

**SENATE BILL NO. 788**

November 5, 1997, Introduced by Senator DUNASKISS and referred to the Committee on Technology and Energy.

A bill to amend 1991 PA 179, entitled "Michigan telecommunications act," by amending section 316 (MCL 484.2316), as amended by 1995 PA 216.

**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~~ serv-  
4 ice at a REDUCED rate. ~~below the regulated rate.~~  
5       (2) The ~~basic local exchange~~ rate REDUCTIONS for low  
6 income customers, except for as provided in subsection (3), shall  
7 be ~~20% or \$4.00~~ AT A MINIMUM, 20% OF THE BASIC LOCAL EXCHANGE  
8 RATE OR \$8.25, which shall be inclusive of any federal  
9 contribution, whichever is greater. ~~, below the regulated rate.~~  
10 To qualify for the reduced rate under this subsection, the

1 person's annual income shall not exceed 150% of the federal  
2 poverty income standards as determined by the United States  
3 office of management and budget and as approved by the state  
4 treasurer.

5 (3) The ~~basic local exchange~~ rate REDUCTIONS for low  
6 income customers 65 years of age or more shall be ~~25% or \$4.00~~  
7 AT A MINIMUM, 25% OF THE BASIC LOCAL EXCHANGE RATE OR \$8.25,  
8 which shall be inclusive of any federal contribution, whichever  
9 is greater. ~~, below the regulated rate.~~

10 (4) The commission shall establish a rate for each sub-  
11 scriber line of a provider to allow the provider to recover costs  
12 incurred under this section.

13 (5) The commission shall take necessary action to notify the  
14 general public of the availability of lifeline services includ-  
15 ing, but not limited to, public service announcements, newspaper  
16 notices, and such other notice reasonably calculated to reach  
17 those who may benefit from the services.