

1 HB113
2 126271-3
3 By Representatives Hill and Robinson (O)
4 RFD: Transportation, Utilities and Infrastructure
5 First Read: 01-MAR-11

1 ENGROSSED

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4 A BILL
5 TO BE ENTITLED
6 AN ACT
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8 To amend Section 37-2A-8 of the Code of Alabama
9 1975, relating to basic telephone service; to further specify
10 and add exceptions to the obligation of the carrier of last
11 resort to provide basic telephone service to the premises of a
12 permanent residence within the franchised service territory of
13 an incumbent local exchange carrier.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. Section 37-2A-8 of the Code of Alabama
16 1975, is amended to read as follows:

17 "§37-2A-8.

18 "(a) (1) Notwithstanding any provision of law to the
19 contrary, an entity that is not an incumbent local exchange
20 carrier shall not be obligated to tariff or otherwise provide
21 basic telephone service. An incumbent local exchange carrier
22 shall provide, upon reasonable request, basic telephone
23 service to the premises of a permanent residence within its
24 franchised service territory, if the costs, including, but not
25 limited to costs of facilities, rights-of-way, and equipment,
26 of providing basic telephone service to the requesting party
27 does not exceed eight thousand dollars (\$8,000).

1 "(2) If the cost exceeds eight thousand dollars
2 (\$8,000), as provided in subdivision (1), an incumbent local
3 exchange carrier may not deny service on the basis of cost so
4 long as sufficient funds to provide that service are available
5 from the Alabama portion of the applicable federal universal
6 service fund program.

7 "(3) An incumbent local exchange carrier obligated
8 by this section to serve as the carrier of last resort is
9 relieved of that obligation and shall not be obligated to
10 provide basic telephone service to any occupants of real
11 property if the owner or developer of the real property, or a
12 person acting on behalf of the owner or developer of real
13 property, engages in any of the following acts:

14 "a. Permits an alternative communications service
15 provider to install its facilities or equipment used to
16 provide communications services based on a condition of
17 exclusion of the incumbent local exchange carrier during the
18 construction phase of the real property.

19 "b. Accepts or agrees to accept incentives or
20 rewards from an alternative communications services provider
21 that are contingent upon the provision of any or all local
22 communications services by one or more alternative
23 communications services providers to the exclusion of the
24 incumbent local exchange carrier.

25 "c. Collects from the occupants or residents of the
26 real property mandatory charges for the provision of any local
27 communications services provided by an alternative

1 communications services provider to the occupants or residents
2 in any manner, including, but not limited to, collection
3 through rent, fees, or dues.

4 "d. Prohibits an incumbent local exchange carrier
5 from providing the full range of its communications services,
6 including video services, to the premises of potential
7 customers.

8 (4) If the alternative communications services
9 provider in paragraphs a. through c. of subdivision (3) goes
10 out of business and is unable to provide service to the
11 property and there is no other provider willing or able to
12 provide, or actually providing voice service to the property,
13 then the incumbent local exchange carrier, subject to the
14 limitations in subdivisions (1) and (2), shall provide voice
15 service to the property utilizing any available technology
16 through any affiliated companies, provided the incumbent local
17 exchange carrier has reasonable access to the property.

18 "(b) (1) Beginning February 1, 2007, the retail price
19 for basic telephone service to be offered by incumbent local
20 exchange carriers shall not exceed the highest price charged
21 by the incumbent local exchange carrier on January 31, 2007.

22 "(2)a. Beginning January 1, 2008, and every
23 succeeding January 1 through December 31, 2010, the retail
24 rates for basic telephone service may not be increased by the
25 incumbent local exchange carrier to exceed the rates of the
26 previous year as of January 1, plus any increase in the

1 Consumer Price Index for all urban consumers as reported by
2 the U.S. Department of Labor, Bureau of Labor Statistics.

3 "b. Beginning August 1, 2009,, the commission shall
4 not have any jurisdiction, right, power, authority, or duty to
5 regulate, supervise, control, oversee, or monitor, directly or
6 indirectly, the costs, rates, charges, terms, or conditions,
7 for any retail telecommunications services provided to
8 businesses or government entities, except as provided in
9 Section 37-2A-11(b) (6).

10 "c. Beginning January 1, 2011, the commission shall
11 not have any jurisdiction, right, power, authority, or duty to
12 regulate, supervise, control, oversee, or monitor, directly or
13 indirectly, the costs, rates, charges, terms, or conditions
14 for basic telephone service.

15 "(3)a. Each optional telephone feature in a bundled
16 offering must be available on a stand-alone basis under a
17 tariff on file with the commission. If a bundled offering is
18 offered by a local exchange carrier, the carrier shall have a
19 basic telephone service tariffed offering for residential
20 customers on file with the commission.

21 "b. Beginning January 1, 2008, and through December
22 31, 2010, increases in tariffed rates for optional telephone
23 features may not exceed five percent per optional telephone
24 feature per year.

25 "c. Through December 31, 2010, a residential bundled
26 offering that consists solely of basic telephone service and
27 optional telephone features must be priced at or below the sum

1 of the tariffed price of basic telephone service and the
2 tariffed price of the associated optional telephone features.

3 "d. Beginning January 1, 2011, the commission shall
4 not have any jurisdiction, right, power, authority, or duty to
5 regulate, supervise, control, oversee, or monitor, directly or
6 indirectly, the costs, rates, charges, terms, or conditions
7 for optional telephone features."

8 Section 2. This act shall become effective on the
9 first day of the third month following its passage and
10 approval by the Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Transportation,
Utilities and Infrastructure 01-MAR-11

Read for the second time and placed
on the calendar..... 24-MAR-11

Read for the third time and passed
as amended..... 07-APR-11

Yeas 91, Nays 0, Abstains 1

Greg Pappas
Clerk