HB 1779 -- Telecommunications Services

Sponsor: Emery

This bill changes the laws regarding telecommunications services. In its main provisions, the bill:

(1) Requires interconnected voice over Internet protocol service (VOIP) to be registered with the Missouri Public Service Commission in a manner similar to other telecommunications providers;

(2) Defines VOIP service based on the Federal Communications Commission guidelines;

(3) Allows the Missouri Public Service Commission to charge the same exchange access fees to VOIP providers as it charges other telecommunications providers;

(4) Requires VOIP providers to charge, collect, and remit the appropriate fees to fund the Universal Service Fund, telecommunications relay services, and local enhanced 911; file annual reports with the commission; and develop a process for handling customer questions and complaints;

(5) Reduces the number of days before a rate change becomes effective for telecommunications services in competitive markets and for retail business customers in noncompetitive markets;

(6) Allows for the use of price caps in exchanges where VOIP service is provided. Price caps will be based upon the federal Consumer Price Index. Non-basic telecommunications services are exempted from price caps;

(7) Allows incumbent local exchange companies (ILECs) to set maximum rates for basic local services in noncompetitive exchanges based on specified criteria;

(8) Allows ILECs to have competitive status in exchanges that meet certain competitive criteria;

(9) Allows ILECs to obtain rule and statute waivers in the same manner as other regulated companies. The commission may reimpose quality of service and billing standards if it finds that the ILEC has engaged in a pattern or practice of inadequate service;

(10) Eliminates the distinction between residential and business services and allows uniform pricing within exchanges;

(11) Requires the commission to maintain records of competitive

companies, changes review of competitive status from mandatory to discretionary, and specifies new criteria for maximum allowable prices in exchanges that are not deemed competitive;

(12) Requires the commission to determine a price-cap company to be competitive if 40% or more of its subscriber access lines are in competitive exchanges. Rates for basic local service in formerly noncompetitive exchanges are capped at the highest rate for basic local service in the ILEC's competitive exchanges for three years following the finding;

(13) Allows price-cap companies to rebalance rates on a revenue neutral basis. ILECs may raise basic local rates up to $1.50 per month each year but must reduce intrastate access rates to exactly offset the increase;

(14) Allows all companies an alternative method for gaining competitive classification for individual services on a company-wide basis. A company may also gain competitive status as a whole if a majority of its services are declared competitive; and

(15) Eliminates certification requirements for certain small, rural areas served by an ILEC.