

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
**PUBLIC UTILITIES COMMISSION**

RULES AND REGULATIONS GOVERNING THE RHODE ISLAND  
TELECOMMUNICATION EDUCATION ACCESS FUND

Date of Public Notice: August 27, 2003

Date of Public Hearing: September 17, 2003

Effective Date: January 1, 2004

## PART I. INTRODUCTION

Pursuant to R.I.G.L. § 39-1-61, establishing the Rhode Island Telecommunications Education Access Fund, the Commission, pursuant to the mandate contained in Section 39-1-61(d)-(e), hereby promulgates these rules to effectuate the Act of the Rhode Island General Assembly.

## PART II. DEFINITIONS

SECTION 1. “Department of Education” means the Rhode Island Department of Elementary and Secondary Education.

SECTION 2. “Commission” means the Rhode Island Public Utilities Commission

SECTION 3. “Telecommunications Education Access Fund” means the programs and funding made available to qualified libraries and schools to assist in paying the costs of acquiring, installing and using telecommunications technologies to access the internet.

SECTION 4. “Qualified library” means a public library as defined in the Library Services and Technology Act, Public Law No. 104-208, section 211 et seq., 110 Stat 3009 (1996) and must be eligible for assistance from a state library administrative agency under that Act. Only libraries that have budgets that are completely separate from any schools (including, but not limited to, elementary and secondary, colleges and universities) shall be eligible to receive support. Libraries operating as a for-profit business shall not be eligible for support.

SECTION 5. “Qualified school” means a public school that is eligible for the federal Universal Service (E-Rate) support and meets the definition of “elementary school” or “secondary school” in the Elementary and Secondary Education Act of 1965, as amended (20 U.S.C. § 8801). Schools operating as a for-profit business or with endowments exceeding fifty million dollars (\$50,000,000) are not eligible for support.

SECTION 6. “Telecommunications,” for purposes of this program, means the transmission, between or among points specified by the user, of information of the user’s choosing, without change in the form or content of the information as sent and received.

SECTION 7. “Telecommunications services provider” means any person, party or entity which provides ~~provider of local~~ telecommunications services.

SECTION 8. “Telecommunications service” means the offering of telecommunications for a fee directly to the public, or to such class of users as to be effectively available directly to the public, regardless of the facilities used.

### PART III. ASSESSMENT

SECTION 1. Pursuant to R.I.G.L. § 39-1-61(d)(1), a surcharge, in an amount determined by the General Assembly, is to be assessed upon each residence and business telephone access line or trunk in the state, including PBX trunks and centrex equivalent trunks and each service line or trunk, and upon each user interface number or extension number or similarly identifiable line, trunk, or path to or from a digital network.

SECTION 2. Pursuant to R.I.G.L. § 39-1-61(d)(1), the surcharge listed in Part ~~II~~ III, Section 1 of these Rules shall not be assessed on state, local and quasi-governmental agencies. For purposes of this Section, state, local and quasi-governmental agencies shall mean those state departments and agencies and those city and town offices listed in the

Rhode Island Government Owner's Manual as published annually by the Rhode Island Secretary of State's Office. The State and quasi-governmental agencies shall be those listed in the section "Rhode Island State Departments and Agencies." The local agencies shall be those departments listed in the section "Rhode Island City and Town Officials."

SECTION 3. Pursuant to R.I.G.L. § 39-1-61(d)(1), commencing January 1, 2004, the surcharge shall be billed by each telecommunications services provider to its retail end users and shall be payable to the telecommunications service provider by the subscriber of the telecommunications services.

SECTION 4. The surcharge shall appear on subscriber bills as "Telecommunications Education Access Fund."

SECTION 5. Commencing March 15, 2004, and continuing on the fifteenth first business day of each month, each telecommunications services provider shall transfer to the Telecommunications Education Access Fund of Public Utilities Commission, the amount collected from its subscribers through the Telecommunications Education Access Fund surcharge during the month two months prior. Such transfers shall be directed to the Telecommunications Education Access Fund Restricted Receipt Account, Care of Commission Clerk, 89 Jefferson Boulevard, Warwick, RI 02888. The deposits shall then be forwarded to the Assistant to the Chief Accountant of the Division of Public Utilities and Carriers for recordation and deposit into the Telecommunications Education Access Fund Restricted Receipt Account.

SECTION 6. In the event that the General Assembly changes the amount of the surcharge, each telecommunications services provider shall commence billing the new

surcharge amount no later than 90 days after the effective date of the General Assembly's act instituting such change.

#### PART IV. ADMINISTRATION

SECTION 1. The Department of Education shall submit its requests for proposals for products and services to serve the internet access needs of schools and libraries to the Commission once annually for its review to ensure competitive neutrality.

SECTION 2. The Department of Education shall select the winning bidder in accordance with the approved request for proposals approved by the Commission. A losing bidder may file an appeal with the Commission.

SECTION 3. The Department of Education shall endeavor to obtain all available E-Rate matching funds and is encouraged to seek matching funds from all local, state, and federal public or private entities.

SECTION ~~5~~ 4. The Department of Education shall approve ~~disbursement~~ disbursement of funds from the Telecommunications Education Access Fund in accordance with the terms of the ~~winning proposal(s)~~ successful bid(s) to the annual request for proposals to provide products and services that best serve the internet access needs of schools and libraries.

SECTION ~~6~~ 5. The Commission delegates to the Division of Public Utilities and Carriers the ability to ~~will~~ transfer funds from the Telecommunications Education Access Fund at the request of the Department of Education. In support of each ~~disbursement~~ disbursement, the Department of Education shall submit ~~proper financial statements~~ an accounting to the Division of Public Utilities and Carriers and the Commission indicating the identity of the payee and the dollar amount of the invoices for which the Department

of Education is responsible under the statute together with a letter affirming that it is spending the funds from the Telecommunications Education Access Fund in accordance with the requirements of R.I.G.L. § 39-1-61.

SECTION 4 ~~6~~. The Department of Education shall file an accounting of all ~~disbursements~~ disbursements from the Telecommunications Education Access Fund with the Commission once annually for its review to ensure competitive neutrality.

SECTION 7. The ~~Commission will~~ Division of Public Utilities and Carriers shall not transfer funds from the Telecommunications Education Access Fund in excess of the amount accrued in the account at the time the request is made by the Department of Education.

SECTION 8. The Department of Education shall follow all requirements of the Federal Universal Service E-Rate program in evaluating bids and selecting products and services.

#### PART V. ELIGIBILITY

SECTION 1. All Qualified Schools and Qualified Libraries shall be eligible for support from the Telecommunications Education Access Fund.