

By the Committee on Regulated Industries

315-2170E-98

1 A bill to be entitled
2 An act relating to telecommunications services;
3 amending s. 364.025, F.S.; providing duties and
4 responsibilities of the Florida Public Service
5 Commission to assist the Legislature in
6 establishing a permanent universal service
7 mechanism; requiring the commission to select a
8 cost proxy model; providing for the calculation
9 of small local exchange companies' costs to
10 provide basic service; providing legislative
11 determinations; directing the commission to
12 make recommendations relating to fair and
13 reasonable basic local telecommunications
14 service rates; providing criteria; requiring a
15 report to the Legislature; requiring local
16 exchange companies to provide certain
17 information to the commission; requiring the
18 provision of discounted rates for services for
19 certain subscribers; amending s. 364.163, F.S.;
20 providing a cap for certain rates; requiring
21 reductions in certain rates; providing
22 legislative findings; requiring the commission
23 to study the provision of telecommunications
24 service to multi-tenant environments; requiring
25 a report to the Legislature; requiring the
26 commission to conduct workshops; requiring the
27 commission to consider promotion of a
28 competitive telecommunications market to end
29 users; providing duties of the Public Service
30 Commission relating to its consumer education
31 program; creating part III of chapter 364,

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
8 s. 364.161, F.S.; requiring local exchange
9 telecommunications companies to timely provide
10 certain services; requiring the commission to
11 maintain a file of certain complaints;
12 requiring inclusion of certain information in
13 the commission's annual report to the
14 Legislature on competition; amending ss.
15 166.231 and 203.01, F.S.; requiring the Public
16 Service Commission to publish certain rates for
17 commonly used services; amending s. 364.02,
18 F.S.; revising a definition; amending s.
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.;
22 requiring provision of 911 service at certain
23 levels; subjecting intrastate interexchange
24 telecommunications companies to certain access
25 to records provisions; deleting provisions
26 relating to certain deductions from gross
27 operating revenues; amending s. 364.339, F.S.;
28 including residential tenants in shared tenant
29 service provisions; providing an effective
30 date.
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1 Be It Enacted by the Legislature of the State of Florida:

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

5 364.025 Universal service.--

6 (1) For the purposes of this section, the term
7 "universal service" means an evolving level of access to
8 telecommunications services that, taking into account advances
9 in technologies, services, and market demand for essential
10 services, the commission determines should be provided at
11 just, reasonable, and affordable rates to customers, including
12 those in rural, economically disadvantaged, and high-cost
13 areas. It is the intent of the Legislature that universal
14 service objectives be maintained after the local exchange
15 market is opened to competitively provided services. It is
16 also the intent of the Legislature that during this transition
17 period the ubiquitous nature of the local exchange
18 telecommunications companies be used to satisfy these
19 objectives. For a period of 4 years after January 1, 1996,
20 each local exchange telecommunications company shall be
21 required to furnish basic local exchange telecommunications
22 service within a reasonable time period to any person
23 requesting such service within the company's service
24 territory.

25 (2) The Legislature finds that each telecommunications
26 company should contribute its fair share to the support of the
27 universal service objectives and carrier-of-last-resort
28 obligations. For a transitional period not to exceed January
29 1, 2000, an interim mechanism for maintaining universal
30 service objectives and funding carrier-of-last-resort
31 obligations shall be established by the commission, pending

1 the implementation of a permanent mechanism. The interim
2 mechanism shall be ~~implemented by no later than January 1,~~
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
6 and carrier-of-last-resort obligations. The interim mechanism
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
10 fulfilling its carrier-of-last-resort obligations, and the
11 maintenance of universal service objectives. The commission
12 shall ensure that the interim mechanism does not impede the
13 development of residential consumer choice or create an
14 unreasonable barrier to competition. In reaching its
15 determination, the commission shall not inquire into or
16 consider any factor that is inconsistent with s.
17 364.051(1)(c). The costs and expenses of any government
18 program or project required in part II of this chapter shall
19 not be recovered under this section.

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

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

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

4 (b) To assist the Legislature in establishing a
5 permanent universal service mechanism, the commission, by
6 February 15, 1999, shall determine and report to the President
7 of the Senate and the Speaker of the House of Representatives
8 the total forward-looking cost, based upon the most recent
9 commercially available technology and equipment and generally
10 accepted design and placement principles, of providing basic
11 local telecommunications service on a basis no greater than a
12 wire center basis using a cost proxy model to be selected by
13 the commission after notice and opportunity for hearing.

14 (c) In determining the cost of providing basic local
15 telecommunications service for small local exchange
16 telecommunications companies, which serve less than 100,000
17 access lines, the commission shall not be required to use the
18 cost proxy model selected pursuant to paragraph (b) until a
19 mechanism is implemented by the Federal Government for small
20 companies, but no sooner than January 1, 2001. The commission
21 shall calculate a small local exchange telecommunications
22 company's cost of providing basic local telecommunications
23 services based on one of the following options:

- 24 1. A different proxy model; or
25 2. A fully distributed allocation of embedded costs,
26 identifying high-cost areas within the local exchange area the
27 company serves and including all embedded investments and
28 expenses incurred by the company in the provision of universal
29 service. Such calculations may be made using fully distributed
30 costs consistent with 47 C.F.R., sections 32, 36, and 64. The
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1 geographic basis for the calculations shall be no smaller than
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
8 purposes of this section, low-income customers are customers
9 who qualify for Lifeline service as defined in s. 364.10(2).

10 ~~The commission is directed to research the issue of a~~
11 ~~universal service and carrier-of-last-resort mechanism and~~
12 ~~recommend to the Legislature what the commission determines to~~
13 ~~be a reasonable and fair mechanism for providing to the~~
14 ~~greatest number of customers basic local exchange~~
15 ~~telecommunications service at an affordable price. The~~
16 ~~recommendation shall be provided to the Governor, the~~
17 ~~President of the Senate, the Speaker of the House of~~
18 ~~Representatives, and the minority leaders of the Senate and~~
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~~
24 ~~needed and a mechanism to collect the required amount.~~

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~~
28 ~~telecommunications services the subsidy should be collected.~~

29 ~~(e) Whether the deaveraging of basic local exchange~~
30 ~~telecommunications service rates should be required to more~~
31 ~~appropriately reflect the cost of providing service.~~

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

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

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

30 Section 2. Public Service Commission review.--

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1 (1) The Legislature has determined that charges for
2 intrastate switched access and other services may be set above
3 costs and may be providing an implicit subsidy of residential
4 basic local telecommunications service rates in this state.
5 Therefore, the Public Service Commission shall, by February
6 15, 1999, study and report to the President of the Senate and
7 the Speaker of the House of Representatives the relationships
8 among the costs and charges associated with providing basic
9 local service, intrastate access, and other services provided
10 by local exchange telecommunications companies.

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

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

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

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

15 364.163 Network access services.--For purposes of this
16 section, "network access service" is defined as any service
17 provided by a local exchange telecommunications company to a
18 telecommunications company certificated under this chapter or
19 licensed by the Federal Communications Commission to access
20 the local exchange telecommunications network, excluding the
21 local interconnection arrangements in s. 364.16 and the resale
22 arrangements in s. 364.161. Each local exchange
23 telecommunications company subject to s. 364.051 shall
24 maintain tariffs with the commission containing the terms,
25 conditions, and rates for each of its network access services.

26 (1) Effective January 1, 1999 ~~1996~~, the rates for
27 switched network access services of each company subject to
28 this section shall be capped at the rates in effect on January
29 1, 1999 ~~July 1, 1995~~, and shall remain capped until January 1,
30 2001 ~~1999~~. Upon the date of filing its election with the
31 commission, the network access service rates of a company that

1 elects to become subject to this section shall be capped at
2 the rates in effect on that date and shall remain capped for 5
3 ~~3~~ years.

4 (6) Any local exchange telecommunications company with
5 more than 100,000, but fewer than 3 million, basic local
6 telecommunications service access lines in service on July 1,
7 1995 whose current intrastate switched access rates are higher
8 than its interstate switched access rates in effect on
9 December 31, 1994, shall reduce its intrastate switched access
10 rates by 5 percent on July 1, 1998, and by 10 percent on
11 annually beginning October 1, 1998 ~~1996~~. Any such company
12 ~~shall be relieved of this requirement if it reduces such rates~~
13 ~~by a greater percentage by the relevant date or earlier,~~
14 ~~taking into account any reduction made pursuant to Order No.~~
15 ~~PSC 94-0172-FOF-TL of the Public Service Commission. Upon~~
16 ~~reaching parity between intrastate and 1994 interstate~~
17 ~~switched access rates, no further reductions shall be~~
18 ~~required.~~ Any interexchange telecommunications company whose
19 intrastate switched access rate is reduced as a result of the
20 rate decreases made by a local exchange telecommunications
21 company in accordance with ~~by~~ this subsection shall decrease
22 its intrastate customer long distance rates by the amount
23 necessary to return the benefits of such reduction to its
24 customers but shall not reduce per minute intraLATA toll rates
25 by a percentage greater than the per minute intrastate
26 switched access rate reductions required by this act. The
27 interexchange telecommunications carrier may determine the
28 specific intrastate rates to be decreased, provided that
29 residential and business customers benefit from the rate
30 decreases.

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1 Section 5. The Legislature has determined that access
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
10 Representatives by February 15, 1999. As part of this study,
11 the commission shall hold publicly noticed workshops and shall
12 consider the promotion of a competitive telecommunications
13 market to end users, consistency with any applicable federal
14 requirements, landlord property rights, rights of tenants, and
15 other considerations developed through the workshop process
16 and commission research.

17 Section 6. By January 1, 1999, the Florida Public
18 Service Commission shall expand its current consumer
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
22 that customers are unable to resolve directly with the
23 company. The commission may, pursuant to this program, require
24 all telecommunications companies providing local or long
25 distance telecommunications services to develop and provide
26 information to customers. The commission may specify by rule
27 the types of information to be developed and the manner by
28 which the information will be provided to the customers.

29 Section 7. Part III of chapter 364, Florida Statutes,
30 consisting of sections 364.601, 364.602, 364.603, and 364.604,
31 Florida Statutes, is created to read:

1 364.601 Short title.--This part may be cited as the
2 "Telecommunications Consumer Protection Act."

3 364.602 Definitions.--For 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 subscriber to services
10 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 bills a customer
14 through a billing party, except the term "originating party"
15 does not include any entity specifically exempted from the
16 definition of "telecommunications company" as provided in s.
17 364.02(12).

18 364.603 Methodology for changing telecommunications
19 provider.--

20 (1) The commission shall adopt rules to prevent the
21 unauthorized changing of a customer's telecommunications
22 service. Such rules shall be consistent with the
23 Telecommunications Act of 1996, provide for specific
24 verification methodologies, provide for the notification to
25 customers of the ability to freeze the customer's choice of
26 carriers at no charge, allow for a customer's change to be
27 considered valid if verification was performed consistent with
28 commission's rules, provide for remedies for violations of the
29 rules, and allow for the imposition of other penalties
30 available in chapter 364.

31 364.604 Billing practices.--

1 (1) Each billing party must clearly identify on its
2 bill the name and toll-free number of the originating party,
3 the services billed, and the specific charges, taxes, and fees
4 associated with each service. The originating party is
5 responsible for providing the billing party with all required
6 information. The toll-free number of the originating party or
7 its agent must be answered by a customer service
8 representative or a voice response unit. If the customer
9 reaches a voice response unit, the originating party or its
10 agent must initiate a response to a customer inquiry within 24
11 hours, excluding weekends and holidays. Each
12 telecommunications carrier shall have until June 30, 1999, to
13 comply with this subsection.

14 (2) A customer shall not be liable for any charges for
15 services that the customer did not order or that were not
16 provided to the customer.

17 (3) Every billing party shall provide a free blocking
18 option to a customer to block 900 or 976 telephone calls.

19 (4) A billing party shall not disconnect a customer's
20 Lifeline local service if the charges, taxes, and fees
21 applicable to basic local exchange telecommunications service
22 are paid.

23 (5) Pursuant to s. 120.536, the commission may adopt
24 rules to implement this section.

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

28 364.051 Price regulation.--

29 (2) BASIC LOCAL TELECOMMUNICATIONS SERVICE.--Price
30 regulation of basic local telecommunications service shall
31 consist of the following:

1 (a) Effective January 1, 1996, the rates for basic
2 local telecommunications service of each company subject to
3 this section shall be capped at the rates in effect on July 1,
4 1995, and such rates shall not be increased prior to January
5 1, 2000 ~~1999~~. However, the basic local telecommunications
6 service rates of a local exchange telecommunications company
7 with more than 3 million basic local telecommunications
8 service access lines in service on July 1, 1995, shall not be
9 increased prior to January 1, 2001.

10 (6) NONBASIC SERVICES.--Price regulation of nonbasic
11 services shall consist of the following:

12 (a) Each company subject to this section shall
13 maintain tariffs with the commission containing the terms,
14 conditions, and rates for each of its nonbasic services, and
15 may set or change, on 15 days' notice, the rate for each of
16 its nonbasic services, except that a price increase for any
17 nonbasic service category shall not exceed 6 percent within a
18 12-month period until there is another provider providing
19 local telecommunications service in an exchange area at which
20 time the price for any nonbasic service category may be
21 increased in an amount not to exceed 20 percent within a
22 12-month period, and the rate shall be presumptively valid.

23 However, for purposes of this subsection, the prices of:

24 1. A voice-grade, flat-rate, multi-line business local
25 exchange service, including multiple individual lines, centrex
26 lines, private branch exchange trunks, and any associated
27 hunting services, that provides dial tone and local usage
28 necessary to place a call within a local exchange calling
29 area; and

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1 2. Telecommunications services provided under contract
2 service arrangements to the SUNCOM Network, as defined in
3 chapter 282,
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5 shall be capped at the rates in effect on July 1, 1995, and
6 such rates shall not be increased prior to January 1, 2000
7 ~~1999~~; provided, however, that a petition to increase such
8 rates may be filed pursuant to subsection (5) utilizing the
9 standards set forth therein. There shall be a flat-rate
10 pricing option for multi-line business local exchange service,
11 and mandatory measured service for multi-line business local
12 exchange service shall not be imposed. Nothing contained in
13 this section shall prevent the local exchange
14 telecommunications company from meeting offerings by any
15 competitive provider of the same, or functionally equivalent,
16 nonbasic services in a specific geographic market or to a
17 specific customer by deaveraging the price of any nonbasic
18 service, packaging nonbasic services together or with basic
19 services, using volume discounts and term discounts, and
20 offering individual contracts. However, the local exchange
21 telecommunications company shall not engage in any
22 anticompetitive act or practice, nor unreasonably discriminate
23 among similarly situated customers.

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

26 364.161 Unbundling and resale.--

27 (4) A local exchange telecommunications company shall
28 provide unbundled network elements, services for resale,
29 requested repairs, and necessary support services in a timely
30 manner. The Public Service Commission shall maintain a file
31 of all complaints by alternative local exchange

1 telecommunications companies against local exchange
2 telecommunications companies regarding timeliness and adequacy
3 of service. This information, including how and when each
4 complaint was resolved, shall be included with the
5 commission's annual report to the Legislature on competition.

6 Section 10. Paragraph (d) of subsection (9) of section
7 166.231, Florida Statutes, is amended to read:

8 166.231 Municipalities; public service tax.--

9 (9) A municipality may levy a tax on the purchase of
10 telecommunication services as defined in s. 203.012 as
11 follows:

12 (d)1. If the sale of a taxable telecommunication
13 service also involves the sale of an exempt cable television
14 service, the tax shall be applied to the value of the taxable
15 service when it is sold separately.

16 2. If the company does not offer this service
17 separately, the consideration paid shall be separately
18 identified and stated with respect to the taxable and exempt
19 portions of the transaction as a condition of the exemption.

20 3. The amounts identified as taxable in subparagraph
21 2. shall not be less than the statewide average tariff rates
22 set forth by the local exchange telecommunications companies
23 in the tariffs filed with the Public Service Commission on
24 January 1, 1995, and on January 1 of each year thereafter for
25 the equivalent services subject to this section. The Public
26 Service Commission shall publish the statewide average tariff
27 rates for commonly used services annually, beginning on
28 January 1, 1996.

29 4. If the total amount of municipal utility tax
30 collected by a municipality or charter county from
31 telecommunication services pursuant to this subsection for the

1 period of July 1, 1995, to June 30, 1996, is less than the
2 amount collected for the period July 1, 1994, to June 30,
3 1995, the municipality or charter county shall assess each
4 company that remits such tax a pro rata share of the
5 shortfall. The shortfall shall be prorated based on the
6 amount of tax remitted by each company for the period July 1,
7 1995, to June 30, 1996, and the total amount of tax remitted
8 for the same period. By September 1, 1996, the municipality
9 or charter county shall certify to each company the amount of
10 additional tax owed and the tax shall be remitted to the
11 municipality or charter county by October 1, 1996. Provided,
12 however, that this assessment may only be imposed if, in
13 addition to the conditions above, a municipality or charter
14 county has levied the applicable maximum tax rate allowed
15 under this paragraph during the period July 1, 1995, and June
16 30, 1996, and has not switched between the two options allowed
17 under subparagraph 1. or subparagraph 2. during the period
18 July 1, 1995, and June 30, 1996.

19 Section 11. Paragraph (c) of subsection (9) of section
20 203.01, Florida Statutes, is amended to read:

21 203.01 Tax on gross receipts for utility services.--

22 (9)

23 (c) The amounts identified as taxable in paragraph (b)
24 shall not be less than the statewide average tariff rates set
25 forth by the local exchange telecommunications companies in
26 the tariffs filed with the Public Service Commission on
27 January 1, 1995, and on January 1 of each year thereafter for
28 the equivalent services subject to the provisions of this
29 section. The Public Service Commission shall publish the
30 statewide average tariff rates for commonly used services
31 annually, beginning on January 1, 1996.

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

3 364.02 Definitions.--As used in this chapter:

4 (12) "Telecommunications company" includes every
5 corporation, partnership, and person and their lessees,
6 trustees, or receivers appointed by any court whatsoever, and
7 every political subdivision in the state, offering two-way
8 telecommunications service to the public for hire within this
9 state by the use of a telecommunications facility. The term
10 "telecommunications company" does not include:

11 (a) An entity which provides a telecommunications
12 facility exclusively to a certificated telecommunications
13 company;~~7~~

14 (b) An entity which provides a telecommunications
15 facility exclusively to a company which is excluded from the
16 definition of a telecommunications company under this
17 subsection;

18 (c) A commercial mobile radio service provider;~~7~~

19 (d) A facsimile transmission service;~~7~~

20 (e) A private computer data network company not
21 offering service to the public for hire;~~7~~or

22 (f) A cable television company providing cable service
23 as defined in 47 U.S.C. s. 522.

24
25 However, each commercial mobile radio service provider shall
26 continue to be liable for any taxes imposed pursuant to
27 chapters 203 and 212 and any fees assessed pursuant to s.
28 364.025.

29 Section 13. Effective January 1, 1999, section
30 364.336, Florida Statutes, is amended to read:

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1 364.336 Regulatory assessment fees.--Notwithstanding
2 any provisions of law to the contrary, each telecommunications
3 company licensed or operating under this chapter, for any part
4 of the preceding 6-month period, shall pay to the commission,
5 within 30 days following the end of each 6-month period, a fee
6 that may not exceed 0.25 percent annually of its gross
7 operating revenues derived from intrastate business, except,
8 for purposes of this section and the fee specified in s.
9 350.113(3), any amount paid to another telecommunications
10 company for the use of any telecommunications network shall be
11 deducted from the gross operating revenue for purposes of
12 computing the fee due. Differences, if any, between the amount
13 paid in any 6-month period and the amount actually determined
14 by the commission to be due shall, upon motion by the
15 commission, be immediately paid or refunded. Fees under this
16 section may not be less than \$50 annually. Such fees shall be
17 deposited in accordance with s. 350.113. The commission may
18 by rule establish criteria for payment of the regulatory
19 assessment fee on an annual basis rather than on a semiannual
20 basis.

21 Section 14. Subsections (2), (4), and (7) of section
22 364.337, Florida Statutes, are amended to read:

23 364.337 Alternate local exchange telecommunications
24 companies; intrastate interexchange telecommunications
25 services; certification.--

26 (2) Rules adopted by the commission governing the
27 provision of alternative local exchange telecommunications
28 service shall be consistent with s. 364.01. The basic local
29 telecommunications service provided by an alternative local
30 exchange telecommunications company must include access to
31 operator services, "911" services, and relay services for the

1 hearing impaired. An alternative local exchange
2 telecommunications company's "911" service shall be provided
3 at a level equivalent to that provided by the local exchange
4 telecommunications company serving the same area.There shall
5 be a flat-rate pricing option for basic local
6 telecommunications services, and mandatory measured service
7 for basic local telecommunications services shall not be
8 imposed. A certificated alternative local exchange
9 telecommunications company may petition the commission for a
10 waiver of some or all of the requirements of this chapter,
11 except ss. 364.16, 364.336, and subsections (1) and (5). The
12 commission may grant such petition if determined to be in the
13 public interest. In no event shall alternative local exchange
14 telecommunications companies be subject to the requirements of
15 ss. 364.03, 364.035, 364.037, 364.05, 364.055, 364.14, 364.17,
16 364.18, and 364.3381.

17 (4) Rules adopted by the commission governing the
18 provision of intrastate interexchange telecommunications
19 service shall be consistent with s. 364.01. A certificated
20 intrastate interexchange telecommunications company may
21 petition the commission for a waiver for some or all of the
22 requirements of this chapter, except s. 364.16, s. 364.335(3),
23 or subsection (5). The commission may grant such petition if
24 determined to be in the public interest. In no event shall
25 intrastate interexchange telecommunications companies be
26 subject to the requirements of ss. 364.03, 364.035, 364.037,
27 364.05, 364.055, 364.14, 364.17, 364.18, ~~364.183(1)~~,and
28 364.3381.

29 ~~(7) Each amount paid by an interexchange~~
30 ~~telecommunications company or a pay telephone company to a~~
31 ~~telecommunications company providing local service for use of~~

1 ~~the local network shall be deducted from gross operating~~
2 ~~revenues for purposes of determining the amount of the~~
3 ~~regulatory fee assessed the interexchange telecommunications~~
4 ~~company pursuant to s. 350.113 or s. 364.336.~~

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

8 364.339 Shared tenant service; regulation by
9 commission; certification; limitation as to designated
10 carriers.--

11 (3)

12 (b) As provided in subsection (4)~~(3)~~, the commission
13 may authorize such service notwithstanding the provisions of
14 s. 364.335. The commission may prescribe the type, extent,
15 and conditions under which such service may be provided and
16 may exempt such service, except appropriate certification,
17 from commission regulation.

18 (5) The offering of shared tenant service shall not
19 interfere with or preclude a residential or commercial
20 tenant's right to obtain direct access to the lines and
21 services of the ~~serving local exchange~~ telecommunications
22 company or the right of the ~~residential or~~
23 telecommunications company to serve the residential or
24 commercial tenant directly under the terms and conditions of
25 the commission-approved tariffs.

26 Section 16. This act shall take effect upon becoming a
27 law.

1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 SB 640

4 Requires the PSC to determine by February 15, 1999, the costs
5 of providing basic local services on a geographic basis, and
6 requires the PSC to determine the amount of support required
for low-income customers (information the Legislature can use
to enact a permanent universal service mechanism).

7 Requires the PSC to study by February 15, 1999, the
8 relationships among the costs and charges for residential basic
9 local service, intrastate access, and other local services and
to recommend the fair and reasonable residential basic local
service rate.

10 Requires LECs to discount the cost of basic local service for
11 former Lifeline subscribers by 30% for a period of one year.

12 Requires intrastate switched network access charge reductions
13 for Sprint and GTE of 5% by July 1, 1998, and 10% by October
14 1, 1998, and requires long distance companies to pass the
benefits of all reductions on to their residential and
business customers (estimated to result in a total reduction
of approximately \$50 million).

15 Requires the PSC to study nondiscriminatory access for all
16 telecommunications providers to customers in multi-tenant
environments.

17 Creates the "Telecommunications Consumer Protection Act" to
18 require the PSC to adopt rules to prevent "slamming" and
establish guidelines for telecommunications billing practices.

19 Extends caps on basic local service for GTE, Sprint, and
20 price-regulated small LECs from January 1, 1999, to January 1,
2000. (Note: BellSouth's basic rates are capped until January
21 1, 2001 under current law.) Extends caps on multi-line
22 business local service and Suncom for all price-regulated
companies from January 1, 1999, to January 1, 2000.

23 Requires the PSC to maintain a file of all complaints by ALECs
24 against incumbent LECs relating to providing services for
resale and unbundled services.

25 Corrects several glitches remaining from the 1996
26 Telecommunications Act relating to statewide tariffs,
exemptions, regulatory assessment fees, "911" services, access
to records, and shared tenant services.