

Program to Foster the Elimination of the Digital Divide Fact Sheet

Q. What is the history of the Program to Foster the Elimination of the Digital Divide Voluntary?

A. During the rewrite of the Illinois telecommunications law, HB 2900, the Illinois General Assembly incorporated language into the Public Utilities Act (“PUA”) requiring the Illinois Commerce Commission (“Commission”) to develop a rule that requires each telecommunications carrier to notify its customers that if the customer wishes to participate in the funding of the Program to Foster Elimination of the Digital Divide they may do so by electing to contribute on a monthly basis through their telephone bill. Governor Ryan signed Public Act 92-0022 into law on June 29, 2001. Voluntary contributions are used to make grant awards to public and private organizations pursuant to the requirements of the Illinois Eliminate the Digital Divide Law (30 ILCS 780).

Q. How did the Commission develop the rule to implement the Program to Foster the Elimination of the Digital Divide?

A. The Commission Staff developed a proposed rule and through the workshop process with the telecommunication carriers and the Department of Commerce and Community Affairs (“DCCA”) provided comments and revisions to develop an agreed upon rule. On December 19, 2001, the Commission began the rulemaking process by entering an order authorizing the submission to the Secretary of State for the first notice period. The proposed rules were published in the *Illinois Register* on January 11, 2002. No comments were filed during the first notice period. Commission hearings were held on March 28, 2002 and April 26, 2002. The Commission entered an order approving the rules on May 22, 2002.

Q. What is the division of duties between the Commission, the Department of Commerce and Community Affairs, and the telecommunications carriers for this program?

A. The Commission was mandated to write the rule and has monitoring responsibilities. The DCCA is responsible for advertising, receiving, and distributing the voluntary contributions. The telecommunications carriers will solicit, collect, and remit the voluntary contributions to be deposited with the DCCA or its designee.

Q. What are the highlights of the Program to Foster the Elimination of the Digital Divide rule?

A. The following points itemize the rule:

- All local exchange telecommunications carriers are required to participate in the collection and remittance of the monthly voluntary contributions.
- All local exchange telecommunications carriers are required to have their tariffs filed with the Commission no later than August 14, 2002.
- Telecommunications carriers are required to annually notify its customers via paper or electronic insert or message that they may elect to participate in the funding of the Program by electing to contribute on a monthly basis a fixed amount to be included in the monthly telephone bill, until cancelled by the customer. Telecommunications carriers may also use their directories to advertise the program.
- DCCA will design the customer notification information for the telecommunications carriers' use and will advertise the program.
- Telecommunications carriers shall inform customers verbally or in written format that they may contribute to the Program with all orders for new service installation.
- The contribution will be identified on the customers' bills as the "Digital Divide Fund".
- Customers may elect to contribute \$.50, \$1, \$2, \$5, \$10, \$15, or \$25 per month per line.
- Customers may elect to discontinue or change the amount of the monthly contribution on their bill at any time upon providing at least 30 days notice by telephone, mail, or e-mail to the telecommunications carriers.
- One time contributions may be contributed directly to DCCA.
- All telecommunications carriers shall report and remit all donations received during the quarter within 30 days after the end of each calendar quarter to the Department or its designee. In the event that no donations are collected during a quarter, a quarterly report shall be submitted to DCCA or its designee certifying that zero voluntary donations were received.
- All telecommunications carriers' internal auditors and/or chief financial officer and/or responsible in-state officer shall annually certify to the Commission that the amounts of the voluntary contributions reported and remitted are correct.

For a complete copy of the administrative rule for this program, please review 83 Illinois Administrative Code Part 758 at the following address:
<http://www.icc.state.il.us/icc/Doclib/Rules.asp>.

Q. Are all telecommunication carriers required to file tariffs by August 14, 2002?

A. Yes. A sample tariff may be found on the Commissions web page at the following address: <http://www.icc.state.il.us/icc/tc/doc.asp#ddivide>.

Q. Some telecommunications carriers have filed a copy of the bill insert language with carriers' tariffs. Does Commission Staff encourage the filling bill insert language with tariffs?

A. No. Filing the bill insert language with the telecommunication carriers' tariffs, will necessitate the carrier to file a revised tariff each time the bill insert language is revised.

Q. How will telecommunications carriers remit the voluntary contributions to DCCA?

A. Telecommunication's carriers shall submit via U.S. Mail a *Digital Divide Voluntary Contribution Remittance Form* and a check payable to the Department of Commerce and Community Affairs to:

Department of Commerce and Community Affairs
620 East Adams
Accounting 2nd Floor
Springfield, Illinois 62701-1696

Q. Is there a remittance form that telecommunications carriers can utilize?

A. Yes. During the workshop phase of this rulemaking, the Commission, DCCA, and the telecommunications carriers worked to develop a remittance form for use by the carriers. The remittance form can be retrieved from the Commission's web page at the following address:

<http://www.icc.state.il.us/icc/tc/doc.asp#ddivide> or DCCA's web page at the following address: _____.

Q. Will telecommunications carriers have the ability to file the funds or the remittance report with DCCA in an electronic format?

A. No. DCCA does not currently support electronic funds transfer or reporting. Remittance must be made in the form of a check.

Q. What is DCCA's preferred date for receipt of the voluntary contributions collected by the telecommunications carriers?

A. Monthly contributions are to be submitted quarterly by check, accompanied by a *Digital Divide Voluntary Contribution Remittance Form* according to the following scheduled:

- January - March receipts - due April 30
- April - June receipts - due July 31
- July - September receipts - due October 31
- October - December receipts - due January 31

Please note that cash cannot be accepted, remittance must be in the form of a check.

Q. May a telecommunications carrier deduct the costs of the voluntary contributions before remitting the contributions to DCCA?

A. No. Part 758 requires that all donations must be remitted to DCCA. P.A. 92-0022 does not provide for telecommunications carrier to deduct expenses for soliciting, collecting, remitting the voluntary contributions or the cost of the bill insert.

Q. Are the voluntary contributions added to a customer's bill and collected by a telecommunications carrier considered as income to the carrier and taxable?

A. No.

Q. Can a customer with more than one line contribute for each line?

A. Yes, if the customer chooses to do so.

Q. If a telecommunications carrier improperly reported the amount or number of voluntary contributions collected, how would a carrier correct the error?

A. By sending a corrected *Digital Divide Voluntary Contribution Remittance Form* and check, if necessary, along with an explanation of the correction.

Q. How will telecommunications carriers obtain a copy of DCCA's bill insert for the annual notification to consumers of the ability to make voluntary contributions to the program?

A. A copy of the bill insert is posted to DCCA's web site at the following address: . Please periodically check DCCA's web site, as the

bill insert may be revised to meet the needs of the program. The bill insert may be modified to meet the needs of an individual telecommunications carrier's mailing system.

Q. When are telecommunications carriers required to notify customers of the ability and the opportunity to make voluntary contributions?

A. Upon implementation of Part 758, all telecommunications carriers are required to provide customers with the ability and the opportunity to make a voluntary contribution by September 30, 2002. Going forward, Staff presumes that the annual notification would take place around September every year.

Q. Part 758 requires carriers to annually certify to the Commission that the amounts of the voluntary contributions reported and remitted are correct. Does annually mean that telecommunications carriers should report on a calendar year or fiscal year?

A. Fiscal year, which is July 1 to June 30. The annual certification should be sent to the Commission by no later than August 15th of each year.

Q. What information should telecommunications carriers provide in the annual certification to the Commission?

A. The annual certification to the Commission should reference Part 758 and include the dollar amount of voluntary contributions collected for the fiscal year, along with a statement certifying that the amount reported and remitted is correct. A telecommunications carrier's internal auditor and/or chief financial officer and/or responsible in-state officer shall sign this statement.

Q. Where should the annual certification be mailed?

A. The annual certification must contain an original signature and be mailed to:

Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62701.

The Chief Clerk's Office will not accept facsimiles or e-mails.

Q. How will DCCA distribute the voluntary contributions donated by consumers through their telephone bills?

A. Funds are distributed to eligible organizations on a competitive basis through a request for proposal (RFP) process administered by DCCA. One or

more RFPs are issued each year. RFPs are posted to the DCCA web page at the following address: <http://www.commerce.state.il.us/bus/gri/rfps.html>.

Q. Who administers the grant process?

A. The DCCA, Bureau of Technology and Industrial Competitiveness is responsible for the administration of the grant process. The Digital Divide Elimination Advisory Committee provides policy oversight. Inquiries concerning the grant program may be sent to:

Department of Commerce and Community Affairs
Bureau of Technology and Industrial Competitiveness
Attn: Mr. Robert Bailey, 5th Floor
Springfield, Illinois 62701

or by e-mail at, robailey@commerce.state.il.us.

Q. What organizations qualify for submission of a grant to receive money from the voluntary contributions collected from telephone subscribers?

A. The following entities are eligible to apply for a grant:

- Public hospitals,
- Libraries,
- Park districts,
- State educational agencies,
- Local educational agencies,
- Institutions of higher education,
- Public and private nonprofit or for-profit educational organizations, and
- Entities that received a Community Technology Center grant under the federal Community Technology Centers Program.

Q. Who is the contact person at DCCA for information regarding remittance of the voluntary contributions?

A. Kathy Blom at 217-785-6426.

Q. Who is the contact person at the Commission for information regarding the Program to Eliminate the Digital Divide?

A. Alcinda Jackson at 217-782-7663 or cjackson@icc.state.il.us.