

1999 DRAFTING REQUEST

Bill

Received: 01/22/99

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-1103**

By/Representing: **Milioto**

This file may be shown to any legislator: **NO**

Drafter: **kunkemd**

May Contact:

Alt. Drafters:

Subject: **Public Util. - misc.**

Extra Copies:

Topic:

DOA:.....Milioto - Eliminate education purpose from PSC uses of USF

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>
/1	kunkemd 01/22/99	jgeller 01/23/99	hhagen 01/24/99	_____	lrb_docadmin 01/25/99		State
	kunkemd 01/27/99	jgeller 01/28/99		_____			
/2	kunkemd 02/1/99	jgeller 02/1/99	jfrantze 01/28/99	_____	lrb_docadmin 01/28/99		State
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/4			lpaasch 02/3/99	_____	lrb_docadmin 02/3/99		State

FE Sent For:

<END>

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/2	kunkemd 02/1/99	jgeller 02/1/99	jfrantze 01/28/99	_____	lrb_docadmin 01/28/99		State
/3		4 3/2 jlg	jfrantze 02/1/99	_____	lrb_docadmin 02/1/99		State

FE Sent For:

2567
256P
WJ
<END>

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1?	kunkemd	1 1/23 jlg	1 1/24	1 1/24			

FE Sent For:

<END>

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

1950

Date: January 22, 1999

To: Stephen R. Miller
Legislative Reference Bureau

From: Steven Milioto *SRM*
Executive Policy and Budget Analyst

Subject: 1991-2001 Biennial Budget Drafting Request -- **Delete s. 196.218 (5) (a) 3. of the statutes**

Please draft language which would delete s. 196.218 (5) (a) 3. of the statutes.

If you have any questions regarding this item, please contact me at 6-1103 or Steve.Milioto@doa.state.wi.us.

Kunkel, Mark

From: Grant, Peter
Sent: Friday, January 22, 1999 11:20 AM
To: Kunkel, Mark
Subject: FW: Delete s. 196.218 (5) (a) 3.

Mark-
I think this is yours.

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

From: Milioto, Steve
Sent: Friday, January 22, 1999 10:59 AM
To: Grant, Peter
Subject: Delete s. 196.218 (5) (a) 3.

Hi Peter --

We had chatted about this item a week ago and now I've gotten the word that it's in.

Delete s. 196.218 (5)(a) 3. of the statutes.

Thanks for your help! Let me know if you have any questions. Best, Steve



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1950/1

MDK:.....

SOON

JLg

DOA:.....Milioto - Eliminate education purpose from PSC uses of USF
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

1 AN ACT ^{do not gen}...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT ✓

OTHER STATE GOVERNMENT ✓

Under current law, the public service commission (PSC) ✓ requires certain telecommunications providers to make contributions to the universal service fund (fund) ✓. Moneys in the fund are required to be used for programs administered by the PSC to promote universal access to telecommunications services and affordable access to high-quality education, library and health care information services and for certain other PSC programs. In addition, the fund is also used for certain programs administered by the the technology for educational achievement in Wisconsin board (TEACH board).

This bill eliminates the requirement for the PSC to use moneys in the fund to promote affordable access to high-quality ✓ education, library and health care information services.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Kunkel, Mark

From: Milioto, Steve
Sent: Monday, January 25, 1999 4:07 PM
To: Kunkel, Mark
Subject: 30-20-10 program

Hi Mark:

I looked into the Administrative Code citation for the Public Service Commission's 30-20-10 program. I believe it's found in section 160. For our purposes, the nonstat language would require TEACH Wisconsin to honor existing commitments to eligible institutions under the PSC's 30-20-10 program. Let me know if I can be of further assistance! Best, Steve

P.S. I am faxing over background information on this program for you

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
DIVISION OF EXECUTIVE BUDGET AND FINANCE
DOA-5167 (R0895)

FACSIMILE COVER MESSAGE

CONFIDENTIALITY: This facsimile transmission is intended only for the use of the individual or entity to which it is addressed. It may contain information which is privileged, confidential or exempt from disclosure under applicable law.

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THE FACSIMILE MACHINE COPIES ONE SIDE OF DOCUMENT

TO		
Name	Mark Kunke L	Facsimile Telephone Number 6-5648
Location	LRB	Room Number Telephone Number 6-0131
FROM (Sender)		
Name	Steve Miloto	Number of Pages Including This Cover Sheet Facsimile Telephone Number (608) 267-0372
Location	101 East Wilson Street, 10th Floor; Madison, WI 53702	Telephone Number 6-1103

COMMENTS / INSTRUCTIONS

Report to the Governor and the Legislature
on
Universal Service Programs and TEACH
by the
Public Service Commission of Wisconsin

§ 9141(2m)(a) of 1997 Wisconsin Act 27:

The public service commission shall, no later than January 1, 1999, submit a report to the legislature under section 13.172(2) of the statutes, and to the governor, that contains recommendations for each of the following:

- 1. Reducing programmatic and funding differences between the educational telecommunications access program under section 196.218 (4r) of the statutes, as created by this act, and the assistance for institutions program specified in section PSC 160.11, Wisconsin Administrative Code.*
- 2. A date after which school districts, technical colleges, private colleges, and public library boards may no longer be eligible to participate in the educational telecommunications access program established under section 196.218 (4r) of the statutes, as created by this act.*

The Public Service Commission of Wisconsin (PSC) respectfully submits this report in compliance with the legislative mandate noted above.

Background

The establishment of the universal service fund was directed by 1993 Wisconsin Act 496. Per Wis. Stat. § 196.218, the Legislature directed the PSC to create a universal service fund and specified various purposes for which it may be used; those purposes were expanded by 1997 Wisconsin Act 27 to include the Technology for Educational Achievement (TEACH) educational telecommunications access program. Both the PSC's universal service fund program for assistance to institutions, which was established pursuant to the original statutory mandate, and the TEACH WI educational telecommunications access program are targeted to support the provision of advanced telecommunications services to schools, libraries and some other institutions. A description of these programs is provided below.

PSC Institutional Discount Program

The PSC program for assistance to institutions is set forth in Wis. Admin. Code § PSC 160.11. This program, commonly called the institutional discount program, is one of several universal service fund programs created by the PSC. This program was

effective May 1, 1996. This program is aimed at meeting the statutory directive that the universal service fund be used as follows:

To promote affordable access throughout this state to high-quality education, library and health care information services. (Wis. Stat. § 196.218 (5) (a) 3.)

The PSC rule applies this institutional discount program to new services. Covered services are two-way interactive video services, high-speed data transfer service, toll call Internet access, or direct Internet access. The program is used by many institutions to get support for Internet access over a T1 (a data line in TEACH parlance) or to get support for a video distance education hook up (a video link under TEACH).

Eligible institutions under the PSC rules are not-for-profit schools, which includes each school in a school district, private schools, charter schools, colleges and universities, and technical college districts; public libraries; and not-for-profit hospitals. (See Wis. Admin. Code § PSC 160.02 (4).) An institution is entitled to receive support on only one service at a time at a single location. Consequently, a key provision of this definition is that each school in a school district is covered; that is, an elementary school, a middle school, a high school, an administration building, etc., in a single school district may each get an institutional discount under this PSC program.

The discounts under this plan provide for partial payments for the cost of service and are on a declining scale as follows:

- Year 1 – 30% discount on the monthly price, or \$300, whichever is less.
- Year 2 – 20% discount on the monthly price, or \$200, whichever is less.
- Year 3 – 10% discount on the monthly price, or \$100, whichever is less.

The largest cumulative discount an institution can get under this program is therefore \$7200 over three years.

An institution submits an application for this program to the PSC's universal service fund administrator. The institution pays its vendor the full price for the service and is reimbursed from the universal service fund by the administrator for the relevant discounts. Although discounts are calculated on a monthly basis, this program pays the institution directly once per year for the accumulated discount amount.

TEACH WI Educational Telecommunications Access Program

One part of the larger TEACH WI initiative is the educational telecommunications access program as required by Wis. Stat. § 196.218 (4r). The TEACH access program is now codified in Wis. Admin. Code ch. PSC 161. Emergency rules were effective earlier this year, and the permanent rules for this program became effective November 1, 1998. As required by the statutes, the rules establish an educational telecommunications access program to provide access to data lines and video links for eligible school districts, private schools, cooperative educational service

agencies, technical college districts, private colleges and public library boards. These entities may get one data line or one video link (unless a school district has more than one high school, in which case, additional lines or links may be provided). Under this TEACH access program, school districts, private schools, cooperative educational service agencies, technical college districts, private colleges, and public library boards get the data lines or video links at a supported price - \$250 or \$100 per month.¹ Applications for TEACH are submitted to the TEACH Board. Eligible school districts, private schools, cooperative educational service agencies, technical college districts, private colleges and public library boards pay the Department of Administration (DOA) for the data or video access received (at the discount price). The TEACH Board uses the universal service fund to pay DOA for the actual price of service above the \$250 or \$100.

Another piece of TEACH is an existing contract grants program.² To recognize that there are schools that already had contracted for video links or data lines, and therefore could not get these lines or links at the discounted TEACH price, the TEACH program provides for support from the universal service fund to schools that have existing contracts. The TEACH board determines an appropriate amount (based on comparable new services costs) and makes an annual grant to those eligible schools that apply. This provision is only available to public and private schools, and applies only until June 30, 2002.

Programmatic Comparisons

The PSC institutional discount program and the TEACH educational telecommunications access program are broadly targeting the same purpose – support to various entities for improved telecommunications. There are various program differences however, as shown below.

Services:

Both programs cover Internet access connections and video distance education links. TEACH, by statute, provides for data lines and video links. The PSC program, by rule, specifies two-way interactive video services, high-speed data transfer service, toll call Internet access, or direct Internet access.

The TEACH program, through the existing grants program, does give support to schools that already have these services; the PSC institutional discounts are only applicable to new services.

¹ \$100 is the price for a data line or video link that operates at a speed not to exceed 1.544 mbps.

² The TEACH Board pays from the universal service fund the costs of annual grants under Wis. Stat. § 196.218 (4r) (g).

Covered entities:

The following table shows the coverage for the two programs:

Type of Entity	PSC Institutional Discount Program	TEACH Educational Telecommunications Access Program
Public Schools	Yes – each school in a school district	Yes – one data line or video link per school district unless there is more than one high school
Private Schools	Yes	Yes
Public Libraries	Yes	Yes
CESA Districts	No	Yes
Technical Colleges	Yes	Yes
Private Colleges	Yes	Yes
Public Colleges	Yes	No
Not-for-profit Hospitals	Yes	No
Charter Schools	Yes	Not specified

Discounts:

Under TEACH, an eligible entity pays, at most, \$250 (or, in some cases, \$100) per month for a data line or video link. Under the PSC program, an institution gets, at most, a discount of 30 percent or \$300 per month. An example comparing a school's cost (for a video link) under the two programs is as follows:

	Rate paid for video link Per month	Cost to school per TEACH educational telecommunications access program Per month	Cost to school per PSC institutional discount program Per month
Year 1	\$1500	\$250	\$1200
Year 2	\$1500	\$250	\$1300
Year 3	\$1500	\$250	\$1400
Subsequent years	\$1500	\$250	\$1500

Exclusions:

Per statute and rule, an institution that is receiving access to a data line or video link supported by the TEACH educational telecommunications access program is not eligible to receive support for that data line or video link under the PSC institutional discount program in Wis. Admin. Code ch. PSC 160.

Funding

Both the PSC institutional discount program and the TEACH educational telecommunications access program are funded through the universal service fund. The universal service fund is a state fund; it is administered by the PSC. The PSC has contracted with a fund administrator for the purpose of making assessments and handling certain fund disbursements. The PSC assesses telecommunications providers for the universal service fund per the provisions of Wis. Stat. § 196.218 (3) and Wis. Admin. Code §§ PSC 160.17 and 160.18.

Based on appropriations and expected expenditures, the PSC establishes assessment rates that are used by the administrator to bill telecommunications providers. Separate assessment rates are calculated for the PSC universal service programs and the TEACH educational telecommunications access program. (Assessments for the fund are also made for a program to pay DOA for telecommunications services provided to the campuses of the University of Wisconsin system at River Falls, Stout, Superior, and Whitewater per the provisions of Wis. Stat. § 196.218 (5) (a) 6.)

Assessments are made to providers based on gross intrastate telecommunications revenues. The current biennial appropriations for the various universal service fund programs and the monthly assessment rates now being applied to providers are as follow:

Program	Biennial Appropriation	Assessment Rate	Comments
PSC programs	\$16,000,000 ³	.00000%	Assessments were suspended at the beginning of 1998 because a surplus exists related to the PSC programs.
TEACH	\$12,316,400	.07789%	Effective in October 1998.
UW System	\$ 1,872,000	.01143%	Effective in September 1998.

Wis. Stat. § 196.213 (3) (e) places limits on how a telecommunications provider may recover its universal service fund assessments from its customers:

Except as provided in s. 196.196 (2) (d), a telecommunications provider or other person may not establish a surcharge on customers' bills to collect from customers contributions required under this subsection.

³ The Commission in establishing budgets for the various universal service fund programs, identified \$4,000,000 (\$2,000,000 per year) for the institutional discount program.

This language is applicable to any assessments for the universal service fund and means that a provider may not impose a surcharge on bills to identify the assessments for any of the universal service programs – the PSC's programs, the TEACH access program or the UW System assessment.

There is a difference between the PSC universal service assessments and the TEACH And UW System assessments relative to recovery of the assessments for the providers of local exchange service however. Wis. Stat. § 196.218 (3) (f) states as follows:

Notwithstanding ss. 196.196 (1) and (5) (d) 2., 196.20 (2m), (5) and (6), 196.213 and 196.215, a telecommunications utility that provides local exchange service may make adjustments to local exchange rates for the purpose of recovering the portion of its contributions to the universal service fund that is determined by the commission under par. (a) 4.

The reference to par. (a) 4. relates to assessments for the TEACH and UW System needs. The implication of this provision is that local exchange providers without seeking PSC approval or being bound by other rate increase provisions of Wis. Stat. ch. 196, may change their rates to recover the amounts they pay in TEACH and UW System assessments.⁴ This same provision is not applicable to assessments for the PSC programs.

Recommendations

The PSC has been asked to make recommendations on the following:

Reducing programmatic and funding differences between the educational telecommunications access program under section 196.218 (4r) of the statutes, as created by this act, and the assistance for institutions program specified in section PSC 160.11, Wisconsin Administrative Code.

Relative to programmatic matters, because of similarities between the PSC program and the TEACH program, the PSC recommends continuing discussions with the Department of Administration (DOA) to develop a proposal to the Legislature to combine the two programs, possibly phasing out the PSC program for discounts to schools and libraries. Although there are differences in the two programs as identified above, these definitional or administrative differences are not problems in themselves that render the two programs unworkable. That the programs have non-uniform targeted beneficiaries and different levels of support does not make the programs incompatible. The PSC is conducting a rule making proceeding at this time that may modify the PSC institutional discount program to some extent. However, this should not prohibit eventual merger.

⁴ The use of a surcharge would not be permitted pursuant to the Wis. Stat. § 196.218 (3) (e) provision discussed above.

Combining the two programs, so that there is only one state program aimed at support of telecommunications for schools and libraries (and certain other institutions), is a broader policy issue than the PSC has jurisdiction to address. We would, of course, be available to work with the Governor, the Legislature, DOA, and the TEACH Board if a determination is made that some consolidation or modification of the two programs is needed.

Relative to funding differences, the PSC makes no recommendations for change. The same assessment process is used for both programs, and the use of the universal service fund and assessment mechanism for both is working, even if the amounts to be collected for the two programs may differ.

A date after which school districts, technical colleges, private colleges, and public library boards may no longer be eligible to participate in the educational telecommunications access program established under section 196.218 (4r) of the statutes, as created by this act.

The PSC respectfully recommends that the Legislature seek input on this issue from the TEACH Board. The TEACH Board has the day-to-day working knowledge of the TEACH access program and the needs of schools for support under that program. Although the PSC, in consultation with the TEACH Board and DOA, promulgated rules for the educational telecommunications access program, the administrative and policy expertise relative to that program are in the TEACH organization.

By the Public Service Commission of Wisconsin

December 1998

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CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: January 26, 1999
To: Stephen R. Miller
Legislative Reference Bureau
From: Steven Milioto *SRM*
Executive Policy and Budget Analyst

Received
3:00 pm
1-27-99
SRM

Subject: 1991-2001 Biennial Budget Drafting Request -- **Requiring TEACH to assume responsibility for the completion of the PSC's 30-20-10 program**

Please draft language which would require TEACH to assume responsibility for the completion of the PSC's 30-20-10 program once s. 196.218 (5) (a) 3 is deleted.

If you have any questions regarding this item, please contact me at 6-1103 or Steve.Milioto@doa.state.wi.us.

SOON

2

DOA:.....Milioto - Eliminate education purpose from PSC uses of USF

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

WFO-check auto refs

1

AN ACT ...; relating to: the budget.

for programs ✓

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✓
INSERT
A.1

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, the public service commission (PSC) requires certain telecommunications providers to make contributions to the universal service fund (fund). Moneys in the fund are required to be used for programs administered by the PSC to promote universal access to telecommunications services and affordable access to high-quality education, library and health care information services and for certain other PSC programs. In addition, the fund is also used for certain programs administered by the technology for educational achievement in Wisconsin board (TEACH board).

This bill eliminates the requirement for the PSC to use moneys in the fund to promote affordable access to high-quality education, library and health care information services.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

✓ INSERT A.2

INSERT 2-1

1 SECTION 1. 196.218 (4r) (c) 2. of the statutes is amended to read:

2 196.218 (4r) (c) 2. Establish eligibility requirements for a school district,
3 private school, cooperative educational service agency, technical college district,
4 private college and public library board to participate in the program established
5 under par. (b). ~~The requirements shall prohibit a participant in the program from~~
6 ~~receiving assistance from the universal service fund for the purpose specified in sub.~~
7 ~~(5) (a) 3. for educational telecommunications access that is substantially similar to~~
8 ~~the access provided to the participant under the program.~~

9 SECTION 2. 196.218 (5) (a) 3. of the statutes is repealed.

10 (END)

INSERT 2-9

1

INSERT A.1:

including a program for providing institutions with support payments for certain telecommunications services (institutional assistance program),

2

INSERT A.2:

The bill also transfers the institutional assistance program to the TEACH board, which must provide support payments to eligible institutions as determined by the PSC.

3

INSERT 2-1:

4

SECTION 1. 20.275 (1) (tr) of the statutes is created to read:

5

20.275 (1) (tr) *Institutional assistance support.* Biennially, from the universal

6

service fund, the amounts in the schedule to make support payments to institutions

7

under 1999 Wisconsin Act ... (this act), section 9158 (1). No moneys may be

8

encumbered from this appropriation after June 30, 2001. *a.r.*

9

→ *Note: bud*

INSERT 2-9:

10

SECTION 9141. Nonstatutory provisions; public service commission.

11

(1) TRANSFER OF INSTITUTIONAL ASSISTANCE PROGRAM.

12

(a) In this subsection:

13

1. "Board" means the technology for educational achievement in Wisconsin

14

board.

15

2. "Commission" means the public service commission.

16

3. "Institutional assistance program" means the assistance for institutions

17

program created by the commission that is described in section PSC 160.11, Wisconsin

18

adm. code Administrative Code.

19

(b) On the effective date of this paragraph, the assets and liabilities of the

20

commission primarily related to the administration of the institutional assistance

1 program, as determined by the secretary of administration, shall become the assets
2 and liabilities of the board.

3 (c) On the effective date of this paragraph, all tangible personal property,
4 including records, of the commission that is primarily related to the administration
5 of the institutional assistance program, as determined by the secretary of
6 administration, is transferred to the board.

7 (d) All contracts entered into by the commission in effect on the effective date
8 of this paragraph that are primarily related to the administration of the institutional
9 assistance program, as determined by the secretary of administration, remain in
10 effect and are transferred to the board. The board shall carry out any obligations
11 under such a contract until the contract is modified or rescinded by the board to the
12 extent allowed under the contract.

13 (e) All rules promulgated by the commission that are in effect on the effective
14 date of this paragraph that are primarily related to the administration of the
15 institutional assistance program, as determined by the secretary of administration,
16 remain in effect until their specified expiration date or until amended or repealed by
17 the board. All orders issued by the commission that are in effect on the effective date
18 of this paragraph that are primarily related to the administration of the institutional
19 assistance program, as determined by the secretary of administration, remain in
20 effect until their specified expiration date or until modified or rescinded by the board.

21 (f) Any matter pending with the commission on the effective date of this
22 paragraph that is primarily related to the administration of the institutional
23 assistance program, as determined by the secretary of administration, is transferred
24 to the board and all materials submitted to or actions taken by the commission with

1 respect to the pending matter are considered as having been submitted to or taken
2 by the board.

3 **SECTION 9158. Nonstatutory provisions; other.**

4 ^{a.r.2} (1) TRANSFER OF INSTITUTIONAL ASSISTANCE PROGRAM. From the appropriation
5 under section 20.275 (1) (tr) of the statutes, as created by this act, the technology for
6 educational achievement in Wisconsin board shall provide support payments to the
7 institutions that the public service commission has, before the effective date of this
8 subsection, determined are eligible to receive support payments under the
9 institutional assistance program, as defined in SECTION 9149¹ (1) (a) 3 of this act, in
10 the amounts determined by the commission.

¹
a.r. a.r. a.r.

TODAY

3

DOA:.....Milioto - Eliminate education purpose from PSC uses of USF

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

RM
NOT
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1

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, the public service commission (PSC) requires certain telecommunications providers to make contributions to the universal service fund (fund). Moneys in the fund are required to be used for programs administered by the PSC for programs to promote universal access to telecommunications services and affordable access to high-quality education, library and health care information services, including a program for providing institutions with support payments for certain telecommunications services (institutional assistance program), and for certain other PSC programs. In addition, the fund is also used for certain programs administered by the technology for educational achievement in Wisconsin board (TEACH board).

This bill eliminates the requirement for the PSC to use moneys in the fund to promote affordable access to high-quality education, library and health care information services. The bill also transfers the institutional assistance program to the TEACH board, which must provide support payments to eligible institutions as determined by the PSC.

INSERT 2-5 ✓

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.275 (1) (tr) of the statutes is created to read:

2 20.275 (1) (tr) *Institutional assistance support.* Biennially, from the universal
3 service fund, the amounts in the schedule to make support payments to institutions
4 under 1999 Wisconsin Act (this act), section 9158 (1). No moneys may be
5 encumbered from this appropriation after June 30, 2001.

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 **SECTION 2.** 196.218 (4r) (c) 2. of the statutes is amended to read:

7 196.218 (4r) (c) 2. Establish eligibility requirements for a school district,
8 private school, cooperative educational service agency, technical college district,
9 private college and public library board to participate in the program established
10 under par. (b). ~~The requirements shall prohibit a participant in the program from~~
11 ~~receiving assistance from the universal service fund for the purpose specified in sub.~~
12 ~~(5) (a) 3. for educational telecommunications access that is substantially similar to~~
13 ~~the access provided to the participant under the program.~~

14 **SECTION 3.** 196.218 (5) (a) 3. of the statutes is repealed.

15 **SECTION 9141. Nonstatutory provisions; public service commission.**

16 (1) TRANSFER OF INSTITUTIONAL ASSISTANCE PROGRAM.

17 (a) In this subsection:

18 1. "Board" means the technology for educational achievement in Wisconsin
19 board.

20 2. "Commission" means the public service commission.

1 3. “Institutional assistance program” means the assistance for institutions
2 program created by the commission that is described in section PSC 160.11,
3 Wisconsin Administrative Code.

4 (b) On the effective date of this paragraph, the assets and liabilities of the
5 commission primarily related to the administration of the institutional assistance
6 program, as determined by the secretary of administration, shall become the assets
7 and liabilities of the board.

8 (c) On the effective date of this paragraph, all tangible personal property,
9 including records, of the commission that is primarily related to the administration
10 of the institutional assistance program, as determined by the secretary of
11 administration, is transferred to the board.

12 (d) All contracts entered into by the commission in effect on the effective date
13 of this paragraph that are primarily related to the administration of the institutional
14 assistance program, as determined by the secretary of administration, remain in
15 effect and are transferred to the board. The board shall carry out any obligations
16 under such a contract until the contract is modified or rescinded by the board to the
17 extent allowed under the contract.

18 (e) All rules promulgated by the commission that are in effect on the effective
19 date of this paragraph that are primarily related to the administration of the
20 institutional assistance program, as determined by the secretary of administration,
21 remain in effect until their specified expiration date or until amended or repealed by
22 the board. All orders issued by the commission that are in effect on the effective date
23 of this paragraph that are primarily related to the administration of the institutional
24 assistance program, as determined by the secretary of administration, remain in
25 effect until their specified expiration date or until modified or rescinded by the board.

1 (f) Any matter pending with the commission on the effective date of this
2 paragraph that is primarily related to the administration of the institutional
3 assistance program, as determined by the secretary of administration, is transferred
4 to the board and all materials submitted to or actions taken by the commission with
5 respect to the pending matter are considered as having been submitted to or taken
6 by the board.

7 **SECTION 9158. Nonstatutory provisions; other.**

8 (1) TRANSFER OF INSTITUTIONAL ASSISTANCE PROGRAM. From the appropriation
9 under section 20.275 (1) (tr) of the statutes, as created by this act, the technology for
10 educational achievement in Wisconsin board shall provide support payments to the
11 institutions that the public service commission has, before the effective date of this
12 subsection, determined are eligible to receive support payments under the
13 institutional assistance program, as defined in SECTION 9141 (1) (a) 3. of this act, in
14 the amounts determined by the commission.

15 (END)

~~10/20/99-10~~

**1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1950/3ins
MDK:.....

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INSERT 2-5:

SECTION 1. 196.218 (3) (a) 3.^x of the statutes is amended to read:

196.218 (3) (a) 3. The commission shall designate the method by which the contributions under this paragraph shall be calculated and collected. The method shall ensure that the contributions are sufficient to generate the amounts appropriated [✓] necessary to fully fund the appropriations under ss. 20.155 (1) (q), 20.275 (1) (s), (t) and (tm) and 20.285 (1) (q). Contributions may be based only on the gross operating revenues from the provision of broadcast services identified by the commission under subd. 2. and on intrastate telecommunications services in this state of the telecommunications providers subject to the contribution.

History: 1993 a. 496; 1997 a. 27, 41, 237.

14

AD-NOTE

DO NOT RUN

DOA:.....Milioto - Eliminate education purpose from PSC uses of USF

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

Do not gen

1

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, the public service commission (PSC) requires certain telecommunications providers to make contributions to the universal service fund (fund). Moneys in the fund are required to be used for programs administered by the PSC for programs to promote universal access to telecommunications services and affordable access to high-quality education, library and health care information services, including a program for providing institutions with support payments for certain telecommunications services (institutional assistance program), and for certain other PSC programs. In addition, the fund is also used for certain programs administered by the technology for educational achievement in Wisconsin board (TEACH board).

This bill eliminates the requirement for the PSC to use moneys in the fund to promote affordable access to high-quality education, library and health care information services. The bill also transfers the institutional assistance program to the TEACH board, which must provide support payments to eligible institutions as determined by the PSC.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.275 (1) (tr) of the statutes is created to read:

2 20.275 (1) (tr) *Institutional assistance support.* Biennially, from the universal
3 service fund, the amounts in the schedule to make support payments to institutions
4 under 1999 Wisconsin Act (this act), section 9158 (1). No moneys may be
5 encumbered from this appropriation after June 30, 2001.

 ***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 **SECTION 2.** 196.218 (3) (a) 3. of the statutes is amended to read:

7 196.218 (3) (a) 3. The commission shall designate the method by which the
8 contributions under this paragraph shall be calculated and collected. The method
9 shall ensure that the contributions are sufficient to generate the amounts
10 appropriated necessary to fully fund the appropriations under ss. 20.155 (1) (q),
11 20.275 (1) (s), (t) and (tm) and 20.285 (1) (q). Contributions may be based only on the
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13 commission under subd. 2. and on intrastate telecommunications services in this
14 state of the telecommunications providers subject to the contribution.

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17 private school, cooperative educational service agency, technical college district,
18 private college and public library board to participate in the program established
19 under par. (b). ~~The requirements shall prohibit a participant in the program from~~
20 ~~receiving assistance from the universal service fund for the purpose specified in sub-~~

1 ~~(5) (a) 3. for educational telecommunications access that is substantially similar to~~
2 ~~the access provided to the participant under the program.~~

3 SECTION 4. 196.218 (5) (a) 3. of the statutes is repealed.

4 SECTION 9141. Nonstatutory provisions; public service commission.

5 (1) TRANSFER OF INSTITUTIONAL ASSISTANCE PROGRAM.

6 (a) In this subsection:

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8 board.

9 2. "Commission" means the public service commission.

10 3. "Institutional assistance program" means the assistance for institutions
11 program created by the commission that is described in section PSC 160.11,
12 Wisconsin Administrative Code.

13 (b) On the effective date of this paragraph, the assets and liabilities of the
14 commission primarily related to the administration of the institutional assistance
15 program, as determined by the secretary of administration, shall become the assets
16 and liabilities of the board.

17 (c) On the effective date of this paragraph, all tangible personal property,
18 including records, of the commission that is primarily related to the administration
19 of the institutional assistance program, as determined by the secretary of
20 administration, is transferred to the board.

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22 of this paragraph that are primarily related to the administration of the institutional
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17 **SECTION 9158. Nonstatutory provisions; other.**

18 (1) TRANSFER OF INSTITUTIONAL ASSISTANCE PROGRAM. From the appropriation
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20 educational achievement in Wisconsin board shall provide support payments to the
21 institutions that the public service commission has, before the effective date of this
22 subsection, determined are eligible to receive support payments under the
23 institutional assistance program, as defined in SECTION 9141 (1) (a) 3. of this act, in
24 the amounts determined by the commission.

25

(END)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1950/4dn

MDK:.....

JLg

Steve Milioto:

This draft reconciles LRB-1950/3 and LRB-0250/3. Both drafts should continue to appear in the compiled bill.

Mark D. Kunkel
Legislative Attorney
Phone: (608) 266-0131
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**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1950/4dn
MDK:jlg:lp

February 3, 1999

Steve Milioto:

This draft reconciles LRB-1950/3 and LRB-0250/3. Both drafts should continue to appear in the compiled bill.

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



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1950/4
MDK;jlg:lp

DOA:.....Milioto - Eliminate education purpose from PSC uses of USF
FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

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The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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15 institutional assistance program, as defined in SECTION 9141 (1) (a) 3. of this act, in
16 the amounts determined by the commission.

17 (END)