

1.1 **Public Utilities Commission**

1.2 **Adopted Permanent Rules Relating to Telephone Assistance Plans**

1.3 **7817.0100 DEFINITIONS.**

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

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

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

1.14 Subp. 3a. [See repealer.]

1.15 Subp. 4. **Commissioner of public safety.** "Commissioner of public safety" means  
1.16 the commissioner of the Minnesota Department of Public Safety.

1.17 Subp. 5. **Department of Commerce.** "Department of Commerce" means the  
1.18 Minnesota Department of Commerce.

1.19 Subp. 5a. [See repealer.]

1.20 Subp. 6. **Federal matching plan.** "Federal matching plan" means any telephone  
1.21 service discount plan of the Federal Communications Commission, including the federal  
1.22 plan in Code of Federal Regulations, title 47, part 54, that waives the federal interstate  
1.23 access charge for eligible local telephone subscribers. This federal plan provides matching  
1.24 federal assistance to eligible households receiving assistance through a state telephone  
1.25 assistance plan.

2.1 Subp. 7. **Household.** "Household" means all persons who occupy a housing unit.

2.2 Subp. 8. [See repealer.]

2.3 Subp. 9. [See repealer.]

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

2.10 Subp. 10a. **Local service provider.** "Local service provider" means a service  
2.11 provider of local exchange service.

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

2.15 Subp. 12. [See repealer.]

2.16 Subp. 12a. **Service order record change charge.** "Service order record change  
2.17 charge" means the fee that a local service provider charges to a subscriber for making a  
2.18 change in the subscriber's billing record for local service.

2.19 Subp. 13. **Subscriber.** "Subscriber" means a person in whose name local exchange  
2.20 service is provided by a local service provider.

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

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

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

3.7 Subp. 15. **Telephone assistance plan or TAP.** "Telephone assistance plan" or "TAP"  
3.8 means the plan required by Minnesota Statutes, sections 237.69 to 237.711, and set out  
3.9 in this chapter.

3.10 Subp. 16. [See repealer.]

### 3.11 **7817.0200 PURPOSE AND CONSTRUCTION.**

3.12 The purpose of this chapter is to develop and implement a statewide telephone  
3.13 assistance plan to provide telephone assistance credits to reduce the local telephone rates  
3.14 of eligible residential households, to be jointly administered by the commission, the  
3.15 Department of Commerce, and the local service providers. The purpose of this chapter  
3.16 is also to permit the implementation of federal matching plans so that the state's local  
3.17 exchange service telephone customers are afforded the opportunity to acquire the benefits  
3.18 of these federal matching plans.

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

### 3.20 **7817.0300 FUNDING.**

3.21 Subpart 1. **Uniform statewide monthly surcharge.** The telephone assistance plan  
3.22 must be funded through the assessment of a uniform recurring monthly surcharge, not  
3.23 to exceed ten cents per access line, applicable to all classes and grades of access lines  
3.24 provided by each local service provider in the state. Each local service provider or  
3.25 the provider's billing agent shall combine surcharges for the telephone assistance plan,  
4.1 Telephone Access Minnesota, and Emergency 911 Service into one amount on billing

4.2 statements sent to subscribers. The commission shall determine the level of the surcharge  
4.3 on an annual basis. The recalculated surcharge shall be effective on a date established  
4.4 by the commission.

4.5 Subp. 2. **Collection of surcharge revenues.** A local service provider shall bill  
4.6 the surcharge and collect the surcharge revenues. At the time of reporting under part  
4.7 7817.0900, subpart 3, item H, a local service provider shall notify the commission if  
4.8 a subscriber does not pay the surcharge.

4.9 Subp. 3. **Use of surcharge revenues and fund.** A local service provider shall remit,  
4.10 under Minnesota Statutes, section 403.11, surcharge revenues to the commissioner of  
4.11 public safety for deposit in the telephone assistance fund. The commission shall use the  
4.12 money in the telephone assistance fund to:

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

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

4.18 C. reimburse a local service provider's administrative expenses in accordance  
4.19 with subpart 4.

4.20 Subp. 4. **Reimbursing local service provider expenses.** The commission shall  
4.21 reimburse local service provider expenses as provided in items A to E.

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

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

5.1 C. The commission shall not reimburse expenses under this subpart unless  
5.2 the local service provider has filed a report that complies with part 7817.0900. The

5.3 commission shall reimburse the local service provider within 60 days after the deadline for  
5.4 filing its report under part 7817.0900 or the date the report is filed, whichever occurs later.

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

5.9 (1) the provider's tariffed service order record change charge; or

5.10 (2) the provider's tariffed TAP enrollment charge determined under subpart  
5.11 5.

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

5.16 (1) the provider's tariffed service order record change charge; or

5.17 (2) the provider's tariffed TAP enrollment charge determined under subpart  
5.18 5.

5.19 Subp. 5. **TAP enrollment charge.** A local service provider may petition the  
5.20 commission to establish a TAP enrollment charge for the provider, which may differ from  
5.21 the provider's service order record change charge. The TAP enrollment charge must be  
5.22 determined according to items A and B.

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

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

- 6.3 (1) responding to customer inquiries regarding TAP;
- 6.4 (2) mailing TAP applications to customers;
- 6.5 (3) changing manual or computerized customer records and billing systems
- 6.6 to reflect the addition or removal of a customer's TAP credit;
- 6.7 (4) sending annual notice of TAP to all subscribers;
- 6.8 (5) removing customers from TAP when they are found to be ineligible;
- 6.9 (6) storing TAP applications;
- 6.10 (7) remitting surcharge revenues to the commissioner of public safety as
- 6.11 required by part 7817.0300, subpart 3; and
- 6.12 (8) reporting to the Public Utilities Commission and Department of
- 6.13 Commerce under part 7817.0900, subparts 2 to 4.

6.14 Subp. 6. [See repealer.]

6.15 **7817.0400 ELIGIBILITY FOR TELEPHONE ASSISTANCE CREDITS.**

6.16 Subpart 1. **Information provided.** Each local service provider shall annually mail a  
6.17 notice of the availability of the telephone assistance plan to each residential subscriber  
6.18 in a regular billing, ~~as requested by the residential subscriber for delivery of the regular~~  
6.19 ~~billing.~~ If a subscriber has chosen to receive the regular billing other than through U.S.  
6.20 mail, the local service provider shall send the notice in a regular billing using the delivery  
6.21 method chosen by the subscriber for delivery of the regular billing. The notice must state  
6.22 the following: YOU MAY BE ELIGIBLE FOR ASSISTANCE IN PAYING YOUR  
6.23 TELEPHONE BILL IF YOU RECEIVE BENEFITS FROM CERTAIN LOW-INCOME  
6.24 ASSISTANCE PROGRAMS OR MEET CERTAIN INCOME LIMITS. FOR MORE  
7.1 INFORMATION OR AN APPLICATION FORM PLEASE CONTACT ..... On  
7.2 request, the local service provider shall mail to a person an application form developed

7.3 by the commission and the Department of Commerce, and a brochure that describes the  
7.4 telephone assistance plan's eligibility requirements and application process.

7.5 Subp. 2. **Application process.** On completing and signing the application certifying  
7.6 under penalty of perjury that the information provided by the applicant is true and that  
7.7 the statutory criteria for eligibility are satisfied, the applicant must return it to the local  
7.8 service provider for enrollment in the telephone assistance plan. An application may be  
7.9 made by the subscriber, the subscriber's spouse, or a person authorized by the subscriber  
7.10 to act on the subscriber's behalf.

7.11 Subp. 3. [See repealer.]

7.12 Subp. 4. **Eligibility criteria.** To be eligible for a telephone assistance credit the  
7.13 applicant must:

7.14 A. be a subscriber who resides in Minnesota or has moved to Minnesota and  
7.15 intends to remain; and

7.16 B. be eligible for the federal Lifeline telephone service discount.

7.17 Subp. 5. [See repealer.]

7.18 Subp. 6. [See repealer.]

7.19 Subp. 7. **Applicant and recipient responsibilities.** ~~An applicant~~ Each applicant  
7.20 and each recipient shall provide current information to the local service provider about  
7.21 permanent changes that affect the applicant's or recipient's eligibility.

7.22 Subp. 8. **Local service provider responsibilities.**

7.23 A. A local service provider shall begin providing telephone assistance credits  
7.24 to an applicant in the earliest possible billing cycle but not later than the second billing  
7.25 cycle following the submission of a completed application demonstrating eligibility. If  
8.1 certified, the local service provider shall notify the applicant by, for example, placing  
8.2 telephone assistance credits on the bill.

8.3 B. If an applicant is denied eligibility, the local service provider shall notify  
8.4 the applicant in writing of the reasons for the denial, of the right to appeal, and of the  
8.5 right to reapply.

8.6 Subp. 9. [See repealer.]

8.7 **7817.0500 CALCULATION OF CREDITS.**

8.8 The commission shall establish the level of telephone assistance plan credits for  
8.9 each local service provider on an annual basis. The recalculated credit shall be effective  
8.10 on a date established by the commission. The credits must be calculated based on the  
8.11 following criteria:

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

8.14 B. the credits must not exceed 50 percent of the weighted average of the local  
8.15 exchange rate charged for local exchange service provided to the household by that  
8.16 household's local service provider;

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

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

8.20 **7817.0600 VERIFICATION AND TERMINATION OF CREDITS.**

8.21 Subpart 1. **Verification.** ~~A Each local service provider shall verify whether its~~  
8.22 ~~recipients are eligible to continue receiving telecommunications assistance credits in the~~  
8.23 ~~same manner that verification of eligibility for the federal Lifeline telephone service~~  
8.24 ~~discount is determined~~ the continued eligibility of its TAP recipients by using the same  
8.25 verification procedures that are used to verify a recipient's continued eligibility for the  
9.1 federal Lifeline plan. A provider that participates in both Lifeline and TAP is not required



9.2 to conduct a separate verification process for TAP, but may conduct a single verification  
9.3 process using the Lifeline verification procedures.

9.4 Subp. 2. **Termination of credits.** When a local service provider determines that a  
9.5 recipient is no longer eligible to receive TAP credits, the provider must send written  
9.6 notification to the recipient stating the reasons for finding the recipient ineligible and  
9.7 advising the recipient of the right to appeal. A local service provider may terminate  
9.8 credits if:

9.9 A. the recipient does not submit an appeal within 60 days of the date of the  
9.10 notice; or

9.11 B. the recipient submits an appeal and the commission determines that the  
9.12 recipient is not eligible.

9.13 **7817.0700 ADJUSTMENT TO LEVEL OF SURCHARGE AND CREDITS.**

9.14 When it appears to the commission that the revenue generated by the maximum level  
9.15 of surcharge permitted under part 7817.0300 will be inadequate to fund a particular level  
9.16 of telephone assistance credits, the commission by official order and on 30 days' notice to  
9.17 the local service providers, shall reduce the credits to a level that can be adequately funded  
9.18 by the maximum level of surcharge. Similarly, the commission by official order and on  
9.19 30 days' notice to the local service providers, may increase the level of the telephone  
9.20 assistance credits that are available or reduce the surcharge to a level and for a period of  
9.21 time that will prevent an unreasonable overcollection of surcharge revenues.

9.22 **7817.0800 FEDERAL MATCHING PLANS.**

9.23 The telephone assistance plan must be combined with the existing federal matching  
9.24 plan. Local service providers shall participate in both plans, except that a provider that  
9.25 is not a designated "eligible telecommunications carrier," as defined by Code of Federal  
9.26 Regulations, title 47, part 54, is not required to participate in the federal Lifeline plan. If  
10.1 and when other federal matching plans are developed, the commission shall seek outside

10.2 comment on those plans and review each plan and the comments submitted by interested  
10.3 persons. After appropriate proceedings, the commission shall determine whether to  
10.4 incorporate those plans into the telephone assistance plan and require telephone companies  
10.5 to participate.

10.6 **7817.0900 PROVIDER RECORDING, REPORTING REQUIREMENTS.**

10.7 Subpart 1. **Records to be maintained.** A local service provider shall maintain  
10.8 adequate records of surcharge revenues, expenses, and credits related to the telephone  
10.9 assistance plan.

10.10 Subp. 2. **Reporting requirements.** A local service provider shall file at its option  
10.11 either quarterly or monthly reports with the commission and the Department of Commerce  
10.12 for review. A local service provider with 100 or fewer subscribers may file an annual  
10.13 report under subpart 4 rather than filing quarterly or monthly reports. Quarterly reports  
10.14 are due no later than 30 days after the end of each quarter of a calendar year. Monthly  
10.15 reports are due no later than 30 days after the end of each calendar month. The reports  
10.16 must be made on a form prescribed by the commission.

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

- 10.19 A. the surcharge revenues collected by the local service provider;
- 10.20 B. the number of access lines billed the surcharge;
- 10.21 C. itemized telephone assistance plan expenses incurred by the provider;
- 10.22 D. the amount of reimbursement requested from the telephone assistance fund;
- 10.23 E. the amount of reimbursement from the federal matching plan applied for or  
10.24 received;

11.1 F. the number of subscribers that received credits under the telephone assistance  
11.2 plan and the number of subscribers that were given waivers under the federal matching  
11.3 plan;

11.4 G. the monetary amount of credits extended by the local service provider under  
11.5 the telephone assistance plan and the monetary amount of waivers given under the federal  
11.6 matching plan; and

11.7 H. a list of the subscribers who did not pay the surcharge.

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

11.9 Subp. 4. **Annual report.** No later than 30 days after the end of a calendar year, a  
11.10 local service provider shall file a year-end report with the commission and the Department  
11.11 of Commerce. A local service provider with 100 or fewer subscribers that files only an  
11.12 annual report must include the information required by subpart 3 in its annual report.  
11.13 Depending on the reporting option chosen under subpart 2, a cumulative year-end monthly  
11.14 or quarterly report provided under subpart 3 may serve as the annual report. This report  
11.15 must be a financial report and accounting for the local service provider's experience under  
11.16 the telephone assistance plan. The report must also be adequate to satisfy the reporting  
11.17 requirements of the federal matching plan.

#### 11.18 **7817.1000 APPEALS AND COMPLAINTS.**

11.19 Subpart 1. **Appeal of decision to deny or terminate credits.** An applicant or  
11.20 recipient has the right to appeal a local service provider's decision to deny or terminate  
11.21 credits. The appeal must be in writing and must be received by the commission or the  
11.22 provider within 60 days of following the date of the notice is mailed denying or terminating  
11.23 credits. A local service provider, upon notice of an appeal, must not terminate credits  
11.24 while the appeal is pending. Appeal hearings must be conducted at a reasonable time, date,  
11.25 and place by the commission. An applicant or recipient may introduce evidence relevant  
11.26 to the issues on appeal. The decision must be based on evidence introduced at the hearing.

12.1 Subp. 2. **Complaint procedure.** Complaints against the local service providers  
12.2 regarding the telephone assistance plan may be referred to the commission. Complaints  
12.3 against local service providers regarding the telephone assistance plan must be investigated  
12.4 by the Department of Commerce. The Department of Commerce shall report the status of  
12.5 its investigation to the commission within 45 days of receipt of the complaint.

12.6 **REPEALER.** Minnesota Rules, parts 7817.0100, subparts 3a, 5a, 8, 9, 12, and 16;  
12.7 7817.0300, subpart 6; and 7817.0400, subparts 3, 5, 6, and 9, are repealed.