



Testimony to the Ohio House of Representative's
Public Utilities Committee

From
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Good afternoon, Chairman DeGeeter, Vice Chair Williams, Ranking Minority Member Bacon and members of the committee. Thank you for the opportunity to testify in opposition to the proposed House Bill 276.

My name is Noel Williams and I am the President with the Columbus Branch of the NAACP. I have worked with the NAACP for approximately 14-years. I am also a strong supporter of labor and have advocate in support of many labor issues. I have also advocate against violence in our community, advocated against predatory lending issues, advocate for education in our communities, and spoke against issues that may cause harm to our most vulnerable citizens.

I am concerned about this legislation, as proposed, because it will allow telephone companies to increase telephone rates, weaken consumer protections, and threaten the future of the Lifeline, low-income benefit program.

I am concerned about this bill because it will allow telephone rates to increase every year, and it will allow those increases to hit Ohio's most vulnerable low-income communities. Currently, low-income Ohioans that participate in the Lifeline program are shielded from increasing rates. HB 276 would allow for the annual \$1.25 rate increases to impact all Ohioans, including those on the Lifeline program – reducing the benefit of this low-income program.

These rate increases will be levied at the discretion of the telephone companies without any showing that they need this rate increase. However, the telephone companies can already apply for rate increases where the Public Utilities Commission of Ohio has allowed them to do so. And, in these cases, these rate increases historically, have not impacted Lifeline customers. To allow telephone companies to take money out of the pockets of low-income Ohioans, when the money may not be needed, is not good public policy, and is not good for Ohioans across the state. In these hard economic times, the last thing low-income Ohioans need are increasing utility bills. I urge the committee to reject the proposed rate increase, and protect all Ohioans, including low-income Ohioans from future rate increases.

I am concerned about the proposed legislation because it weakens crucial consumer protections. The Public Utilities Commission of Ohio's (PUCO) current Minimum Telephone Service Standards offer a set of MINIMUM rules and consumer protections. One crucial standard ensures that telephone service will be restored in a timely manner, and Ohioans will be provided automatic credits if their telephone service is not restored within 72 hours. The proposed bill would eliminate automatic credits, which would negatively impact consumers by taking away the incentive for telephone companies to make timely repairs. Telephone service is a necessity, and prompt restoration of telephone service is, as well. Additionally, the proposed law contains a huge loophole that would allow telephone companies to only comply with basic consumer protections "where practicable." We oppose that loophole.

Lastly, and most importantly, I am extremely concerned about the changes to the Lifeline program. I am glad that the broadened eligibility requirements will be restored, so that all low-income Ohioans have the ability to participate in this program; however I am still concerned with the other changes to the Lifeline discount program. Specifically, the legislation eliminates the Lifeline Advisory Boards, which will severely reduce the educational marketing efforts about this program. That likely means many eligible consumers will not be informed about the availability of a significant discount off the price of their basic local telephone service. This is crucial to their ability to maintain service.

I hope you will significantly amend this bill to protect Ohioans who deserve reliable and affordable telephone service and thereby allow the NAACP branches that current oppose this legislation the opportunity to support. Thank you for your time.