SENATE SUBSTITUTE

FOR

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HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 1750

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:

Chapter 392, RSMo, is amended by adding thereto

Section A.

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2 one new section, to be known as section 392.605, to read as 3 follows: 392.605. 1. For a period of three years, each incumbent 4 local exchange telecommunications company shall decrease its 6 composite intrastate switched exchange access rates annually by 7 six percent of the difference, as determined immediately preceding the first reduction required under this subsection, 8 9 between its composite interstate switched exchange access rates 10 and its composite intrastate switched exchange access rates, except that the provisions of this subsection shall not apply to 11 12 small incumbent local exchange telecommunications companies

individually serving fewer than twenty-five thousand access lines

as of January 1, 2010, and the provisions of subsection 6 of

- section 392.361 and section 392.370 to the contrary
- 2 <u>notwithstanding</u>, rural alternative local exchange
- 3 telecommunications companies as defined in this section. The
- 4 first six percent reduction shall occur by December 31, 2010, and
- 5 the two subsequent six percent reductions shall occur by December
- 6 thirty-first of each subsequent year thereafter.
- 7 2. For purposes of this section, the term "rural
- 8 alternative local exchange telecommunications company" shall be
- 9 defined to include only those alternative local exchange
- telecommunications companies that, as of December 31, 2009:
- 11 (1) Possess a certificate of service authority to provide
- 12 basic local telecommunications services issued by the commission;
- 13 (2) Have tariffs on file with and approved by the
- commission for the provision of basic local telecommunications
- 15 services and exchange access services;
- 16 (3) Provide basic local telecommunications services and
- exchange access service to at least sixty percent of their local
- 18 subscribers over distribution facilities connecting end user
- customers to the central office which are owned by the
- 20 alternative local exchange telecommunications company. For
- 21 purposes of this subsection, the ownership of distribution
- facilities connecting end user customers to the central office
- 23 shall not include facilities that are leased, such as unbundled
- 24 network elements, or resold from any other person or entity; and
- 25 (4) Have more than ninety percent of their total Missouri
- 26 basic local telecommunications service customers located in
- 27 counties of the third classification.
- 28 3. The exemption under this section for rural alternative

- 1 <u>local exchange telecommunications companies shall only apply to</u>
- 2 those exchanges where the rural alternative local exchange
- 3 <u>telecommunications companies serve existing lines as of December</u>
- 4 31, 2009.

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