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723-41-7.1 <u>Contributors</u>. Every provider of intrastate telecommunications service to the public, or to such classes of users as to be effectively available to the public, every provider of intrastate telecommunications that offers telecommunications for a fee on a non-common carrier basis, and payphone providers that are aggregators <u>not falling</u> within the <u>de minimis</u> exemption of <u>Rule 7.2.1.2</u> must contribute to the HCSM.

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723-41-7.2.1.2 *De Minimis* Exemption. If a contributor's telecommunication service provider's contribution to the HCSM in any given year is calculated to be less than \$10,000, that contributor will not be required to submit a contribution. <u>Telecommunications service providers</u> falling within this de minimis exemption are required to file with the Administrator or the only that portion of HCSM Worksheet for that period that certifyies their de minimis status. Such de minimis certification shall be accompanied by an affidavit of an officer of the telecommunication service provider attesting to the veracity of its self-certification. However, each telecommunications service provider exempt from contributing because of its de minimis revenues shall retain complete documentation (including, but not limited to the information required in the HCSM Worksheet) and shall make

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such documentation available to the Administrator upon
request. Notwithstanding the de minimis exemption of this
Rule 7.2.1.2, all Eligible Providers are required to remit
contributions and to file the entire HCSM Worksheet.

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Customer Billings. The HCSM rate element shall be applied to the Retail Revenues of each telecommunications service provider's end-user and shall appear as a line item on the monthly bill of each such end-user except that telecommunications service providers falling within the deminimis exemption of Rule 7.2.1.2 shall not apply the HCSM rate element nor collect such contribution from its end-users. Where an end-user service location receiving the bill and an end-user service location receiving the service differ, the location of the telecommunication service delivery shall be used to determine whether the HCSM rate element applies.

723-41-7.4 Remittance of Contributions. All telecommunications service providers not falling within the deminimis exemption of Rule 7.2.1.2 shall be responsible for collecting and remitting quarterly the HCSM rate element receipts according to the following procedure:

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Amount of Support. Each Eligible Provider shall receive support from the HCSM based on the number of Primary Residential and Single-Line Business Access Lines it serves in high cost Geographic Support Areas, as designated by the Commission, multiplied by the difference between the per line Intrastate Proxy Cost in such Geographic Support Area and the applicable per Access Line Revenue Benchmark. The amount of support shall be reduced by any other amount of support received by such provider or for which such provider is eligible under support mechanisms established by the federal government and/or this State.

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