

By the Committee on Rules & Calendar and Representative
Bitner

1 A bill to be entitled
2 An act relating to the Florida Statutes;
3 repealing or deleting various statutory
4 provisions that have become obsolete, have had
5 their effect, have served their purpose, or
6 have been impliedly repealed or superseded;
7 repealing ss. 350.80 and 361.08, F.S., relating
8 to regulation of and right of eminent domain to
9 coal slurry pipeline companies; repealing s.
10 363.01, F.S., relating to rates charged by
11 telegraph and cable companies; repealing s.
12 364.025(4)(d), F.S., relating to a report on
13 the amount of support necessary to provide
14 residential basic local telecommunications
15 service to low-income customers; amending s.
16 364.051, F.S.; deleting provisions relating to
17 a report on the need to extend price caps for
18 basic local telecommunications service;
19 correcting a cross reference; amending s.
20 364.052, F.S.; deleting obsolete deadlines
21 relating to regulation of small local exchange
22 telecommunications companies; repealing s.
23 364.057(3), F.S., relating to a limited period
24 of authorization for two-way, intrastate,
25 residential communications services for testing
26 marketing strategies or technical feasibility;
27 amending s. 364.162, F.S.; deleting obsolete
28 provisions relating to certain applicants to
29 become an alternative local exchange
30 telecommunications company; amending s. 364.16,
31 F.S.; correcting a cross reference, to conform;

1 repealing s. 364.245(1), F.S., relating to
2 findings with respect to the use of
3 telecommunications services for unlawful
4 purposes; repealing s. 365.15, F.S., relating
5 to emergency calls over party lines; amending
6 s. 365.171, F.S.; deleting findings relating to
7 the statewide emergency telephone number "911"
8 plan; amending s. 427.704, F.S.; deleting an
9 obsolete deadline for designation of the
10 administrator of the telecommunications access
11 system; amending s. 427.705, F.S.; deleting an
12 obsolete deadline for such administrator to
13 assume responsibility for distribution of
14 specialized telecommunications devices;
15 providing an effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Sections 350.80 and 361.08, Florida
20 Statutes, are repealed.

21 Section 2. Section 363.01, Florida Statutes, is
22 repealed.

23 Section 3. Paragraph (d) of subsection (4) of section
24 364.025, Florida Statutes, is repealed.

25 Section 4. Subsections (3), (4), (5), and (6) of
26 section 364.051, Florida Statutes, are amended to read:

27 364.051 Price regulation.--

28 ~~(3)(a) By December 1, 1997, the commission shall~~
29 ~~report and recommend on an exchange by exchange basis to the~~
30 ~~legislature as to whether there is a need to extend the caps~~
31 ~~provided for in paragraphs (2)(a) and (b) for basic local~~

1 ~~telecommunications service prices, or whether there is some~~
2 ~~other means, excluding rate of return regulation, to ensure~~
3 ~~reasonable and affordable rates for basic local~~
4 ~~telecommunications service.~~

5 ~~(b) In making the determination as to whether price~~
6 ~~caps are needed to ensure reasonable and affordable rates for~~
7 ~~basic local telecommunications service provided by a local~~
8 ~~exchange telecommunications company with less than 3 million~~
9 ~~basic local telecommunications service access lines in service~~
10 ~~on July 1, 1995, the commission shall consider whether the~~
11 ~~level of competition in the area justifies the elimination of~~
12 ~~price caps.~~

13 ~~(c) The Legislature shall review the commission's~~
14 ~~report submitted pursuant to paragraph (a) and determine~~
15 ~~whether there is a continuing need for basic local~~
16 ~~telecommunications service prices to remain capped. Unless~~
17 ~~the Legislature acts to the contrary, the caps shall remain in~~
18 ~~place in any exchange in which the Legislature determines that~~
19 ~~the level of competition does not justify the elimination of~~
20 ~~price caps for an additional 2 years or until the commission~~
21 ~~during that 2-year period determines that the level of~~
22 ~~competition in the exchange justifies the elimination of price~~
23 ~~caps.~~

24 (3)~~(4)~~ In the event that it is determined that the
25 level of competition justifies the elimination of price caps
26 in an exchange served by a local exchange telecommunications
27 company with less than 3 million basic local
28 telecommunications service access lines in service, or at the
29 end of 5 years for any local exchange telecommunications
30 company, the local exchange telecommunications company may
31 thereafter on 30 days' notice adjust its basic service prices

1 once in any 12-month period in an amount not to exceed the
2 change in inflation less 1 percent. Inflation shall be
3 measured by the changes in the Gross Domestic Product Fixed
4 1987 Weights Price Index, or successor fixed weight price
5 index, published in the Survey of Current Business or a
6 publication, by the United States Department of Commerce. In
7 the event any local exchange telecommunications company, after
8 January 1, 2001, believes that the level of competition
9 justifies the elimination of any form of price regulation the
10 company may petition the Legislature.

11 (4)~~(5)~~ Notwithstanding the provisions of subsection
12 (2), any local exchange telecommunications company that
13 believes circumstances have changed substantially to justify
14 any increase in the rates for basic local telecommunications
15 services may petition the commission for a rate increase, but
16 the commission shall grant such petition only after an
17 opportunity for a hearing and a compelling showing of changed
18 circumstances. The costs and expenses of any government
19 program or project required in part II shall not be recovered
20 under this subsection unless such costs and expenses are
21 incurred in the absence of a bid and subject to
22 carrier-of-last-resort obligations as provided for in part II.
23 The commission shall act upon any such petition within 120
24 days of its filing.

25 (5)~~(6)~~ NONBASIC SERVICES.--Price regulation of
26 nonbasic services shall consist of the following:

27 (a) Each company subject to this section shall
28 maintain tariffs with the commission containing the terms,
29 conditions, and rates for each of its nonbasic services, and
30 may set or change, on 15 days' notice, the rate for each of
31 its nonbasic services, except that a price increase for any

1 nonbasic service category shall not exceed 6 percent within a
2 12-month period until there is another provider providing
3 local telecommunications service in an exchange area at which
4 time the price for any nonbasic service category may be
5 increased in an amount not to exceed 20 percent within a
6 12-month period, and the rate shall be presumptively valid.
7 However, for purposes of this subsection, the prices of:
8 1. A voice-grade, flat-rate, multi-line business local
9 exchange service, including multiple individual lines, centrex
10 lines, private branch exchange trunks, and any associated
11 hunting services, that provides dial tone and local usage
12 necessary to place a call within a local exchange calling
13 area; and
14 2. Telecommunications services provided under contract
15 service arrangements to the SUNCOM Network, as defined in
16 chapter 282,
17
18 shall be capped at the rates in effect on July 1, 1995, and
19 such rates shall not be increased prior to January 1, 2000;
20 provided, however, that a petition to increase such rates may
21 be filed pursuant to subsection (4)~~(5)~~ utilizing the
22 standards set forth therein. There shall be a flat-rate
23 pricing option for multi-line business local exchange service,
24 and mandatory measured service for multi-line business local
25 exchange service shall not be imposed. Nothing contained in
26 this section shall prevent the local exchange
27 telecommunications company from meeting offerings by any
28 competitive provider of the same, or functionally equivalent,
29 nonbasic services in a specific geographic market or to a
30 specific customer by deaveraging the price of any nonbasic
31 service, packaging nonbasic services together or with basic

1 services, using volume discounts and term discounts, and
2 offering individual contracts. However, the local exchange
3 telecommunications company shall not engage in any
4 anticompetitive act or practice, nor unreasonably discriminate
5 among similarly situated customers.

6 (b) The commission shall have continuing regulatory
7 oversight of nonbasic services for purposes of ensuring
8 resolution of service complaints, preventing
9 cross-subsidization of nonbasic services with revenues from
10 basic services, and ensuring that all providers are treated
11 fairly in the telecommunications market. The cost standard
12 for determining cross-subsidization is whether the total
13 revenue from a nonbasic service is less than the total
14 long-run incremental cost of the service. Total long-run
15 incremental cost means service-specific volume and
16 nonvolume-sensitive costs.

17 (c) The price charged to a consumer for a nonbasic
18 service shall cover the direct costs of providing the service
19 and shall, to the extent a cost is not included in the direct
20 cost, include as an imputed cost the price charged by the
21 company to competitors for any monopoly component used by a
22 competitor in the provision of its same or functionally
23 equivalent service.

24 Section 5. Subsection (2) of section 364.052, Florida
25 Statutes, is amended to read:

26 364.052 Regulatory methods for small local exchange
27 telecommunications companies.--

28 (2) A small local exchange telecommunications company
29 shall remain under rate base, rate of return regulation until
30 the company elects to become subject to s. 364.051, or January
31 1, 2001, whichever occurs first. ~~After July 1, 1996,~~A company

1 subject to this section, electing to be regulated pursuant to
2 s. 364.051, will have any overearnings attributable to a
3 period prior to the date on which the company makes the
4 election subject to refund or other disposition by the
5 commission. Small local exchange telecommunications companies
6 not electing the price regulation provided for under s.
7 364.051 shall also be regulated pursuant to ss. 364.03,
8 364.035(1) and (2), 364.05, and 364.055 and other provisions
9 necessary for rate base, rate of return regulation. If a
10 small local exchange telecommunications company has not
11 elected to be regulated under s. 364.051, by January 1, 2001,
12 the company shall remain under rate base, rate of return
13 regulation until such time as a certificated alternative local
14 exchange company provides basic local telecommunications
15 service in the company's territory. At such time, the small
16 local exchange telecommunications company shall be subject to
17 s. 364.051.

18 (a) ~~By July 1, 1996,~~The commission shall establish,
19 by rule, ranges of basic factors for lives and salvage values
20 to be used in developing depreciation rates for companies
21 subject to this section. Companies shall have the option of
22 using basic factors within the established ranges or of filing
23 depreciation studies.

24 (b) ~~By January 1, 1996,~~The commission shall adopt, by
25 rule, streamlined procedures for regulating companies subject
26 to this section. These procedures shall minimize the burdens
27 of regulation with regard to audits, investigations, service
28 standards, cost studies, reports, and other matters, and the
29 commission shall establish, by rule, only those procedures
30 that are cost-justified and are in the public interest so that
31 universal service may be promoted. Upon petition filed in

1 this rulemaking proceeding, the commission shall review and
2 may approve any regulations unique to the specific
3 circumstances of a company subject to this section.

4 Section 6. Subsection (3) of section 364.057, Florida
5 Statutes, is repealed.

6 Section 7. Section 364.162, Florida Statutes, is
7 amended to read:

8 364.162 Negotiated prices for interconnection and for
9 the resale of services and facilities; commission rate
10 setting.--

11 ~~(1) Any party who, on July 1, 1995, has an application~~
12 ~~on file with the commission to become~~ An alternative local
13 exchange telecommunications company shall have 60 days from
14 the date it is certificated ~~until August 31, 1995,~~ to
15 negotiate with a local exchange telecommunications company
16 mutually acceptable prices, terms, and conditions of
17 interconnection and for the resale of services and facilities.

18 ~~(2)~~ If a negotiated price is not established after 60
19 days ~~by August 31, 1995,~~ either party may petition the
20 commission to establish nondiscriminatory rates, terms, and
21 conditions of interconnection and for the resale of services
22 and facilities. The commission shall have 120 days to make a
23 determination after proceeding as required by subsection (2).

24 Whether set by negotiation or by the commission,
25 interconnection and resale prices, rates, terms, and
26 conditions shall be filed with the commission before their
27 effective date. The commission shall have the authority to
28 arbitrate any dispute regarding interpretation of
29 interconnection or resale prices and terms and conditions.

30 ~~(2)(3)~~ In the event that the commission receives a
31 single petition relating to either interconnection or resale

1 of services and facilities, it shall vote, within 120 days
2 following such filing, to set nondiscriminatory rates, terms,
3 and conditions, except that the rates shall not be below cost.
4 If the commission receives one or more petitions relating to
5 both interconnection and resale of services and facilities,
6 the commission shall conduct separate proceedings for each
7 and, within 120 days following such filing, make two separate
8 determinations setting such nondiscriminatory rates, terms,
9 and conditions, except that the rates shall not be below cost.

10 (3)~~(4)~~ In setting the local interconnection charge,
11 the commission shall determine that the charge is sufficient
12 to cover the cost of furnishing interconnection.

13 (4)~~(5)~~ The commission shall ensure that, if the rate
14 it sets for a service or facility to be resold provides a
15 discount below the tariff rate for such service or facility
16 which appropriately reflects the local exchange
17 telecommunications company's avoidance of the expense and cost
18 of marketing such service or facility to retail customers,
19 such rate must not be below cost. The commission shall also
20 ensure ~~assure~~ that this rate is not set so high that it would
21 serve as a barrier to competition.

22 ~~(6) An alternative local exchange telecommunications~~
23 ~~company that did not have an application for certification on~~
24 ~~file with the commission on July 1, 1995, shall have 60 days~~
25 ~~from the date it is certificated to negotiate with a local~~
26 ~~exchange telecommunications company mutually acceptable~~
27 ~~prices, terms, and conditions of interconnection and for the~~
28 ~~resale of services and facilities. If a negotiated price is~~
29 ~~not established after 60 days, either party may petition the~~
30 ~~commission to establish nondiscriminatory rates, terms, and~~
31 ~~conditions of interconnection and for the resale of services~~

1 ~~and facilities. The commission shall have 120 days to make a~~
2 ~~determination after proceeding as required by subsection (3).~~

3 (5)~~(7)~~ Prior to July 1, 1999, the parties may
4 negotiate a new local interconnection charge to be effective
5 not earlier than July 1, 1999. If the parties cannot
6 satisfactorily negotiate a new local interconnection charge,
7 either party may petition the commission to resolve the
8 matter. In the event any party, prior to July 1, 1999,
9 believes that circumstances have changed substantially to
10 warrant a different price for local interconnection, that
11 party may petition the commission for a price change, but the
12 commission shall grant such petition only after an opportunity
13 for a hearing and a compelling showing of changed
14 circumstances, including that the provider's customer
15 population includes as many residential as business customers.
16 The commission shall act on any such petition within 120 days.

17 Section 8. Subsection (2) of section 364.16, Florida
18 Statutes, is amended to read:

19 364.16 Connection of lines and transfers; local
20 interconnection; telephone number portability.--

21 (2) Each alternative local exchange telecommunications
22 company shall provide access to, and interconnection with, its
23 telecommunications services to any other provider of local
24 exchange telecommunications services requesting such access
25 and interconnection at nondiscriminatory prices, terms, and
26 conditions. If the parties are unable to negotiate mutually
27 acceptable prices, terms, and conditions after 60 days, either
28 party may petition the commission and the commission shall
29 have 120 days to make a determination after proceeding as
30 required by s. 364.162(2)~~(6)~~ pertaining to interconnection
31 services.

1 Section 9. Subsection (1) of section 364.245, Florida
2 Statutes, is repealed.

3 Section 10. Section 365.15, Florida Statutes, is
4 repealed.

5 Section 11. Subsection (2) of section 365.171, Florida
6 Statutes, is amended to read:

7 365.171 Emergency telephone number "911."--

8 (2) ~~LEGISLATIVE INTENT.--The Legislature hereby finds~~
9 ~~and declares that it is in the public interest to shorten the~~
10 ~~time required for a citizen to request and receive emergency~~
11 ~~aid. There currently exist thousands of different emergency~~
12 ~~phone numbers throughout the state. Provision for a single,~~
13 ~~primary three-digit emergency number through which emergency~~
14 ~~services can be quickly and efficiently obtained would provide~~
15 ~~a significant contribution to law enforcement and other public~~
16 ~~service efforts by making it easier to notify public safety~~
17 ~~personnel. Such a simplified means of procuring emergency~~
18 ~~services will result in the saving of life, a reduction in the~~
19 ~~destruction of property, and quicker apprehension of~~
20 ~~criminals.~~It is the intent of the Legislature to establish
21 and implement a cohesive statewide emergency telephone number
22 "911" plan which will provide citizens with rapid direct
23 access to public safety agencies by dialing the telephone
24 number "911" with the objective of reducing the response time
25 to situations requiring law enforcement, fire, medical,
26 rescue, and other emergency services.

27 Section 12. Subsection (2) of section 427.704, Florida
28 Statutes, is amended to read:

29 427.704 Powers and duties of the commission.--

30 (2) ~~By July 1, 1991,~~The commission shall designate as
31 the administrator of the telecommunications access system a

1 corporation not for profit organized for such purposes and
2 incorporated pursuant to chapter 617. For the purposes of this
3 part, the commission may order telecommunications companies to
4 form such a corporation not for profit.

5 Section 13. Subsection (7) of section 427.705, Florida
6 Statutes, is amended to read:

7 427.705 Administration of the telecommunications
8 access system.--

9 (7) ~~By September 1, 1991,~~The administrator shall
10 assume responsibility for distribution of specialized
11 telecommunications devices.

12 Section 14. This act shall take effect upon becoming a
13 law.

14 *****

15 HOUSE SUMMARY

16
17 Repeals or deletes various statutory provisions that have
18 become obsolete, have had their effect, have served their
19 purpose, or have been impliedly repealed or superseded.
20 Repeals or deletes provisions relating to regulation of
21 and right of eminent domain to coal slurry pipeline
22 companies; rates charged by telegraph and cable
23 companies; a report on the amount of support necessary to
24 provide residential basic local telecommunications
25 service to low-income customers; a report on the need to
26 extend price caps for basic local telecommunications
27 service; obsolete deadlines relating to regulation of
28 small local exchange telecommunications companies; a
29 limited period of authorization for two-way, intrastate,
30 residential communications services for testing marketing
31 strategies or technical feasibility; obsolete provisions
relating to certain applicants to become an alternative
local exchange telecommunications company; findings with
respect to the use of telecommunications services for
unlawful purposes; emergency calls over party lines;
findings relating to the statewide emergency telephone
number "911" plan; an obsolete deadline for designation
of the administrator of the telecommunications access
system; and an obsolete deadline for such administrator
to assume responsibility for distribution of specialized
telecommunications devices.