

STORAGE NAME: h4013a.uco

DATE: February 9, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
UTILITIES AND COMMUNICATIONS
ANALYSIS**

BILL #: HB 4013

RELATING TO: Florida Statutes/Repeals and Deletions

SPONSOR(S): Committee on Rules and Calendar, and Representative Bitner

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1) UTILITIES AND COMMUNICATIONS YEAS 12 NAYS 0

(2)

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I. SUMMARY:

The Rules Committee had a project to identify statutes that have become obsolete, had their effect, served their purpose, or been impliedly repealed or superseded. This bill repeals or deletes statutory language relating to public utilities that was identified in the Rules Committee project.

The bill does not appear to have a fiscal impact on state or local governments.

The bill is to take effect upon becoming a law.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Statutes related to public utilities have been identified which have become obsolete, had their effect, served their purpose, or been impliedly repealed or superseded.

C. EFFECT OF PROPOSED CHANGES:

The bill repeals statutes, related to public utilities, that have been identified as having become obsolete, had their effect, served their purpose, or been impliedly repealed or superseded.

D. SECTION-BY-SECTION ANALYSIS:

Section 1 repeals ss. 350.80 and 361.08, Florida Statutes, which, respectively, regulate coal slurry pipeline companies and provide such companies with the power of eminent domain. The sections of law are unnecessary because the idea of a coal slurry pipeline has never come to fruition.

Section 2 repeals s. 363.01, Florida Statutes, which establishes a cap on rates charged for telegraph messages based on number of words and distance transmitted. The rate cap section was last amended in 1945.

The Public Service Commission staff observes that the 1945 rate caps have no enforcement provision. Indeed, American Telegram, the only telegraph company in the Tallahassee yellow pages, charges \$29.90 plus \$.89 per word, including the address, for same day, hand-delivered messages. The current Florida law allows a maximum of \$.04 per word for the first ten words (excluding address, date, and signature) and \$.02 per word thereafter for messages sent 100 miles. Authorized rates are prorated based on additional miles.

Section 3 repeals s. 364.025(4)(d), Florida Statutes, which required the Public Service Commission to submit a report, addressing the cost of serving Lifeline customers, to the President of the Senate and the Speaker of the House by *February 15, 1999*.

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Section 4 amends ss. 364.051(3) - (6), Florida Statutes, to eliminate language governing telecommunications rates during the first two years of the transition to a competitive market; the two year window addressed in the statute has passed.

Section 5 amends s. 364.052(2), Florida Statutes, which applies to rate issues that are unique to small local exchange companies, to remove references to July 1, 1996. The 1996 reference was needed to guide the initial transition to a competitive market. As amended, the statutory language will retain all substantive language minus the 1996 reference.

Section 6 repeals s. 364.057(3), Florida Statutes, which authorizes the Public Service Commission to approve "experimental rates" for competitors between July 1, 1995 and December 31, 1995. This section is a remnant of the initial few months of opening the local telecommunications market to competition.

Section 7 amends s. 364.162, Florida Statutes, which governs negotiated prices for interconnection of telephone networks and resale of services and facilities, 1) to remove references to dates in 1995 that were part of the initial transition to a competitive market, and 2) to retain current time-frames governing interconnection and resale negotiations and Public Service Commission hearings that are undertaken to resolve disputes over interconnection and resale.

Section 8 amends s. 364.16(2), Florida Statutes, to correct a cross reference that changes as a result of the amendment of s. 364.162, Florida Statutes, in Section 7 of the bill.

Section 9 repeals s. 364.245(1), Florida Statutes, which is a legislative finding that "some persons use telecommunications services to violate state or federal law" and that "some persons use telecommunications services or technology, such as call forwarding and cellular radio transmissions, to avoid detection or arrest."

Section 10 repeals s. 365.15, Florida Statutes, which governs the use of party lines in the event of emergency calls. The Public Service Commission staff indicates that there are no longer any party lines in Florida.

Section 11 amends s. 365.171(2), Florida Statutes, which provides legislative intent regarding emergency 911 service, to remove legislative findings about shortening response times to emergency calls.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

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B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

N/A

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or to take action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

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C. OTHER COMMENTS:

The Community Affairs Committee staff suggested that the Legislature might want to consider repealing s. 166.231(9)(d)4, Florida Statutes, which relates to the collection of telecommunications taxes during the initial transition to a competitive local telecommunications market from 1995-1996. However, this language is being addressed in a revisor's bill (RB 2000-8).

BellSouth suggested repealing s. 364.162(7), Florida Statutes, which governs how interconnection agreements are to be negotiated, and litigated at the Public Service Commission, *prior to July 1, 1999*. This language is related to the interconnection language that is amended in Section 7 of the bill. The Florida Cable Association and AT&T agree that the language should be stricken.

The Public Service Commission staff has reviewed the bill and has found no problems with the proposed revisions.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The Committee on Utilities and Communications adopted two amendments.

The first amendment deleted section 1 of the bill which would have repealed ss. 350.80 and 361.08 Florida Statutes governing coal slurry pipelines.

The second amendment struck all of s. 364.162(7) which governs resolution of interconnection negotiations prior to July 1, 1999.

VII. SIGNATURES:

COMMITTEE ON UTILITIES AND COMMUNICATIONS:

Prepared by:

Staff Director:

Charles Murphy

Patrick L. "Booter" Imhof