

ACT 202

H.B. NO. 1052

A Bill for an Act Relating to the Universal Service Program.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The legislature finds that the public utilities commission provides critical services that ensure access to a basic set of essential telecommunications services for individuals who are blind or visually impaired.

In 1995, the legislature established the universal service program, the purpose of which, in relevant part, is to help customers with disabilities access and maintain a basic set of essential telecommunications services as determined by the commission. By law, all telecommunications carriers are required to contribute to this program. However, the universal service program is currently inactive with no funds available in the universal service fund. Moreover, the public utilities commission lacks clear legislative authority to develop a program addressing print disability through the universal service fund and does not have budget authorization to expend funds for this purpose.

Accordingly, the purpose of this Act is to provide clearer authorization and guidance for the public utilities commission to implement and manage the universal service program effectively, using funds from the universal service fund.

SECTION 2. Section 269-41, Hawaii Revised Statutes, is amended to read as follows:

“~~§~~269-41~~§~~ Universal service program; establishment; purpose; principles. There is established the universal service program. The purpose of this program is to:

- (1) Maintain affordable, just, and reasonable rates for basic residential telecommunications service, as defined by the commission;
- (2) Assist customers located in the areas of the State that have high costs of essential telecommunications service, low-income customers, and customers with disabilities, in obtaining and maintaining access to a basic set of essential telecommunications services as determined by the commission. The commission may expand or otherwise modify relevant programs, such as the lifeline program under section 269-16.5;
- (3) Ensure that consumers in all communities are provided with access, at reasonably comparable rates, to all telecommunications services ~~[which]~~ that are used by a majority of consumers located in metropolitan areas of the State. The commission shall provide for a reasonable transition period to support the statewide deployment

- of these advanced telecommunications services, including[;] but not limited to[;] the use of strategic community access points in public facilities, such as education, library, and health care facilities;
- (4) Ensure that consumers are given the information necessary to make informed choices among the alternative telecommunications carriers and services; [and]
 - (5) Promote affordable access throughout the State to enhanced government information and services, including education, health care, public safety, and other government services[-]; and
 - (6) Ensure access to essential telecommunications services for individuals with print disabilities, including providing free, print-disability-friendly telephonic access to time-sensitive information for individuals who are blind or visually impaired. For the purposes of this paragraph, “time-sensitive information” includes state and government information, public notices, emergency alerts, job opportunities, and daily newspapers.

The commission shall administer the universal service program, including the establishment of criteria by which the purposes of the program are met.”

SECTION 3. Section 269-42, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (a) and (b) to read:

“(a) There is established outside of the state treasury a special fund to be known as the universal service fund to be administered by the commission to implement the policies and goals of universal service[-] through the universal service program. The fund shall consist of contributions from the sources identified in subsections (e) and (f). Interest earned from the balance of the fund shall become a part of the fund. The commission shall adopt rules regarding the distribution of moneys from the fund including reimbursements to carriers for providing reduced rates to low-income, elderly, residents of underserved or rural areas, or other subscribers, as authorized by the commission.

(b) The commission may use available funds in the fund to provide free telephonic access to time-sensitive information for individuals with print disabilities; provided that the amount of funds expended from the fund for this purpose shall not exceed \$150,000. The commission may allow distribution of funds from the fund directly to customers based upon a need criteria established by the commission.”

2. By amending subsection (f) to read:

“(f) The commission shall designate the method by which the contributions under subsection (e) shall be calculated and collected. The commission shall consider basing contributions solely on the gross operating revenues from the retail provision of intrastate telecommunications services offered by the telecommunications carriers subject to the contribution. The commission may determine the percentage of telecommunications fees to be contributed to the universal service fund.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 9, 2025.)