

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 788

A bill to amend 1991 PA 179, entitled  
"Michigan telecommunications act,"  
by amending sections 316 and 361 (MCL 484.2316 and 484.2361),  
section 316 as amended and section 361 as added by 1995 PA 216;  
and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 316. (1) The commission shall require each provider of  
2 residential basic local exchange service to offer certain low  
3 income customers the availability of basic local exchange service  
4 AND ACCESS SERVICE at ~~a rate below the regulated rate~~ REDUCED  
5 RATES AS DESCRIBED IN SUBSECTIONS (2) AND (3).

6       (2) ~~The basic local exchange~~ EXCEPT AS PROVIDED UNDER  
7 SUBSECTIONS (3) AND (4), THE rate REDUCTIONS for low income  
8 customers ~~, except for as provided in subsection (3),~~ shall be  
9 ~~20% or \$4.00~~ AT A MINIMUM, 20% OF THE BASIC LOCAL EXCHANGE RATE

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1 OR \$8.25, which shall be inclusive of any federal contribution,  
2 whichever is greater.  ~~, below the regulated rate. To qualify~~  
3  ~~for the reduced rate under this subsection, the person's annual~~  
4  ~~income shall not exceed 150% of the federal poverty income stan-~~  
5  ~~dards as determined by the United States office of management and~~  
6  ~~budget and as approved by the state treasurer.~~

7 (3)  ~~The basic local exchange rate for~~ IF THE low income  
8  ~~customers~~ CUSTOMER IS 65 years of age or more, THE RATE  
9 REDUCTION shall be  ~~25% or \$4.00~~ AT A MINIMUM, 25% OF THE BASIC  
10 LOCAL EXCHANGE RATE OR \$8.25, which shall be inclusive of any  
11 federal contribution, whichever is greater.  ~~, below the regu-~~  
12  ~~lated rate.~~

13 (4) THE TOTAL REDUCTION UNDER SUBSECTION (2) OR (3) SHALL  
14 NOT EXCEED 100% OF ALL END-USER COMMON LINE CHARGES AND THE BASIC  
15 LOCAL EXCHANGE RATE.

16 (5) TO QUALIFY FOR THE REDUCED RATE UNDER THIS SECTION, THE  
17 PERSON'S ANNUAL INCOME SHALL NOT EXCEED 150% OF THE FEDERAL POV-  
18 ERTY INCOME STANDARDS AS DETERMINED BY THE UNITED STATES OFFICE  
19 OF MANAGEMENT AND BUDGET AND AS APPROVED BY THE STATE TREASURER.

20 (6)  ~~(4)~~ The commission shall establish a rate for each  
21 subscriber line of a provider to allow the provider to recover  
22 costs incurred under this section.

23 (7)  ~~(5)~~ The commission shall take necessary action to  
24 notify the general public of the availability of lifeline serv-  
25 ices including, but not limited to, public service announcements,  
26 newspaper notices, and such other notice reasonably calculated to  
27 reach those who may benefit from the services.

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1 (8) THIS SECTION IS REPEALED EFFECTIVE JUNE 1, 1999.

2 Sec. 361. (1) As used in this section:

3 (a) "Attachment" means any wire, cable, facility, or other  
4 apparatus installed upon any pole or in any duct or conduit,  
5 owned or controlled, in whole or in part, by a provider.

6 (b) "Usable space" means the total distance between the top  
7 of a utility pole and the lowest possible attachment point that  
8 provides the minimum allowable grade clearance and includes the  
9 space which separates telecommunication and power lines.

10 (2) A provider shall ALLOW AND establish the rates, terms,  
11 and conditions for attachments by another provider, ~~or~~ cable  
12 service, OR AN EDUCATIONAL INSTITUTION ESTABLISHING A TELECOMMUN-  
13 ICATION SYSTEM UNDER SECTION 307.

14 (3) The rates, terms, and conditions shall be just and  
15 reasonable. A rate shall be just and reasonable if it assures  
16 the provider recovery of not less than the additional costs of  
17 providing the attachments, nor more than an amount determined by  
18 multiplying the percentage of the total usable space, or the per-  
19 centage of the total duct or conduit capacity, which is occupied  
20 by the attachment, by the sum of the operating expenses and  
21 actual capital costs of the provider attributable to the entire  
22 pole, duct, or right-of-way.

23 (4) An attaching provider or cable service shall obtain any  
24 necessary authorization before occupying public ways or private  
25 rights-of-way with its attachment.

26 (5) A public utility that directly provides a regulated  
27 telecommunication service or cable service shall establish the

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1 rates, terms, and conditions for attachments as provided under  
2 this section.

3       (6) This section shall not be construed to limit the  
4 commission's authority to regulate the rates, terms, and condi-  
5 tions of attachments upon poles or in ducts or conduits owned or  
6 controlled by utilities engaged in the transmission of electric-  
7 ity for light, heat, or power.