

Robin Carmahan
Secretary of State
Administrative Rules Division
RULE TRANSMITTAL

Administrative Rules Stamp

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JUN 30 2005

SECRETARY OF STATE
ADMINISTRATIVE RULES

A "SEPARATE" rule transmittal sheet **MUST** be used for EACH individual rulemaking.

A. Rule Number 4 CSR 240-31.050

Diskette File Name Amendment 240-31.050

Name of person to call with questions about this rule:

Content David A. Meyer Phone 573/751-8706 FAX 573/751-9285

E-mail address david.meyer@psc.mo.gov

Data entry Carla Schnieders Phone 573-522-9038 FAX 573-526-6969

E-mail address carla.schnieders@psc.mo.gov

Interagency mailing address GOB, 200 Madison Street, 8th Floor, J.C. MO 65102

Statutory Authority: Sections 392.200, 392.248 & 392.470

Current RSMo date: 2000 & Supp. 2004

Date filed with the Joint Committee on Administrative

B. CHECKLIST guide for rule packets:

☒ This transmittal completed

☐ Forms, number of pages _____

☒ Cover letter

☐ Authority section with history of the rule

☐ Affidavit

☐ Public cost statement

☐ Small business impact statement

☐ Private cost statement

☐ Fiscal notes

☐ Hearing date

C. RULEMAKING ACTION TO BE TAKEN

☐ Emergency rulemaking (choose one) ☐ rule, ☐ amendment, ☐ rescission, or ☐ termination

MUST include effective: _____

☒ Proposed Rulemaking (choose one) ☐ rule, ☒ amendment, or ☐ rescission

☐ Order of Rulemaking (choose one) ☐ rule, ☐ amendment, ☐ rescission, or ☐ termination

MUST complete page 2 of this transmittal

☐ Withdrawal (choose one) ☐ rule, ☐ amendment, ☐ rescission or ☐ emergency)

☐ Rule action notice ☐ In addition ☐ Rule under consideration

D. SPECIFIC INSTRUCTIONS: Any additional information you may wish to provide to our staff _____

Small Business Regulatory
Fairness Board (DED) Stamp

JCAR Stamp

RULE TRANSMITTAL (PAGE 2)

E. ORDER OF RULEMAKING: Rule Number _____

1a. Effective Date for the Order

Statutory 30 days

Specific date _____

1b. Does the Order of Rulemaking contain changes to the rule text?

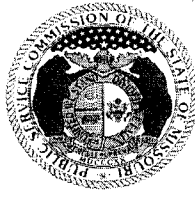
☐ YES ☐ NO

1c. If the answer is YES, please complete section F.

If the answer is NO, **STOP** here.

NOTE: ALL changes MUST be specified here in order for those changes to be made in the rule as published in the *Missouri Register* and the *Code of State Regulations*.

Add additional sheet(s), if more space is needed.



Commissioners

JEFF DAVIS
Chairman

CONNIE MURRAY

STEVE GAW

ROBERT M. CLAYTON III

LINWARD "LIN" APPLING

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.mo.gov>

WESS A. HENDERSON
Executive Director

ROBERT SCHALLENBERG
Director, Utility Services

COLLEEN M. DALE
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

June 30, 2005

Hon. Robin Carnahan
Secretary of State
Administrative Rules Division
600 West Main Street
Jefferson City, MO 65101

Dear Secretary Carnahan,

Re: Rule 4 CSR 240-31.050
Eligibility for Funding—Low-Income Customers and Disabled Customers

CERTIFICATION OF ADMINISTRATIVE RULE

I hereby certify that the attached is an accurate and complete copy of the proposed amendment lawfully submitted by the Missouri Public Service Commission on this 30th day of June 2005.

The Missouri Public Service Commission certifies that it has conducted an analysis of whether or not there has been a taking of real property pursuant to section 536.017, RSMo and that this proposed amendment does not constitute a taking of real property under relevant state and federal law.

Section 536.300, RSMo Supp. 2004 requires state agencies to "determine whether the proposed rules affect small businesses and, if so, the availability and practicability of less restrictive alternatives that could be implemented to achieve the same results of the proposed rule." A small business is defined to be "a for-profit enterprise consisting of fewer than fifty (50) full or part-time employees." A proposed rule "affects" a small business if it "imposes any requirement" that "will cause direct and significant economic burden upon a small business, or is directly related to the formation, operation, or expansion of a small business."

Although compliance with some of the Commission's amended rules may entail expenditures by small businesses, the Commission's amendments simply require small businesses to comply with new Federal Communications Commission mandates, and the Commission is implementing these rules as directed by the Federal Communications Commission. Section 536.300.4 (Supp. 2004) exempts from the small business impact requirements rules that are

federally mandated, and any rule amendments that have an impact upon small businesses are federally mandated.

Statutory Authority: Section 392.200.2 RSMo. Supp. 2004 and Sections 392.248 and 392.470.1 RSMo 2000.

If there are any questions, please contact:

David Meyer, Senior Counsel
P.O. Box 360
Jefferson City, MO 65102
(573) 751-8701, FAX (573) 751-9285
david.meyer@psc.mo.gov

BY THE COMMISSION

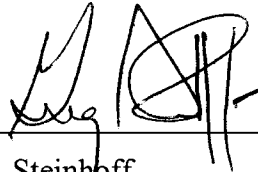


Colleen M. Dale
Secretary/Chief Regulatory Law Judge

AFFIDAVIT
(PUBLIC NO COST)

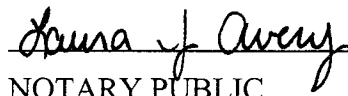
STATE OF MISSOURI)
)
COUNTY OF COLE)

I, Gregory A. Steinhoff, Director of the Department of Economic Development, first being duly sworn on my oath, state that it is my opinion that the cost of the **Proposed Amendment of 4 CSR 240-31.050, Eligibility for Funding—Low-Income Customers and Disabled Customers**, is less than five hundred dollars in the aggregate to this agency, any other agency of state government or any political subdivision thereof.



Gregory A. Steinhoff
Director
Department of Economic Development

Subscribed and sworn to before me this 8 day of June, 2005.
I am commissioned as a notary public within the County of Cole, State of Missouri, and my commission expires on Aug 12, 2008.



NOTARY PUBLIC



Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 240—Public Service Commission
Chapter 31—Missouri Universal Service Fund

PROPOSED AMENDMENT

4 CSR 240-31.050 Eligibility for Funding—Low-Income Customers and Disabled Customers The commission is amending section (2), subsections (C); adding section (2), subsection (D); amending section (3), subsection (D); inserting a new section (3), subsections (E) and (F) and re-lettering all subsequent subsections.

PURPOSE: This proposed amendment incorporates reporting requirements in Section 2(C) and 2(D) consistent with federal guidelines. The proposed amendment also includes eligibility requirements and eligibility verification requirements in section (3)(E) and (3)(F) consistent with federal guidelines.

(2) Reporting Requirements.

(A) Telecommunications companies meeting the criteria of section (1) above will report the number of low-income customers and disabled customers receiving discounted services supported by the Missouri Universal Service Fund (MoUSF) to the Fund Administrator on a monthly basis; and

(B) The eligible telecommunications companies shall maintain a record of low-income customers and disabled customers receiving discounted services supported by the MoUSF by reporting period.

(C) The eligible telecommunications companies shall maintain records to document compliance with all requirements governing the low-income customer program for the three full preceding calendar years and provide that documentation to the Commission or Fund Administrator upon request.

(D) Reporting requirements for wholesale or resold services.

1. If a telecommunications company provides low-income customer or disabled customer discounted wholesale services to a reseller, it must obtain a certification from the reseller that it is complying with all Commission requirements governing the low-income customer or disabled customer programs.

2. Non-eligible-telecommunications-company resellers that purchase low-income customer or disabled customer discounted wholesale services to offer discounted services to low-income or disabled consumers must maintain records to document compliance with all Commission requirements governing the low-income customer or disabled customer programs for the three full preceding calendar years and provide that documentation to the Commission or Fund Administrator upon request or until audited.

(3) Individual Eligibility.

(A) Individuals will be eligible to receive essential local telecommunications service as established by the commission for low-income customers if they satisfy the definition of “low-income customer” found at 4 CSR 240-31.010(9).

(B) Individuals will be eligible to receive essential local telecommunications service as established by the commission for disabled customers if they satisfy the definition of “disabled customer” found at 4 CSR 240-31.010(4).

(C) Individuals will only be eligible to receive discounted services supported by either the low-income or disabled segment of the MoUSF for essential local telecommunications service provided to residential customers.

(D) Individuals who qualify for low-income or disabled support shall certify in writing on an application designed for that purpose that they are eligible for the programs. Such application shall require the applicant to certify under penalty of perjury that the individual receives benefits from one of the qualifying programs and identify the program or programs from which that individual receives benefits. On the same document, a qualifying low-income or disabled individual also must agree to notify the carrier if that individual ceases to participate in the program or programs. **Such application shall be used to certify individuals for both state and federal low-income support.** The companies shall rely upon this certification to provide the benefits under these programs until *[the]* individuals advise~~[s]~~ the company that they are no longer qualified or until the company is advised by the administrator that *[the]* individuals may not be eligible.

(E)The telecommunications company shall, by December 31, 2005, establish procedures to verify a customer's continued eligibility for the low-income or disabled customer program. Verification procedures may include, but are not limited to, compliance with federal verification requirements, random beneficiary surveys, periodic submission of documentation showing participation in qualifying programs or periodic self-certification updates.

(F) The telecommunications company shall terminate an individual's enrollment in the low-income customer or disabled customer program if the customer ceases to meet eligibility requirements. Notification of impending termination shall be in the form of a letter separate from the individual's monthly bill. Individuals shall be allowed sixty (60) days following the date of the impending termination letter to demonstrate continued eligibility to the telecommunications company. The telecommunications company shall terminate discounted services supported by the low-income customer or disabled customer program to any customer who fails to demonstrate continued eligibility within the sixty-(60) day time period.

(~~E~~/G) Any eligible individual submitting an application within sixty (60) days of initiating service will be entitled to the applicable low-income or disabled discounts from the date of service initiation. If applicable, the company may provide either a refund or credit, as determined by the company. Any eligible individual submitting an application after sixty (60) days of initiating service will begin receiving the appropriate discounts on a prospective basis.

(~~F~~/H) The fund administrator shall be authorized by the board to conduct audits of individual self-certification using records that can be lawfully made available from the administrators of qualifying programs. If as a result of these audits, the administrator determines that a recipient may not be eligible for low-income or disabled support, the individual shall be required to verify eligibility for continuing to receive support pursuant to administrative procedures established by the fund administrator and approved by the board.

AUTHORITY: section[s] 392.200.2, RSMo Supp. 2004 and sections[,] 392.248 and 392.470.1, RSMo 2000. Original rule filed Aug. 15, 1997, effective April 30, 1998. Amended: Filed Oct. 30, 2002, effective July 30, 2003. Amended: Filed June 30, 2005.*

**Original authority: 392.200, RSMo 1939, amended 1987, 1988, 1996; 392.248, RSMo 1996; and 392.470.1, RSMo 1987.*

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS AND NOTICE OF PUBLIC HEARING: Anyone may file comments in support of or in opposition to this proposed rule with the Missouri Public Service Commission, Secretary of the Commission, PO Box 360, Jefferson City, MO 65102. To be considered, comments must be received at the Commission's offices on or before September 1, 2005, and should include a reference to Commission Case No. TX-2005-0460. If comments are submitted via a paper filing, an original and six (6) copies of the comments are required. Comments may also be submitted via a filing using the Commission's electronic filing and information system at <<http://www.psc.state.mo.us/efis.asp>>. A public hearing regarding this proposed rule is scheduled for September 12, 2005, at 10:00 A.M. in room 310 of the Governor Office Building, 200 Madison Street, Jefferson City, Missouri. Interested persons may appear at this hearing to submit additional comments and/or testimony in support of or in opposition to this proposed rule, and may be asked to respond to commission questions. Any persons with special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one (1) of the following numbers: Consumer Services Hotline 1-800-392-4211 or TDD Hotline 1-800-829-7541.