

HCS HB 495 -- LOCAL TELECOMMUNICATIONS CARRIERS

SPONSOR: Bivins (Parson)

COMMITTEE ACTION: Voted "do pass" by the Committee on Energy and Environment by a vote of 9 to 1.

This substitute changes the laws regarding local exchange voice telecommunications carriers. In its main provisions, the substitute:

(1) Relieves a local exchange carrier from its obligation to provide basic local voice telecommunications service to a greenfield area if the owner or developer of the property:

(a) Allows an alternative service provider to install, based on the condition of exclusion of the local exchange carrier, facilities or equipment to provide local voice telecommunications service;

(b) Accepts or agrees to accept incentives or rewards from an alternative service provider that are contingent upon the provision of any or all local voice telecommunications services by alternative service providers to the exclusion of the local exchange carrier; or

(c) Collects from the occupants or residents of the property charges for the provision of any local voice telecommunications service provided by an alternative service provider including collection through rent, fees, or dues;

(2) Requires, if a local exchange carrier is relieved of its carrier of last resort obligation, the owner or developer of the property to notify the occupants of the property and any subsequent owners that the incumbent local exchange carrier does not have facilities installed to serve their property and the name of the person who will be providing the local communications service;

(3) Allows a local exchange carrier that is not automatically relieved of its obligation to seek a waiver of its obligation from the Missouri Public Service Commission if other local voice telecommunications service is available on the property; and

(4) Specifies the requirements and procedures for re-establishing the obligation of local telecommunications service by a local exchange carrier if the conditions that terminated the obligation cease.

FISCAL NOTE: No impact on state funds in FY 2010, FY 2011, and

FY 2012.

PROPONENTS: Supporters say that the bill will relieve a local exchange carrier of obligations when certain owners or developers contract with another company to provide the service. The bill will also conserve resources by not requiring companies to establish and spend money on an infrastructure that will not be used.

Testifying for the bill were Representative Parson; Missouri Telecommunications Industry Association; Embarras; Centurytel; AT&T; Windstream Communications, Incorporated; and Missouri Small Telephone Companies Group.

OPPONENTS: Those who oppose the bill say that these carriers are subsidized to put this infrastructure in place and shifting the burden to cable companies or alternative providers is not fair. The bill effectively takes the Missouri Public Service Commission out of the decision process.

Testifying against the bill was Missouri Cable Telecommunications Association.

OTHERS: Others testifying on the bill say changes to the bill have been recommended.

Testifying on the bill was Missouri Public Service Commission.