

HCS SS SCS SB 237 -- TELECOMMUNICATIONS REGULATION

SPONSOR: Klindt (Rector)

COMMITTEE ACTION: Voted "do pass" by the Committee on Utilities by a vote of 14 to 0.

Currently, each telecommunications service of an incumbent local exchange telecommunications company will be classified as competitive in any exchange in which at least one alternative local exchange telecommunications company has been certified and has provided local telecommunications service in that exchange for at least five years. This substitute specifies that two non-affiliated entities providing basic local telecommunications service to business customers within the exchange are required in order to be classified as competitive. The Missouri Public Service Commission is required to determine the weighted statewide average rate of non-wireless basic local telecommunications services as of August 28, 2005, two years thereafter, and five years thereafter.

FISCAL NOTE: No impact on state funds in FY 2006, FY 2007, and FY 2008.

PROPOSERS: Supporters say that the bill will lower rates for basic telephone service by allowing companies to offer special rates to existing customers in addition to new and former customers. The bill will eliminate costly regulation and allow traditional local telephone companies to enjoy pricing flexibility.

Testifying for the bill were Senator Klindt; Sprint; Coalition for Fair Competition; CenturyTel; SBC Missouri; Missouri Telecommunications Industry Association; and Trip England.

OPPOSERS: Those who oppose the bill say that it gives incumbent companies multiple chances to keep their customers before new companies can talk to them. In doing so, the bill does not foster a fair and competitive marketplace for consumers.

Testifying against the bill were Missouri Cable Telecommunications Association; Cablevision; Galaxy Cablevision; SEMO Communications; Sebridge Communications; Socket; Big River Telephone Company; and AARP.

Kristina Jenkins, Legislative Analyst