

SUBJECT: Expanding the Specialized Telecommunications Assistance Program

COMMITTEE: Human Services — committee substitute recommended

VOTE: 8 ayes — Naishtat, Maxey, Chavez, Christian, J. Davis, Noriega, Truitt, Wohlgemuth

0 nays

1 absent — Telford

SENATE VOTE: On final passage, April 23 — voice vote

WITNESSES: (*On House companion bill, HB 3640:*)
For — Belinda Carlton and Shawn Hazard, Coalition for Texans with Disabilities; G. Ray Miller, Preferred Vision, Inc.

Against — None

BACKGROUND: The 75th Legislature created the Specialized Telecommunications Assistance Program, a financial assistance voucher program for the hearing- or speech-impaired to buy specialized telecommunications equipment that provides telephone access functionally equivalent to everyone's access. The voucher program is subsidized by the Universal Service Fund, a surcharge assessed to telephone companies and passed on to each customer's bill.

DIGEST: CSSB 1441 would expand the Specialized Telecommunications Assistance Program to people whose disability impedes effective access to the telephone network. The Public Utility Commission (PUC) and the Texas Commission for the Deaf and Hard of Hearing could adopt a list of devices and services eligible for state payment vouchers under the program. The bill would allow people to receive a second voucher within a seven-year period if they developed a need for a different type of telecommunications device or service because their disability changed or they acquired another disability.

The PUC could delay voucher payment to a distributor of a device or service until a dispute was resolved. The commission could demand payment back from the company if the device was returned or service was not used by the

person receiving the voucher. The PUC could provide an alternative dispute resolution process to settle any disputes over payment for or use of a device or service.

Special features for relay access service. CSSB 1441 would authorize the PUC to contract for a special feature that would open the state's telecommunications relay access service to more users. The commission first would have to determine that the feature would benefit speech- or hearing-impaired people and the state.

The PUC could contract with the carrier that provided the most advantageous proposal to the state in terms of cost and service. The commission also would have to consider the company's past performance, demonstrated capability, and experience. The PUC's evaluation of a proposal would have to include the cost, any service enhancements, the technological sophistication, and the proposed date for beginning service of the special feature.

Advisory committee. CSSB 1441 would require the advisory committee on statewide telecommunications relay access service to include two people with disabilities that impaired their access to the telephone network.

The bill would take effect September 1, 1999, and would prevail over any other bill passed by the 76th Legislature that made nonsubstantive changes or recodified the affected portions of the Utilities Code.

**SUPPORTERS
SAY:**

CSSB 1441 would make another step toward true universal access to telecommunications services. Many people with disabilities other than hearing or speech impairments also need specialized equipment to access their telephone. For example, people without vision or use of their hands and those who have suffered a stroke would benefit from this bill.

Telephone companies support CSSB 1441 because it would provide another option to the PUC-mandated voice-dialing service in households with disabled people. Currently, around 8,000 people pay \$4 per month for a voice-dialer service. However, software problems occasionally can result in misinterpretation of the phone number. In emergency situations, this could present a liability issue for the phone company. The PUC requires phone companies to provide voice-dialing services for people with disabilities because there is not another option. CSSB 1441 would provide a viable

alternative to voice-dialing service and would reduce the phone companies' liability.

The cost of expanding the voucher program would be virtually nothing. Because the Universal Service Fund (USF) is funded by each telephone customer, the charge per person would increase by only about a penny a year. Also, the bill would allow the PUC to contract in ways and for services that save money over the current system. The surcharge associated with the program should decrease as start-up costs are paid off. These cost-saving measures could prevent any rise in the USF charge on telephone customers' bills. California has had the expanded service proposed by CSSB 1441 for nine years, and that state's USF surcharge has remained at the level of Texas' surcharge.

**OPPONENTS
SAY:**

The proposed program expansion would put an increased demand on the USF, causing the surcharge to rise if CSSB 1441 were enacted.

NOTES:

The House committee substitute added the provisions for special features for relay access service.

The companion bill, HB 3640 by Naishtat, was reported favorably, as substituted, by the House Human Services Committee on April 13 and sent to the Local and Consent Calendars Committee.