCC and Joint Board members should have a 90-day study and review of the impact of these changes which also will be filed with Congress and state regulators.

Finally, the FCC directed the local telephone companies to flow through the July 1 increase through reductions in the originating carrier common line charge and to file these changes with the FCC on May 1, 1987. It also directed AT&T Communications to pass on to customers the savings it realizes as a result of reductions in carrier common line charges by reducing long distance rates. AT&T Communications was directed to file these changes with the FCC on May 15, 1987. The FCC also directed that subscriber line charges on embedded Centrex lines be increased to \$4.00 on July 1, 1987, \$5.00 on December 1, 1988, and \$6.00 on April 1, 1989.

The FCC emphasized that adoption of the recommendations, particularly the modest increases in subscriber line charges, represented a significant step toward achieving cost-based telecommunications pricing which will help diminish the threat of uneconomic bypass. In addition, it stated its belief that movement toward cost-based pricing, including the implementation of subscriber line charges, would produce significant, tangible benefits for large and small telecommunications customers.

Without subscriber line charge increases and the retargeting of the high cost assistance program, the Commission stated, the full range of benefits outlined by the Joint Board would be unattainable. If there were no subscriber line charge increases, the telephone companies' individual carrier common line charges would vary widely from study area to study area and from state to state, thus threatening continuation of the nationally averaged interstate long distance rates. By withdrawing from the pool, low cost companies will be able to charge a carrier common line rate closer to their own lower cost of service, rather than the higher nationally averaged (pooled) carrier common line rates. Thus, bypass incentives are minimized. Moreover, all telephone companies that leave the pool will have more incentives to lower their costs since they will benefit directly from any cost savings.

Reviewing the Joint Board's study of these issues, the FCC found that the initial implementation of subscriber line charges furthered the goals of the access charge proceeding. It noted that since the initial implementation of subscriber line charges, nationwide telephone subscribership levels have increased to an all time high of 92.4%, the number of households without telephone service has decreased from 7.4 million to 6.8 million, subscribership levels among low income groups have remained stable, and subscribership levels among the elderly have remained stable at a level that exceeds the national average.

The Commission believes the "Link Up America" program will generate further increases in telephone penetration rates among the approximately 5 million low income households who are not on the network.

The Commission also concluded that the subscriber line charges presently in effect have increased the economic efficiency of the public switched network. It cited the reductions in carrier access charges as well as the over 30% reduction in interstate long distance rates that has occurred since the implementation of subscriber line charges. Moreover, the decrease in long distance rates has stimulated additional usage of the public switched network, thus making more efficient use of this vast public resource.

Finally, the FCC found that with the implementation of subscriber line charges, to the extent that switched access charges have been more closely aligned with the relevant costs of providing that service, large customers have been provided significant incentives to remain on the public switched network, and bypass has been delayed or averted.

(over)

Action by the Commission April 16, 1987, by Report and Order (FCC 87-133). Commissioners Fowler (Chairman), Quello, Dawson, Patrick and Dennis, with Chairman Fowler issuing a statement.

- FCC -

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STATEMENT OF
MARK S. FOWLER, CHAIRMAN

TODAY'S ACTION ON THE RECOMMENDATIONS OF THE FEDERAL-STATE JOINT BOARD REPRESENTS THE FINAL MAJOR PIECE OF REGULATORY REFORM FOR NTS COST RECOVERY. THIS IS AS IMPORTANT A DECISION AS ANY THIS AGENCY HAS EVER MADE. IT IS IMPORTANT TO FUEL AMERICA'S LEADERSHIP ROLE IN TELECOMMUNICATIONS IN THE YEARS AHEAD.

AS I SIT HERE TODAY LOOKING BACK ON OUR STRUGGLE TO INTRODUCE THE REFORMS REPRESENTED BY THIS ITEM, I ASK MYSELF "WAS IT WORTH IT?" THE ANSWER IS AN EMPHATIC "YES."

DESPITE THE CONTROVERSY, THE POLITICAL HEAT GENERATED BY THESE RADICAL CHANGES IN COST RECOVERY MECHANISMS, THE HOURS AND HOURS OF WORK OVER THE LAST FEW YEARS DEVOTED TO MAKING THE JOINT BOARD PROCESS WORK, THE EFFORT WAS WORTH IT.

IN LARGE MEASURE DUE TO THESE REFORMS, THE AMERICAN PUBLIC CAN CONTINUE TO LOOK FORWARD TO AFFORDABLE TELEPHONE SERVICE PROVIDED BY THE MOST MODERN, EFFICIENT TELECOMMUNICATIONS NETWORK IN THE WORLD.

THERE ARE THOSE WHO ARGUE THAT THE REFORMS WERE UNNECESSARY, AND THAT THERE WAS NOTHING WRONG WITH THE STATUS QUO. THESE ARGUMENTS ARE NOT SURPRISING. CHANGE ALWAYS INTRODUCES A DEGREE OF DISCOMFORT. NEVERTHELESS, IT WAS CLEAR TO ME SIX YEARS AGO THAT CHANGE, RADICAL CHANGE, WAS NEEDED.

THE THEN EXISTING SYSTEM OF NONECONOMIC COST RECOVERY WAS ON THE VERGE OF PRODUCING CATASTROPHIC RESULTS. PERVERSE PRICE INCENTIVES WERE DRIVING LARGE USERS OFF THE PUBLIC SWITCHED NETWORK. UNECONOMIC CROSS-SUBSIDIES EXISTED EVERYWHERE. MEANWHILE, COMPETITION WAS BEGINNING TO PLAY AN EVER-INCREASING ROLE, DEMANDING THAT EXISTING SERVICES BE PRICED IN RELATIONSHIP TO COST.

TODAY WE ARE MIDWAY THROUGH THE REFORM PROCESS INITIATED IN 1983 AND 1984. THE ITEM BEFORE US TODAY WILL CARRY US THROUGH TO THE CONCLUSION OF THAT PROCESS.

THE PACKAGE OF PROPOSALS RECOMMENDED BY THE JOINT BOARD IS A HIGHLY INTEGRATED, COMPREHENSIVE SET OF POLICY INITIATIVES THAT TOGETHER WILL ADVANCE THE TELECOMMUNICATIONS NETWORK TO THE BENEFIT OF ALL AMERICAN CONSUMERS. THE INCREASE IN SUBSCRIBER LINE CHARGES TO \$3.50 IS NECESSARY TO CONTINUE THE DOWNWARD MOVEMENT OF LONG DISTANCE RATES TOWARD THEIR ACTUAL COST AND TO STIMULATE NETWORK USAGE IN ORDER TO ENABLE THE INDUSTRY TO FINANCE LINK-UP AMERICA. THE INCREASE IN SUBSCRIBER LINE CHARGES IS ALSO NECESSARY TO TRIGGER DEPOOLING. RE-TARGETING OF HIGH COST ASSISTANCE ALSO HELPS PROVIDE THE INCENTIVES WE NEED TO GET SOME COMPANIES OUT OF THE UNECONOMIC, INEFFICIENT POOLING ARRANGEMENT THAT PRESENTLY PREVAILS.

IT IS WITH NO SMALL SENSE OF SATISFACTION THAT I CAN SAY THAT THE REFORMS WE INTRODUCED SEVERAL YEARS AGO, IN PART TO

MINIMIZE THE "NEGATIVES" OF SERVICE PRICING, DISCRIMINATION AND BYPASS, ALSO GENERATED A HOST OF "POSITIVES" IN THE FORM OF ECONOMIC EFFICIENCY EFFECTS INCLUDING RATE CUTS, AND POSITIVE TRENDS IN UNIVERSAL SERVICE, EFFECTS WHICH WE PREDICTED IT WOULD GENERATE.

THIS FINAL PACKAGE OF NTS COST RECOVERY REFORM IS DESIGNED TO ENHANCE FURTHER THE POSITIVE BENEFITS FLOWING FROM THE FIRST TWO DOLLARS OF THE SUBSCRIBER LINE CHARGE. FIRST, AND MOST IMPORTANTLY, THE JOINT BOARD'S RECOMMENDATION WILL INCREASE TELEPHONE PENETRATION AMONG AMERICAN HOUSEHOLDS. WE KNOW THAT TELEPHONE PENETRATION HAS RISEN SINCE 1983 FROM 91.4% TO AN ALL-TIME HIGH OF 92.4% TODAY. IT IS PLAIN TO SEE THAT THE INTRODUCTION OF DOLLARS ONE AND TWO HAS HAD NO ADVERSE IMPACT ON UNIVERSAL SERVICE. OUR NEW LINK-UP AMERICA PLAN, ALONG WITH OUR EXPANDED FEDERAL-STATE MATCHING LIFELINE PLAN, CAN ADD EVEN MORE HOUSEHOLDS TO THE NETWORK, HOUSEHOLDS THAT TODAY CANNOT AFFORD TO OBTAIN TELEPHONE SERVICE. WE ESTIMATE THAT UP TO 5 MILLION OF THE 6.8 MILLION HOUSEHOLDS PRESENTLY WITHOUT TELEPHONE SERVICE COULD BE ELIGIBLE FOR LINK-UP AMERICA. IF CHAIRMAN-DESIGNATE PATRICK'S ADMINISTRATION IS SUCCESSFUL IN GETTING STATE COMMISSIONS AND TELEPHONE COMPANIES TO ADOPT LINK-UP, PENETRATION RATES WILL RISE DRAMATICALLY.

DOLLARS ONE AND TWO HAVE ALSO LEFT THE OTHER VITAL SIGNS OF THE NETWORK EQUALLY HEALTHY. IN THE THREE YEARS PRIOR TO

SUBSCRIBER LINE CHARGES, GROWTH IN SWITCHED ACCESS MINUTES AVERAGED 7.6% ANNUALLY. SINCE MAY 1984, WHEN SUBSCRIBER LINE CHARGES WERE INTRODUCED FOR MULTILINE BUSINESS CUSTOMERS, THAT GROWTH RATE HAS JUMPED TO NEARLY 11%. INTERSTATE MTS AND WATS ARE ALSO GROWING AT A RAPID RATE -- 21.5% IN THE 1984-86 PERIOD. THIS IS DIRECTLY ATTRIBUTABLE TO THE DECREASE OF APPROXIMATELY 30% IN INTERSTATE TOLL RATES. THESE TRENDS WILL CONTINUE AS THE ADDITIONAL \$1.50 IS PHASED IN, AND LONG DISTANCE RATES CONTINUE TO DROP ANOTHER 15%, AT LEAST.

THE ITEM BEFORE US TODAY, THROUGH ITS MODIFICATIONS TO THE EXISTING POOL OF NTS REVENUES, WILL PROVIDE FURTHER INCENTIVES TO EFFICIENCY. ONCE CARRIERS ARE ALLOWED TO LEAVE THE POOL AND CHARGE THEIR OWN CARRIER COMMON LINE RATE, THEY HAVE A CLEAR INCENTIVE TO PROVIDE ACCESS SERVICE IN THE MOST EFFICIENT WAY POSSIBLE. THESE EFFICIENCIES CAN BE PASSED ON TO CONSUMERS IN THE FORM OF LOWER RATES.

OBVIOUSLY, THE CHANGES REPRESENTED BY THIS ITEM HAVE CREATED SOME UNCERTAINTY. THE JOINT BOARD HAS RECOMMENDED, AND WE ADOPT HERE, A COMMITMENT TO DEVELOP AN EXTENSIVE MONITORING PROGRAM DESIGNED TO UNCOVER THE EXISTENCE OF ANY ADVERSE TRENDS GENERATED BY THE CHANGES PROPOSED IN THIS ITEM. ONE OF THE FIRST ORDERS OF BUSINESS WILL BE TO DEVELOP THE DETAILS OF THE MONITORING PLAN THAT WILL PROVIDE REGULAR, STANDARDIZED REPORTS TO THE JOINT BOARD, THE FCC, NARUC, AND CONGRESS.

WE WILL ALSO GO ONE STEP FURTHER. BASED ON CONSULTATIONS WITH UNITED STATES REPRESENTATIVE EDWARD J. MARKEY, CHAIRMAN OF THE HOUSE SUBCOMMITTEE ON TELECOMMUNICATIONS AND FINANCE, WE ARE POSTPONING THE IMPLEMENTATION DATE OF THE FIRST 60 CENT INCREMENT BY ONE MONTH -- TO JULY 1, 1987. THAT WILL ALLOW FOR FULL FCC REVIEW OF THE FLOW-THROUGH TARIFFS. AS WE HAVE STATED ON MANY OCCASIONS, WE WANT TO ENSURE THAT EVERY DOLLAR OF REDUCTIONS IS FLOWED THROUGH TO REDUCTIONS IN RATES TO CONSUMERS. THE ADDITIONAL TIME WILL ALSO PERMIT THE FCC TO CONTINUE TO WORK WITH CONGRESS ON THE ISSUES PRESENTED BY THIS ITEM. WE HAVE AGREED WITH CHAIRMAN MARKEY TO PROVIDE HIM ON OR BEFORE JUNE 1, 1987, WITH A STAND-ALONE ANALYSIS OF BYPASS DATA, SEPARATE FROM THE ANALYSIS CONTAINED IN THE JOINT BOARD'S RECOMMENDED DECISION, AS WELL AS INFORMATION ON MEDIAN LONG DISTANCE USAGE OF AMERICAN HOUSEHOLDS. THE CHANGE TO JULY 1 WILL PROVIDE CHAIRMAN MARKEY WITH THE TIME TO REVIEW THE INFORMATION PRIOR TO THE 60 CENT IMPLEMENTATION. THE BYPASS ANALYSIS FOLLOWS UP ON CHAIRMAN MARKEY'S REQUESTS AT THE APRIL 2 SUBCOMMITTEE HEARING FOR A FURTHER ANALYSIS OF THE BYPASS ISSUE, AND WILL FOCUS ON THE BYPASS STUDIES WE FORWARDED TO HIM AND HIS STAFF LAST WEEK. I HAVE EVERY CONFIDENCE THAT BY OUR WORKING WITH CHAIRMAN MARKEY ON THIS ISSUE, THE AMERICAN PUBLIC WILL COME OUT AHEAD. SECOND, IN RESPONSE TO CONCERNS BY CHAIRMAN MARKEY AND UNITED STATES REPRESENTATIVE MATTHEW RINALDO, WE WILL POSTPONE IMPLEMENTATION OF THE SECOND 60 CENTS FROM SEPTEMBER