

06/16/2001 04:38:46 PM

Page 1

2001 DRAFTING REQUEST**Senate Amendment (SA-SSA1-SB55)**Received: **06/15/2001**Received By: **jkreye**Wanted: **As time permits**

Identical to LRB:

For: **Senate Democratic Caucus**By/Representing: **Keckhaver**This file may be shown to any legislator: **NO**Drafter: **kunkemd**

May Contact:

Addl. Drafters:

Subject: **Public Util. - telco**

Extra Copies:

Submit via email: **NO**

Requester's email:

Pre Topic:

SDC:.....Keckhaver - CN5023,

Topic:

Assessment on telecommunications providers for contributions owed to the WATF

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 06/15/2001			_____			
/1	kunkemd 06/16/2001	wjackson 06/16/2001	jfrantze 06/16/2001	_____	lrb_docadmin 06/16/2001		

FE Sent For:

<END>

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1?	jkreye	1 WJ 6/16	J 6/16	De Pch 6/16			

FE Sent For:

<END>

Agency: Public Service Commission

MOK

caucus number 2502

duplicate flag: _____
 duplicate with: _____

Other reference numbers: _____ LFB Sum #: _____

bill number/amendment number: _____
 LRB draft # _____ LRB P-draft: _____

description: Telemarketing. Make changes to SB 40 by excluding an individual who operates a business from home.

other notes

drafting instructions:

more instructions:

GPR: \$0.00 PR: \$0.00 SEG: \$0.00 Other: _____
 FED: \$0.00 TANF: \$0.00 All Funds: \$0.00
 GPR-REV: \$0.00 SEG-REV: \$0.00 PR-REV: \$0.00

no fiscal impact: x unknown impact:

caucus number 3038

duplicate flag: _____
 duplicate with: _____

Other reference numbers: _____ LFB Sum #: _____

bill number/amendment number: _____
 LRB draft # _____ LRB P-draft: _____

description: Revise current law requirements governing retention of employees of a public utility when the ownership of the utility is transferred.

other notes Also require that the new ownership entity shall offer employment to all current non-supervisory employees in ownership transfers to entities outside of the holding company system.

drafting instructions:

more instructions:

GPR: \$0.00 PR: \$0.00 SEG: \$0.00 Other: _____
 FED: \$0.00 TANF: \$0.00 All Funds: \$0.00
 GPR-REV: \$0.00 SEG-REV: \$0.00 PR-REV: \$0.00

no fiscal impact: x unknown impact:

caucus number 5023

duplicate flag: _____
 duplicate with: _____

Other reference numbers: _____ LFB Sum #: _____

bill number/amendment number: _____
 LRB draft # _____ LRB P-draft: _____

description: Assess a tax on all telecommunications providers (landline and cellular) to make up WATF endowment shortfall. Forbid surcharging tax on bills. Require WATF to lapse \$2.5 million.

other notes

drafting instructions:

more instructions:

GPR: \$2,500,000.00 PR: \$0.00 SEG: \$0.00 Other: _____
 FED: \$0.00 TANF: \$0.00 All Funds: \$0.00
 GPR-REV: \$0.00 SEG-REV: \$0.00 PR-REV: \$0.00

no fiscal impact: unknown impact:

→ no def. in 1996

- Approximately \$2.5 million in contributions are still owed to the WATF by various telecommunications providers. These are contributions that were billed by the WATF but not paid by telecom providers.
- Assess a tax on all telecommunications providers – landline and cellular – who were supposed to contribute to the WATF. The tax should be sufficient to raise an amount equal to the WATF's shortfall upon its dissolution. Grant a non-refundable credit to those telecom providers who paid their contributions. Structure the tax and the credit so that the burden of raising the money falls on telecom providers who did not pay their contributions or paid them only in part. The amount each company owes would be prorated in proportion to the amount owed WATF.
- Allow telecom providers to surcharge the tax on their customers' bills but require them to identify the item in such a manner that it is clear the tax is being assessed because of the telecom providers' failure to meet its responsibility in contributing to the WATF.
- This proposal would generate approximately \$2.5 million in new, one-time revenues.
- This proposal has not been the subject of a previous motion or paper.

when is it due? - 2001 - 2002

general fund? - see email
H

14.28 - repealed in budget
WATF

Parren A LFB

C understands or an
assessment by PSC

C to those who haven't
paid

- one time assessment

- concern not concerned with
mechanism - as long as they pay

Kreye, Joseph

From: Renner, Darin
Sent: Friday, June 15, 2001 2:01 PM
To: Kreye, Joseph

Here is a copy of what I'm working on - hopefully it can provide some direction... please keep it confidential as it is just a draft and has not been approved in caucus.



dr psc - waff
assessments.doc

Darin Renner
Legislative Fiscal Bureau
1 East Main, Suite 301
Madison, WI 53703
email: darin.renner@legis.state.wi.us
phone: 608/266-3847

DRAFT

S:\LFB Share\DR\Senate 01-03\dr psc - watf assessments.doc

1. ASSESSMENT OF TELECOMMUNICATIONS PROVIDERS FOR THE TEACH BOARD

	Chg. to JFC
GPR-Lapse	-\$3,866,000
SEG	3,866,000

Require the Commission to make a one-time assessment of all telecommunications providers sufficient to collect for amounts that were solicited by, but not contributed to, the Wisconsin Advanced Telecommunications Foundation (WATF) for the creation of an endowment fund. It is estimated that these collections would equal \$3,866,000 SEG in 2001-02.

Provide authority to the Commission for the collection of these assessments. The amounts collected would be provided to the TEACH Board. Create an annual segregated appropriation in the TEACH Board for the deposit of these funds for the purpose of payments to school districts for the educational block grant program under s. 44.72(2)(b)2.. Require the Board to offset expenditures from the GPR appropriation for the educational technology block grant program in an amount equal to the amount expended from the new segregated appropriation.

Allow telecommunication providers to pass the assessment onto their customer's if the bill states that the surcharge is being assessed due to the telecommunication provider's failure to meet its responsibility to the WATF.

20.275(1)(F)

the amts in the schedule
to make grants under

44.72(2)(b)2.

less the amt appropriated under...

① PSC makes assessment

② PR for TEACH
all monies need under NONSTAT
for same purpose of 44.72(2)(b)2.

-----Original Message-----

From: Keckhaver, John
Sent: Friday, June 15, 2001 4:21 PM
To: Kreye, Joseph
Subject: RE: Caucus number 5023: WATF

Joseph,

Sorry for the delay.

Darin Renner knows how this should occur. There was some confusion at first, and the original drafting instructions sent over, are not fully correct. The PSC should assess and collect the amount, then the non-refundable credit given to those who have already paid. Please ask Darin for further clarification. Thanks a lot for the message.

John

-----Original Message-----

From: Kreye, Joseph
Sent: Friday, June 15, 2001 2:34 PM
To: Keckhaver, John
Subject: Caucus number 5023: WATF

John:

I have received the SDC amendment request related to telecommunications providers and contributions to the Wisconsin Advanced Telecommunications Foundation (WATF). The instructions I have from the caucus indicate that telecommunications providers should pay a tax equal to the amount they should have contributed to the WATF. However, when I spoke to Darin Renner at the Legislative Fiscal Bureau about this request he indicated instead that the Public Service Commission should assess telecommunications providers the amount that telecommunications providers should have contributed to the WATF.

Is it the intent of the SDC to tax telecommunications providers for the amount or to have the PSC assess and collect the amount?

Also, once the amount is collected, should it go to the general fund?

Please advise. Thank you.

Joseph T. Kreye, Legislative Attorney
Legislative Reference Bureau
(608) 266-2263
joseph.kreye@legis.state.wi.us



D-NOTE

SDC:.....Keckhaver - CN5023, Assessment on telecommunications providers for contributions owed to the WATF

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT

TO SENATE SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

1 At the locations indicated, amend the substitute amendment as follows:

2 √ 1. Page 319, line 2: after “(jm),” insert “(js),”.

3 √ 2. Page 320, line 4: after that line insert:

4 “SECTION 569q. 20.275 (1) (js) of the statutes is created to read:

5 20.275 (1) (js) *Educational technology block grants; Wisconsin Advanced*

6 *Telecommunications Foundation assessments.* All moneys received from

7 (7) assessments paid under 2001 Wisconsin Act (this act), section 9142 (3m), to make

8 payments to school districts under s. 44.72 (2) (b) 2.”

9 √ 3. Page 540, line 14: after “(f),” insert “(im), (jm), (js), and (mp).”

1 [✓]4. Page 1352, line 7: after that line insert:

2 ^K
② “(3m) WISCONSIN ADVANCED TELECOMMUNICATIONS FOUNDATION ASSESSMENTS.”

3 (a) In this subsection:

4 1. “Commission” means the public service commission.

5 2. “Endowment fund” means the fund established by the foundation under
6 section 14.28 (2) (g), 1999 stats. ✓

7 3. “Foundation” means the Wisconsin Advanced Telecommunications
8 Foundation.

9 4. “Telecommunications provider” has the meaning given in section 196.01 (8p) ✓
10 of the statutes.

11 (b) No later than the first day of the 2nd month beginning after the effective
12 date of this paragraph, the commission ^{shall} do each of the following:

13 1. Determine the total amount that the foundation solicited from each
14 telecommunications provider for contribution to the endowment fund and the total
15 amount that each telecommunications provider contributed to the endowment fund.

16 2. Assess against each telecommunications provider the difference, if any,
17 between the amount solicited by the foundation and the amount contributed by the
18 telecommunications provider, as determined under subdivision 1. ✓

19 (c) A telecommunications provider shall pay an assessment made by the
20 commission under paragraph (b) ✓ within 30 days after the commission mails the bill
21 to the telecommunications provider. The bill constitutes notice of the assessment
22 and demand for payment. Disputes over failure to pay the assessment shall be
23 governed by section 196.85 (3) to (8) ✓, 1999 stats., except that any reference to a public

24 utility shall refer instead to a telecommunications provider ✓ and any reference to a

1 bill rendered under section 196.85 (1) of the statutes, 1999 stats., shall refer instead
2 to a bill rendered under this paragraph.

3 (d) A telecommunications provider may establish a surcharge on customers'
4 bills to collect the amount of an assessment paid under paragraph (c), but only if the
5 bills indicate that the surcharge is being assessed due to the telecommunications
6 provider's failure to meet its responsibility to make contributions to the Wisconsin
7 Advanced Telecommunications Fund."

8 (END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0922/1dn

MDK:/:....

WJ

John Keckhaver:

This amendment requires the PSC and telecommunications providers to use the procedures under current law for resolving any disputes over the amount of an assessment. Also, the amendment has the following deadlines: 1) the PSC must make the assessment no later than 2 months after the effective date of the bill; and 2) telecommunications providers must pay the assessments (or file an objection) within 30 days after they are mailed. Is that okay?

Note also that the amendment makes a correction to the amendment of s. 44.72 (2) (b) 2., stats.

Mark D. Kunkel
Legislative Attorney
Phone: (608) 266-0131
E-mail: mark.kunkel@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0922/1dn
MDK:wlj:jf

June 16, 2001

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