

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1750
95TH GENERAL ASSEMBLY

Reported from the Committee on Commerce, Consumer Protection, Energy and the Environment, May 3, 2010, with
recommendation that the Senate Committee Substitute do pass.

TERRY L. SPIELER, Secretary.

4386S.07C

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
2 section, to be known as section 392.605, to read as follows:

392.605. 1. The commission shall review the Federal
2 Communications Commission's National Broadband Plan and make
3 recommendations to the general assembly on how to maximize
4 broadband development in Missouri. These recommendations shall be
5 submitted in the form of a report to the general assembly by December
6 1, 2011. In developing its report, the commission shall solicit input
7 from the public and all providers of broadband service regardless of
8 technology. In addition to the recommendations, the report shall also
9 provide the following analysis:

10 (1) Assess the current level of high-speed internet access
11 available in Missouri, and the speeds and rates at which such access is
12 available. This assessment shall include access that is advertised as
13 available versus access that is actually available to consumers;

14 (2) Identify unserved and underserved areas in the state and
15 identify barriers to deployment in unserved and underserved areas
16 including economic, geographic, regulatory, and market barriers. For
17 purposes of this section, "unserved" shall mean an area where a
18 consumer's only access to internet service is through a dial-up
19 connection and "underserved" shall mean an area where a consumer's

20 only access to high-speed internet service is at a speed less than three
21 megabits per second;

22 (3) Identify potential options to increase deployment of high-
23 speed internet in both unserved and underserved areas within a period
24 of five years at various speeds at rates that are affordable to Missouri
25 consumers. These options may include recommendations to foster
26 incentives for private investment to increase such deployment; and

27 (4) Identify potential options to increase adoption of high-speed
28 internet service by at least seventy-five percent of Missouri consumers.

29 2. For a period of three years, each incumbent local exchange
30 telecommunications company shall decrease its composite intrastate
31 switched exchange access rates annually by six percent of the
32 difference, as determined immediately preceding the first reduction
33 required under this subsection, between its composite interstate
34 switched exchange access rates and its composite intrastate switched
35 exchange access rates, except that the provisions of this subsection
36 shall not apply to small incumbent local exchange telecommunications
37 companies individually serving fewer than twenty-five thousand access
38 lines as of January 1, 2010, and the provisions of subsection 6 of section
39 392.361 and section 392.370 to the contrary notwithstanding, rural
40 alternative local exchange telecommunications companies as defined
41 in subsection 4 of this section. The first six percent reduction shall
42 occur by December 31, 2010, and the two subsequent six percent
43 reductions shall occur by December thirty-first of each subsequent year
44 thereafter.

45 3. For purposes of this section, "broadband" and "high-speed
46 internet" services shall be considered interstate services. Such service
47 shall not be regulated by the commission except that the commission
48 shall have the authority to request, and all broadband service
49 providers, regardless of regulatory jurisdiction, shall provide, any and
50 all data and information necessary for the commission to comply with
51 subsection 1 of this section. Any data provided under this subsection
52 shall be subject to the protections provided in section 386.480.

53 4. For purposes of this section, the term "rural alternative local
54 exchange telecommunications company" shall be defined to include only
55 those alternative local telecommunications companies that, as of
56 December 31, 2009:

57 **(1) Possess a certificate of service authority to provide basic**
58 **local telecommunications services issued by the commission;**

59 **(2) Have tariffs on file with and approved by the commission for**
60 **the provision of basic local telecommunications services and exchange**
61 **access services;**

62 **(3) Provide basic local telecommunications services and**
63 **exchange access service to at least sixty percent of their local**
64 **subscribers over distribution facilities connecting end user customers**
65 **to the central office which are owned by the alternative local exchange**
66 **telecommunications company. For purposes of this subsection, the**
67 **ownership of distribution facilities connecting end user customers to**
68 **the central office shall not include facilities that are leased, such as**
69 **unbundled network elements, or resold from any other person or entity;**
70 **and**

71 **(4) Have more than ninety percent of their total Missouri basic**
72 **local telecommunications service customers located in counties of the**
73 **third class.**

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