## SECOND REGULAR SESSION

## HOUSE BILL NO. 1750

## 95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES JONES (89) (Sponsor), BIVINS, FUNDERBURK, LEARA, SCHAAF, DOUGHERTY, DIECKHAUS, VIEBROCK, HUGHES, SPRENG, BIERMANN, DIEHL, TILLEY, HOSKINS (80), CARTER, WEBB, JONES (63), COLONA, NASHEED, NIEVES AND CORCORAN (Co-sponsors).

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D. ADAM CRUMBLISS, Chief Clerk

## **AN ACT**

To amend chapter 392, RSMo, by adding thereto one new section relating to exchange access rates.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 392, RSMo, is amended by adding thereto one new section, to be known as section 392.605, to read as follows:

392.605. 1. The general assembly finds and declares it to be beneficial to Missouri consumers and the competitive market to change historical public policy and bring more transparency to rates for telecommunications services by reducing hidden subsidies within the intrastate switched exchange access compensation system through the reduction of switched exchange access rates paid from one company to another to originate and terminate telephone calls.

- 2. As used in this section, "composite" shall mean, when referring to intrastate or interstate switched exchange access rates, the sum of all of the traffic sensitive and nontraffic sensitive tariffed rate elements included in originating and terminating intrastate and interstate switched exchange access service, including, but not limited to, carrier common line, but excluding any subscriber line charges approved by the Federal Communications Commission.
- 3. Originating and terminating intrastate switched exchange access rates shall be reduced by all incumbent local exchange telecommunications companies, except that the provisions of this subsection shall not apply to any incumbent local exchange

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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telecommunications company regulated under subsection 1 of section 392.240. Each 17 incumbent local exchange telecommunications company subject to this subsection shall decrease both its composite originating and terminating intrastate switched exchange 19 access rates each year by ten percent of the difference, as determined immediately 20 preceding the first reduction required under this subsection, between its composite 21 intrastate switched exchange access rates and its composite interstate switched exchange 22 access rates, such that by December 31, 2014, the originating and terminating composite 23 intrastate switched exchange access rates shall be equal to fifty percent of the originating 24 and terminating composite interstate switched exchange access rates as determined 25 immediately preceding the first reduction required under this subsection. The first ten percent reduction shall occur by December 31, 2010, and each subsequent ten percent 26 27 reduction shall occur by December thirty-first of each subsequent year thereafter.

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