

Small Business Economic Impact Statement
WUTC Docket No. UT-003074
Re: Regulatory Review of Chapter 480-122 WAC
May 14, 2001

Background: Chapter 480-122 WAC governs the Washington Telephone Assistance Program (WTAP). The Commission and the Department of Social and Health Services (DSHS) have rules that relate to WTAP. The proposed rule changes could cause telephone companies to incur additional costs; therefore, the Commission prepared the Small Business Economic Impact Statement.

Summary of the Proposed Changes: The proposed changes to the rules specify when non-ETC local exchange carriers must offer WTAP to customers, eliminates rules relating to benefits - which are covered in DSHS's rule and fall under their jurisdiction - and allows non-ETC wireless carriers to offer WTAP.

Purpose and Process: RCW 19.85.040 requires that the economic impacts of proposed rules on small companies be compared with the economic impacts on the largest companies, or those which comprise the top 10 percent of the affected industry. RCW 19.85.020 defines small companies as those that have 50 or fewer employees.

On April 17, 2001, Commission Staff sent out a Small Business Economic Impact Statement questionnaire and a notice to file written comments to all telecommunications companies registered in the State.

Responses were requested by May 4, 2001. The Commission received responses from 15 telecommunications companies, three of which are small businesses. Two companies supplied only comments; eight companies provide minimal operations or have not begun operations in Washington, and therefore were unable to answer the SBEIS. Five companies filled out the SBEIS, one company does not provide service in Washington, and another provides only DSL, thus the changes to the rule would have no impact to their respective companies. The remaining three responded that a majority of the changes would cause minimal impact.

Cost of Compliance:	Of the five companies that filled out the SBEIS questionnaire, only two responded that the changes would have any monetary impact. Both indicated the cost would result from the preparation and filing of a price list – for one the expected cost would be minimal, for the other the expected cost would be \$1000.00.
Comparison of Costs:	The cost of implementation of the proposed rules were indicated to be small or non-existent for both small and large businesses. Nothing in the responses indicated a disproportionate impact on small businesses.
Lost sales or Revenue:	None of the respondents indicated that the changes proposed would lead to loss of sales or revenues.
Impact of Proposed Changes:	The proposed changes received little comment and the responses to the SBEIS questionnaire indicated that all companies consider the impact to be negligible.
Conclusion:	Fifteen companies, out of over 600 registered companies that were sent the SBEIS, responded to the SBEIS questionnaire and notice to file written comments. The ascertainable impact from the responses is that the expected costs are negligible for all telecommunications companies.