



964 E. State Street
Athens, Ohio 45701
740-594-3558
1-800-686-3669
740-594-3791, Fax

athens@seols.org
<http://www.ohiolegalservices.org>
<http://www.seols.org>

Before
The Ohio House
Public Utilities Committee

Testimony in Opposition to House Bill 402

by

Mary Ellen Nose

Southeastern Ohio legal Services

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Good afternoon Chair Cupp, Vice-Chair Carfagna, Ranking Member Ashford, and members of the committee. Thank you for the opportunity to testify regarding House Bill 402, particularly with attention to the continued need for basic wireline telephone service. I am concerned about House Bill 402.

My name is Mary Ellen Nose. I am a paralegal with the Southeastern Ohio Legal Services (SEOLS), Athens Area Office. SEOLS is a non-profit legal aid office representing 30 counties mostly in Rural Southeastern Ohio. The Athens office covers the counties of Athens, Gallia, Meigs, Morgan, Noble, Vinton and Washington. We have an area office in: Chillicothe (covering Fairfield, Fayette, Hocking Jackson Pickaway, Pike and Ross Counties; New Philadelphia (covering Coshocton, Guernsey, Holmes and Tuscarawas Counties); Newark (covering Knox, Licking, Muskingum and Perry Counties); Portsmouth (covering Adams, Lawrence and Scioto Counties); and Steubenville (covering Belmont,

Executive Director
Thomas W. Weeks
Director
James Daniels
Project Managing Attorney
Robin A. Bozian



Athens Office
Managing Attorney
Anne S. Rubin
Staff Attorneys
Charles A. Cohara
Peggy P. Lee
Lucy Schwallie
Miranda Anandappa

Carroll, Harrison, Jefferson and Monroe Counties). A map of our service area is attached to show a large portion of Ohio that will be impacted by House Bill 402 if the bill passes as it now reads.

I reside in Vinton County, which has one stoplight in the County Seat, the Village of McArthur. There are no cities in the county, but rather townships and villages. Vinton County has no hospital and the nearest one is ½ hour away from my home. It is further for others within Vinton County, and is probably similar in other counties noted above. Much of my county has no water other than wells; no sewer systems; no fire hydrants; no cable; no reliable cell phone and/or internet service, if any at all; and, no PUCO-regulated company services such as natural gas and electricity (we are served by electric cooperatives and bottle gas companies). Many of the above services are things taken for granted in more metropolitan areas.

What we do have, currently at least, is access to somewhat reliable basic local landline telephone service; which is what many in the 30 County Appalachian Ohio area rely upon, particularly through the Federal Lifeline program. Landline service is the only available service in some areas and is the only affordable service in other areas. Many rural residents cannot afford cell phones. Many are not able to obtain free cell phones and limited minutes offered through the Lifeline Program because of the lack of cell phone service at their home.

I speak today on two issues of concern in House Bill 402:

First, the allowance of telephone companies to increase monthly charges for basic landline service, including Lifeline customers, by 20% each year is of great concern. This would impact all customers, but particularly adversely affect those on fixed or low incomes. As a whole, many portions of the 30 counties identified earlier rely on basic landline

services for emergencies, to contact medical providers and home health care providers, as well as their families and friends.

Second, the elimination of service quality standards for basic service in R.C. 4927.08, particularly the elimination of the requirement to offer “adequate” basic service. Ohio residents need reliable, affordable telephone service in order to be able to contact family, schools, doctors, and employers. “Basic service” is plain telephone service without any extra features. It is what those on fixed or low incomes can afford. For most, telephone service with many features is unaffordable.

As the Consumers’ Counsel noted in recent testimony before this Committee, allowing a 20% increase in monthly rates for basic service could cause the cost to double in just four years. This could cause many basic service customers to choose between phone service and other essentials, such as food, clothing, and rent. Ohio residents should not have to make that choice.

Combined with these rate increases under the bill is the elimination of the service quality standards for basic service. The law currently provides only a modicum of consumer protections, such as crediting customers if their phone service isn’t repaired within three business days or giving customers ample time to pay their bills. These protections are needed. Customers should not have to pay for service they don’t receive and should not be pressured into paying for service on short notice. But the bill would eliminate even these minimal protections.

Last Friday I attended a Vinton County Social Service meeting. Two individuals spoke of elderly parents who relied solely on landline service, as they had no access to cell phone service. However, when each of these elderly individuals’ landline service went down, it took over 2 weeks or more to have the landline fixed. One of the individual’s

landline went down every time there was a storm and had to go through the waiting process to have their service restored. This now occurs regularly, as the landline service is to be eliminated, companies are devoting less money to the upkeep. Now, even more than before, "adequate" service is essential.

House Bill 402 could result in Ohio residents paying more for less reliable telephone service. That should not happen. I urge you to consider the above when voting on House Bill 402.

Thank you again for allowing me to testify. I would be happy to answer any questions.

