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An act relating to telecommunications services; amending s. 364.025, F.S.; providing duties and responsibilities of the Florida Public Service Commission to assist the Legislature in establishing a permanent universal service mechanism; requiring the commission to select a cost proxy model; providing for the calculation of small local exchange companies' costs to provide basic service; providing legislative determinations; directing the commission to make recommendations relating to fair and reasonable basic local telecommunications service rates; providing criteria; requiring a report to the Legislature; requiring local exchange companies to provide certain information to the commission; requiring the provision of discounted rates for services for certain subscribers; amending s. 364.163, F.S.; providing a cap for certain rates; requiring reductions in certain rates; providing legislative findings; requiring the commission to study the provision of telecommunications service to multi-tenant environments; requiring a report to the Legislature; requiring the commission to conduct workshops; requiring the commission to consider promotion of a competitive telecommunications market to end users; providing duties of the Public Service Commission relating to its consumer education program; creating part III of chapter 364,

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1 F.S.; providing a short title; providing 2 definitions; requiring the commission to adopt 3 rules to prevent unauthorized changing of 4 certain services; providing requirements; 5 providing requirements for billing practices; 6 amending s. 364.051, F.S.; delaying the date 7 for removing the cap on certain rates; amending s. 364.161, F.S.; requiring local exchange 8 9 telecommunications companies to timely provide certain services; requiring the commission to 10 maintain a file of certain complaints; 11 12 requiring inclusion of certain information in the commission's annual report to the 13 14 Legislature on competition; amending ss. 166.231 and 203.01, F.S.; requiring the Public 15 Service Commission to publish certain rates for 16 17 commonly used services; amending s. 364.02, F.S.; revising a definition; amending s. 18 19 364.336, F.S.; providing for deducting certain 20 amounts from gross operating revenues for 21 certain purposes; amending s. 364.337, F.S.; requiring provision of 911 service at certain 22 23 levels; subjecting intrastate interexchange telecommunications companies to certain access 24 to records provisions; deleting provisions 25 26 relating to certain deductions from gross 27 operating revenues; amending s. 364.339, F.S.; including residential tenants in shared tenant 28 29 service provisions; providing an appropriation; 30 providing an effective date. 31

Be It Enacted by the Legislature of the State of Florida:

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Section 1. Section 364.025, Florida Statutes, is amended to read:

364.025 Universal service.--

- (1) For the purposes of this section, the term "universal service" means an evolving level of access to telecommunications services that, taking into account advances in technologies, services, and market demand for essential services, the commission determines should be provided at just, reasonable, and affordable rates to customers, including those in rural, economically disadvantaged, and high-cost areas. It is the intent of the Legislature that universal service objectives be maintained after the local exchange market is opened to competitively provided services. also the intent of the Legislature that during this transition period the ubiquitous nature of the local exchange telecommunications companies be used to satisfy these objectives. For a period of 4 years after January 1, 1996, each local exchange telecommunications company shall be required to furnish basic local exchange telecommunications service within a reasonable time period to any person requesting such service within the company's service territory.
- (2) The Legislature finds that each telecommunications company should contribute its fair share to the support of the universal service objectives and carrier-of-last-resort obligations. For a transitional period not to exceed January 1, 2000, an interim mechanism for maintaining universal service objectives and funding carrier-of-last-resort obligations shall be established by the commission, pending

the implementation of a permanent mechanism. The interim mechanism shall be implemented by no later than January 1, 2 3 1996, and shall be applied in a manner that ensures that each 4 alternative local exchange telecommunications company 5 contributes its fair share to the support of universal service and carrier-of-last-resort obligations. The interim mechanism 6 7 applied to each alternative local exchange telecommunications 8 company shall reflect a fair share of the local exchange 9 telecommunications company's recovery of investments made in fulfilling its carrier-of-last-resort obligations, and the 10 maintenance of universal service objectives. The commission 11 12 shall ensure that the interim mechanism does not impede the development of residential consumer choice or create an 13 14 unreasonable barrier to competition. In reaching its determination, the commission shall not inquire into or 15 consider any factor that is inconsistent with s. 16 17 364.051(1)(c). The costs and expenses of any government program or project required in part II of this chapter shall 18 19 not be recovered under this section.

(3) In the event any party, prior to January 1, 2000, believes that circumstances have changed substantially to warrant a change in the interim mechanism, that party may petition the commission for a change, but the commission shall grant such petition only after an opportunity for a hearing and a compelling showing of changed circumstances, including that the provider's customer population includes as many residential as business customers. The commission shall act on any such petition within 120 days.

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(4) (4) Prior to the expiration of this 4-year period, the Legislature shall establish a permanent universal service mechanism upon the effective date of which any interim

recovery mechanism for universal service objectives or carrier-of-last-resort obligations imposed on alternative local exchange telecommunications companies shall terminate.

- (b) To assist the Legislature in establishing a permanent universal service mechanism, the commission, by February 15, 1999, shall determine and report to the President of the Senate and the Speaker of the House of Representatives the total forward-looking cost, based upon the most recent commercially available technology and equipment and generally accepted design and placement principles, of providing basic local telecommunications service on a basis no greater than a wire center basis using a cost proxy model to be selected by the commission after notice and opportunity for hearing.
- (c) In determining the cost of providing basic local telecommunications service for small local exchange telecommunications companies, which serve less than 100,000 access lines, the commission shall not be required to use the cost proxy model selected pursuant to paragraph (b) until a mechanism is implemented by the Federal Government for small companies, but no sooner than January 1, 2001. The commission shall calculate a small local exchange telecommunications company's cost of providing basic local telecommunications services based on one of the following options:
 - 1. A different proxy model; or
- 2. A fully distributed allocation of embedded costs, identifying high-cost areas within the local exchange area the company serves and including all embedded investments and expenses incurred by the company in the provision of universal service. Such calculations may be made using fully distributed costs consistent with 47 C.F.R., sections 32, 36, and 64. The

geographic basis for the calculations shall be no smaller than 1 2 a census block group. 3 (d) The commission, by February 15, 1999, shall 4 determine and report to the President of the Senate and the 5 Speaker of the House of Representatives the amount of support 6 necessary to provide residential basic local 7 telecommunications service to low-income customers. For purposes of this section, low-income customers are customers 8 9 who qualify for Lifeline service as defined in s. 364.10(2). The commission is directed to research the issue of a 10 universal service and carrier-of-last-resort mechanism and 11 recommend to the Legislature what the commission determines to 12 be a reasonable and fair mechanism for providing to the 13 14 greatest number of customers basic local exchange telecommunications service at an affordable price. The 15 recommendation shall be provided to the Governor, the 16 17 President of the Senate, the Speaker of the House of Representatives, and the minority leaders of the Senate and 18 19 the House of Representatives no later than January 1, 1997. 20 The recommendation shall address, at minimum, the following: 21 (a) Whether a subsidy or some other mechanism is 22 necessary. 23 (b) If a subsidy is necessary, the minimum amount needed and a mechanism to collect the required amount. 24 25 (c) If a subsidy is necessary, a mechanism to 26 distribute the subsidy funds. 27 (d) If a subsidy is necessary, from which providers of

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telecommunications services the subsidy should be collected.

telecommunications service rates should be required to more

appropriately reflect the cost of providing service.

(e) Whether the deaveraging of basic local exchange

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(f) Whether targeted subsidies are more appropriate than average basic local exchange telecommunications service pricing for maintaining universal service objectives.

(5) After January 1, 2000, an alternative local exchange telecommunications company may petition the commission to become the universal service provider and carrier of last resort in areas requested to be served by that alternative local exchange telecommunications company. Upon petition of an alternative local exchange telecommunications company, the commission shall have 120 days to vote on granting in whole or in part or denying the petition of the alternative local exchange company. The commission may establish the alternative local exchange telecommunications company as the universal service provider and carrier of last resort, provided that the commission first determines that the alternative local exchange telecommunications company will provide high-quality, reliable service. In the order establishing the alternative local exchange telecommunications company as the universal service provider and carrier of last resort, the commission shall set the period of time in which such company must meet those objectives and obligations and shall set up any mechanism needed to aid such company in carrying out these duties.

(6) By October 1, 1996, the Office of the Public Counsel shall submit a report to the commission on whether the interim mechanism should continue to serve as a means for assisting in the funding of universal service objectives and carrier-of-last-resort obligations or if a different mechanism is needed.

Section 2. Public Service Commission review. --

intrastate switched access and other services may be set above costs and may be providing an implicit subsidy of residential basic local telecommunications service rates in this state.

Therefore, the Public Service Commission shall, by February 15, 1999, study and report to the President of the Senate and the Speaker of the House of Representatives the relationships among the costs and charges associated with providing basic local service, intrastate access, and other services provided by local exchange telecommunications companies.

(2)(a) The commission shall, by February 15, 1999, report to the President of the Senate and the Speaker of the House of Representatives its conclusions as to the fair and reasonable Florida residential basic local telecommunications service rate considering affordability, the value of service, comparable residential basic local telecommunications rates in other states, and the cost of providing residential basic local telecommunication services in this state, including the proportionate share of joint and common costs. The commission shall hold at least one public hearing in the service territory for each local telecommunications company to elicit public testimony about such rates.

(b) The local exchange companies shall provide to the commission by August 1, 1998, cost data and analysis that support the cost of providing residential basic local telecommunications service in their service area, as prescribed by the commission for purposes of recommending the fair and reasonable rate. For the purpose of verifying the submitted cost data and analysis, the commission and all intervenors shall have access to the records related to the

cost of providing residential basic local telecommunications service of each local exchange company.

Section 3. Each local exchange telecommunications company shall offer discounted residential basic local telecommunications service at 70 percent of the residential local telecommunications service rate for any Lifeline subscriber who no longer qualifies for Lifeline. A Lifeline subscriber who requests such service shall receive the discounted price for a period of 1 year after the date the subscriber ceases to be qualified for Lifeline. In no event shall this preclude the offering of any other discounted services which comply with ss. 364.08, 364.09, and 364.10.

Section 4. Subsections (1) and (6) of section 364.163, Florida Statutes, are amended to read:

364.163 Network access services.—For purposes of this section, "network access service" is defined as any service provided by a local exchange telecommunications company to a telecommunications company certificated under this chapter or licensed by the Federal Communications Commission to access the local exchange telecommunications network, excluding the local interconnection arrangements in s. 364.16 and the resale arrangements in s. 364.161. Each local exchange telecommunications company subject to s. 364.051 shall maintain tariffs with the commission containing the terms, conditions, and rates for each of its network access services.

(1) Effective January 1, $\underline{1999}$ $\underline{1996}$, the rates for $\underline{\text{switched}}$ network access services of each company subject to this section shall be capped at the rates in effect on $\underline{\text{January}}$ $\underline{1, 1999}$ $\underline{\text{July 1, 1995}}$, and shall remain capped until January 1, $\underline{2001}$ $\underline{1999}$. Upon the date of filing its election with the commission, the network access service rates of a company that

elects to become subject to this section shall be capped at the rates in effect on that date and shall remain capped for $\underline{5}$ years.

(6) Any local exchange telecommunications company with more than 100,000, but fewer than 3 million, basic local telecommunications service access lines in service on July 1, 1995 whose current intrastate switched access rates are higher than its interstate switched access rates in effect on December 31, 1994, shall reduce its intrastate switched access rates by 5 percent on July 1, 1998, and by 10 percent on annually beginning October 1, 1998 1996. Any such company shall be relieved of this requirement if it reduces such rates by a greater percentage by the relevant date or earlier, taking into account any reduction made pursuant to Order No. PSC 94-0172-FOF-TL of the Public Service Commission. Upon reaching parity between intrastate and 1994 interstate switched access rates, no further reductions shall be required. Any interexchange telecommunications company whose intrastate switched access rate is reduced as a result of the rate decreases made by a local exchange telecommunications company in accordance with by this subsection shall decrease its intrastate customer long distance rates by the amount necessary to return the benefits of such reduction to its customers but shall not reduce per minute intraLATA toll rates by a percentage greater than the per minute intrastate switched access rate reductions required by this act. The interexchange telecommunications carrier may determine the specific intrastate rates to be decreased, provided that residential and business customers benefit from the rate decreases.

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Section 5. The Legislature has determined that access 1 2 to tenants by certificated telecommunications companies may be 3 an important component in the promotion of competition in the 4 delivery of telecommunications services in this state. 5 Therefore, the Florida Public Service Commission shall study 6 issues associated with telecommunications companies serving 7 customers in multi-tenant environments and shall report its 8 conclusions, including policy recommendations, to the 9 President of the Senate and the Speaker of the House of Representatives by February 15, 1999. As part of this study, 10 the commission shall hold publicly noticed workshops and shall 11 12 consider the promotion of a competitive telecommunications market to end users, consistency with any applicable federal 13 14 requirements, landlord property rights, rights of tenants, and 15 other considerations developed through the workshop process and commission research. 16 17 Section 6. By January 1, 1999, the Florida Public Service Commission shall expand its current consumer 18 19 information program to inform consumers of their rights as 20 customers of competitive telecommunications services and shall 21 assist customers in resolving any billing and service disputes that customers are unable to resolve directly with the 22 23 company. The commission may, pursuant to this program, require all telecommunications companies providing local or long 24 25 distance telecommunications services to develop and provide 26 information to customers. The commission may specify by rule the types of information to be developed and the manner by 27 28 which the information will be provided to the customers. 29 Section 7. Part III of chapter 364, Florida Statutes, consisting of sections 364.601, 364.602, 364.603, and 364.604, 30 31 Florida Statutes, is created to read:

1	364.601 Short titleThis part may be cited as the
2	"Telecommunications Consumer Protection Act."
3	364.602 DefinitionsFor purposes of this part:
4	(1) "Billing party" means any telecommunications
5	company that bills an end user consumer on its own behalf or
6	on behalf of an originating party.
7	(2) "Commission" means the Florida Public Service
8	Commission.
9	(3) "Customer" means any residential subscriber to
10	services provided by a telecommunications company.
11	(4) "Originating party" means any person, firm,
12	corporation, or other entity, including a telecommunications
13	company or a billing clearinghouse, that provides any
14	telecommunications service or information service to a
15	customer or bills a customer through a billing party, except
16	the term "originating party" does not include any entity
17	specifically exempted from the definition of
18	"telecommunications company" as provided in s. 364.02(12).
19	(5) "Information service" means telephone calls made
20	to 900 or 976 type services, but does not include internet
21	services.
22	364.603 Methodology for changing telecommunications
23	<u>provider</u>
24	(1) The commission shall adopt rules to prevent the
25	unauthorized changing of a customer's telecommunications
26	service. Such rules shall be consistent with the
27	Telecommunications Act of 1996, provide for specific
28	verification methodologies, provide for the notification to
29	customers of the ability to freeze the customer's choice of
30	carriers at no charge, allow for a customer's change to be
31	considered valid if verification was performed consistent with
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commission's rules, provide for remedies for violations of the rules, and allow for the imposition of other penalties available in chapter 364.

364.604 Billing practices.--

- (1) Each billing party must clearly identify on its bill the name and toll-free number of the originating party, the telecommunications service or information service billed, and the specific charges, taxes, and fees associated with each telecommunications or information service. The originating party is responsible for providing the billing party with all required information. The toll-free number of the originating party or its agent must be answered by a customer service representative or a voice response unit. If the customer reaches a voice response unit, the originating party or its agent must initiate a response to a customer inquiry within 24 hours, excluding weekends and holidays. Each telecommunications carrier shall have until June 30, 1999, to comply with this subsection.
- (2) A customer shall not be liable for any charges for telecommunications or information services that the customer did not order or that were not provided to the customer.
- (3) Every billing party shall provide a free blocking option to a customer to block 900 or 976 telephone calls.
- (4) A billing party shall not disconnect a customer's Lifeline local service if the charges, taxes, and fees applicable to basic local exchange telecommunications service are paid.
- (5) Pursuant to s. 120.536, the commission may adopt rules to implement this section.

Section 8. Paragraph (a) of subsection (2) and paragraph (a) of subsection (6) of section 364.051, Florida Statutes, are amended to read:

364.051 Price regulation.--

- (2) BASIC LOCAL TELECOMMUNICATIONS SERVICE.--Price regulation of basic local telecommunications service shall consist of the following:
- (a) Effective January 1, 1996, the rates for basic local telecommunications service of each company subject to this section shall be capped at the rates in effect on July 1, 1995, and such rates shall not be increased prior to January 1, 2000 1999. However, the basic local telecommunications service rates of a local exchange telecommunications company with more than 3 million basic local telecommunications service access lines in service on July 1, 1995, shall not be increased prior to January 1, 2001.
- (6) NONBASIC SERVICES.--Price regulation of nonbasic services shall consist of the following:
- (a) Each company subject to this section shall maintain tariffs with the commission containing the terms, conditions, and rates for each of its nonbasic services, and may set or change, on 15 days' notice, the rate for each of its nonbasic services, except that a price increase for any nonbasic service category shall not exceed 6 percent within a 12-month period until there is another provider providing local telecommunications service in an exchange area at which time the price for any nonbasic service category may be increased in an amount not to exceed 20 percent within a 12-month period, and the rate shall be presumptively valid. However, for purposes of this subsection, the prices of:

- 1. A voice-grade, flat-rate, multi-line business local exchange service, including multiple individual lines, centrex lines, private branch exchange trunks, and any associated hunting services, that provides dial tone and local usage necessary to place a call within a local exchange calling area; and
- Telecommunications services provided under contract service arrangements to the SUNCOM Network, as defined in chapter 282,

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shall be capped at the rates in effect on July 1, 1995, and such rates shall not be increased prior to January 1, 2000 1999; provided, however, that a petition to increase such rates may be filed pursuant to subsection (5) utilizing the standards set forth therein. There shall be a flat-rate pricing option for multi-line business local exchange service, and mandatory measured service for multi-line business local exchange service shall not be imposed. Nothing contained in this section shall prevent the local exchange telecommunications company from meeting offerings by any competitive provider of the same, or functionally equivalent, nonbasic services in a specific geographic market or to a specific customer by deaveraging the price of any nonbasic service, packaging nonbasic services together or with basic services, using volume discounts and term discounts, and offering individual contracts. However, the local exchange telecommunications company shall not engage in any anticompetitive act or practice, nor unreasonably discriminate among similarly situated customers.

Section 9. Subsection (4) is added to section 364.161, Florida Statutes, to read:

364.161 Unbundling and resale.--

(4) A local exchange telecommunications company shall provide unbundled network elements, services for resale, requested repairs, and necessary support services in a timely manner. The Public Service Commission shall maintain a file of all complaints by alternative local exchange telecommunications companies against local exchange telecommunications companies regarding timeliness and adequacy of service. This information, including how and when each complaint was resolved, shall be included with the commission's annual report to the Legislature on competition.

Section 10. Paragraph (d) of subsection (9) of section 166.231, Florida Statutes, is amended to read:

166.231 Municipalities; public service tax.--

- (9) A municipality may levy a tax on the purchase of telecommunication services as defined in s. 203.012 as follows:
- (d)1. If the sale of a taxable telecommunication service also involves the sale of an exempt cable television service, the tax shall be applied to the value of the taxable service when it is sold separately.
- 2. If the company does not offer this service separately, the consideration paid shall be separately identified and stated with respect to the taxable and exempt portions of the transaction as a condition of the exemption.
- 3. The amounts identified as taxable in subparagraph 2. shall not be less than the statewide average tariff rates set forth by the local exchange telecommunications companies in the tariffs filed with the Public Service Commission on January 1, 1995, and on January 1 of each year thereafter for the equivalent services subject to this section. The Public

Service Commission shall publish the statewide average tariff rates <u>for commonly used services</u> annually, beginning on January 1, 1996.

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If the total amount of municipal utility tax collected by a municipality or charter county from telecommunication services pursuant to this subsection for the period of July 1, 1995, to June 30, 1996, is less than the amount collected for the period July 1, 1994, to June 30, 1995, the municipality or charter county shall assess each company that remits such tax a pro rata share of the shortfall. The shortfall shall be prorated based on the amount of tax remitted by each company for the period July 1, 1995, to June 30, 1996, and the total amount of tax remitted for the same period. By September 1, 1996, the municipality or charter county shall certify to each company the amount of additional tax owed and the tax shall be remitted to the municipality or charter county by October 1, 1996. Provided, however, that this assessment may only be imposed if, in addition to the conditions above, a municipality or charter county has levied the applicable maximum tax rate allowed under this paragraph during the period July 1, 1995, and June 30, 1996, and has not switched between the two options allowed under subparagraph 1. or subparagraph 2. during the period July 1, 1995, and June 30, 1996.

Section 11. Paragraph (c) of subsection (9) of section 203.01, Florida Statutes, is amended to read:

203.01 Tax on gross receipts for utility services.-(9)

(c) The amounts identified as taxable in paragraph (b) shall not be less than the statewide average tariff rates set forth by the local exchange telecommunications companies in

the tariffs filed with the Public Service Commission on January 1, 1995, and on January 1 of each year thereafter for the equivalent services subject to the provisions of this section. The Public Service Commission shall publish the statewide average tariff rates for commonly used services annually, beginning on January 1, 1996.

Section 12. Subsection (12) of section 364.02, Florida Statutes, is amended to read:

364.02 Definitions.--As used in this chapter:

- (12) "Telecommunications company" includes every corporation, partnership, and person and their lessees, trustees, or receivers appointed by any court whatsoever, and every political subdivision in the state, offering two-way telecommunications service to the public for hire within this state by the use of a telecommunications facility. The term "telecommunications company" does not include:
- $\underline{(a)}$ An entity which provides a telecommunications facility exclusively to a certificated telecommunications company;
- (b) An entity which provides a telecommunications facility exclusively to a company which is excluded from the definition of a telecommunications company under this subsection;
 - (c) A commercial mobile radio service provider;
 - (d) A facsimile transmission service; 7
- $\underline{\text{(e)}}$ A private computer data network company not offering service to the public for hire: $\overline{\text{(c)}}$
- $\underline{\text{(f)}}$ A cable television company providing cable service as defined in 47 U.S.C. s. 522.

However, each commercial mobile radio service provider shall continue to be liable for any taxes imposed pursuant to 2 3 chapters 203 and 212 and any fees assessed pursuant to s. 4 364.025. 5 Section 13. Effective January 1, 1999, section 6 364.336, Florida Statutes, is amended to read: 7 364.336 Regulatory assessment fees.--Notwithstanding 8 any provisions of law to the contrary, each telecommunications 9 company licensed or operating under this chapter, for any part of the preceding 6-month period, shall pay to the commission, 10 within 30 days following the end of each 6-month period, a fee 11 12 that may not exceed 0.25 percent annually of its gross operating revenues derived from intrastate business, except, 13 14 for purposes of this section and the fee specified in s. 350.113(3), any amount paid to another telecommunications 15 company for the use of any telecommunications network shall be 16 17 deducted from the gross operating revenue for purposes of computing the fee due. Differences, if any, between the amount 18 19 paid in any 6-month period and the amount actually determined by the commission to be due shall, upon motion by the 20 21 commission, be immediately paid or refunded. Fees under this section may not be less than \$50 annually. Such fees shall be 22 deposited in accordance with s. 350.113. The commission may 23 by rule establish criteria for payment of the regulatory 24 25 assessment fee on an annual basis rather than on a semiannual 26 basis. Section 14. Subsections (2), (4), and (7) of section 27 28 364.337, Florida Statutes, are amended to read: 29 364.337 Alternate local exchange telecommunications 30 companies; intrastate interexchange telecommunications services; certification. --31

(2) Rules adopted by the commission governing the provision of alternative local exchange telecommunications service shall be consistent with s. 364.01. The basic local telecommunications service provided by an alternative local exchange telecommunications company must include access to operator services, "911" services, and relay services for the hearing impaired. An alternative local exchange telecommunications company's "911" service shall be provided at a level equivalent to that provided by the local exchange telecommunications company serving the same area. There shall be a flat-rate pricing option for basic local telecommunications services, and mandatory measured service for basic local telecommunications services shall not be imposed. A certificated alternative local exchange telecommunications company may petition the commission for a waiver of some or all of the requirements of this chapter, except ss. 364.16, 364.336, and subsections (1) and (5). The commission may grant such petition if determined to be in the public interest. In no event shall alternative local exchange telecommunications companies be subject to the requirements of ss. 364.03, 364.035, 364.037, 364.05, 364.055, 364.14, 364.17, 364.18, and 364.3381.

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(4) Rules adopted by the commission governing the provision of intrastate interexchange telecommunications service shall be consistent with s. 364.01. A certificated intrastate interexchange telecommunications company may petition the commission for a waiver for some or all of the requirements of this chapter, except s. 364.16, s. 364.335(3), or subsection (5). The commission may grant such petition if determined to be in the public interest. In no event shall intrastate interexchange telecommunications companies be

subject to the requirements of ss. 364.03, 364.035, 364.037, 364.05, 364.055, 364.14, 364.17, 364.18, 364.183(1),and 364.3381.

(7) Each amount paid by an interexchange telecommunications company or a pay telephone company to a telecommunications company providing local service for use of the local network shall be deducted from gross operating revenues for purposes of determining the amount of the regulatory fee assessed the interexchange telecommunications company pursuant to s. 350.113 or s. 364.336.

Section 15. Paragraph (b) of subsection (3) and subsection (5) of section 364.339, Florida Statutes, are amended to read:

364.339 Shared tenant service; regulation by commission; certification; limitation as to designated carriers.--

(3)

- (b) As provided in subsection (4)(3), the commission may authorize such service notwithstanding the provisions of s. 364.335. The commission may prescribe the type, extent, and conditions under which such service may be provided and may exempt such service, except appropriate certification, from commission regulation.
- (5) The offering of shared tenant service shall not interfere with or preclude a <u>residential or</u> commercial tenant's right to obtain direct access to the lines and services of the <u>serving local exchange</u> telecommunications company or the right of the <u>serving local exchange</u> telecommunications company to serve the <u>residential or</u> commercial tenant directly under the terms and conditions of the commission-approved tariffs.

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           Section 16. There is hereby appropriated from the
    Public Service Commission Regulatory Trust Fund to the Public
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    Service Commission the sum of $2,000,000 and 8 positions for
    the purpose of carrying out the provisions of this act.
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           Section 17. This act shall take effect upon becoming a
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CODING: Words stricken are deletions; words underlined are additions.