

1                   A bill to be entitled  
 2           An act relating to telecommunications companies; repealing  
 3           ss. 364.03, 364.035, 364.037, 364.05, 364.055, 364.14,  
 4           364.17, and 364.18, F.S., relating to rates, tolls,  
 5           contracts, charges, rules, regulations, performance of  
 6           service, and maintenance of telecommunications facilities;  
 7           fixing rates by the Public Service Commission;  
 8           consideration of directory advertising revenues when  
 9           establishing rates; changing rates, tolls, rentals,  
 10          contracts, or charges; procedures for interim rates;  
 11          commission to compel by order or rule the adjustment of  
 12          rates, charges, tolls, rules, or regulations or changes to  
 13          practices or service or the installation of equipment or  
 14          facilities; forms prescribed by the commission; and  
 15          inspection by the commission of accounts and records;  
 16          amending s. 364.051, F.S.; deleting a schedule for  
 17          implementation of price regulation; amending ss. 364.025,  
 18          364.052, 364.063, 364.337, 364.385, and 364.507, F.S.;  
 19          conforming provisions to changes made by the act;  
 20          providing an effective date.

21  
 22   Be It Enacted by the Legislature of the State of Florida:

23  
 24           Section 1. Sections 364.03, 364.035, 364.037, 364.05,  
 25 364.055, 364.14, 364.17, and 364.18, Florida Statutes, are  
 26 repealed.

27           Section 2. Subsection (2) of section 364.025, Florida  
 28   Statutes, is amended to read:

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29 | 364.025 Universal service.—

30 | (2) The Legislature finds that each telecommunications  
31 | company should contribute its fair share to the support of the  
32 | universal service objectives and carrier-of-last-resort  
33 | obligations. For a transitional period not to exceed January 1,  
34 | 2009, the interim mechanism for maintaining universal service  
35 | objectives and funding carrier-of-last-resort obligations shall  
36 | be established by the commission, pending the implementation of  
37 | a permanent mechanism. The interim mechanism shall be applied in  
38 | a manner that ensures that each competitive local exchange  
39 | telecommunications company contributes its fair share to the  
40 | support of universal service and carrier-of-last-resort  
41 | obligations. The interim mechanism applied to each competitive  
42 | local exchange telecommunications company shall reflect a fair  
43 | share of the local exchange telecommunications company's  
44 | recovery of investments made in fulfilling its carrier-of-last-  
45 | resort obligations, and the maintenance of universal service  
46 | objectives. The commission shall ensure that the interim  
47 | mechanism does not impede the development of residential  
48 | consumer choice or create an unreasonable barrier to  
49 | competition. In reaching its determination, the commission shall  
50 | not inquire into or consider any factor that is inconsistent  
51 | with s. 364.051(1)~~(e)~~. The costs and expenses of any government  
52 | program or project required in part II of this chapter shall not  
53 | be recovered under this section.

54 | Section 3. Subsection (1) of section 364.051, Florida  
55 | Statutes, is amended to read:

56 | 364.051 Price regulation.—

57           (1) APPLICATION TO LOCAL EXCHANGE TELECOMMUNICATIONS  
 58 COMPANIES SCHEDULE.—Notwithstanding any other provisions of this  
 59 chapter, all the following local exchange telecommunications  
 60 companies are ~~shall become~~ subject to the price regulation  
 61 described in this section. ~~on the following dates:~~

62           ~~(a) For a local exchange telecommunications company with~~  
 63 ~~100,000 or more access lines in service as of July 1, 1995, such~~  
 64 ~~company may file with the commission a notice of election to be~~  
 65 ~~under price regulation effective January 1, 1996, or when a~~  
 66 ~~competitive local exchange telecommunications company is~~  
 67 ~~certificated to provide local exchange telecommunications~~  
 68 ~~services in its service territory, whichever is later.~~

69           ~~(b) Effective on the date of filing its election with the~~  
 70 ~~commission, but no sooner than January 1, 1996, any local~~  
 71 ~~exchange telecommunications company with fewer than 100,000~~  
 72 ~~access lines in service on July 1, 1995, that elects pursuant to~~  
 73 ~~s. 364.052 to become subject to this section.~~

74           ~~(c) Each company subject to this section is exempt from~~  
 75 ~~rate base, rate of return regulation, and the requirements of s.~~  
 76 ~~ss. 364.03, 364.035, 364.037, 364.05, 364.055, 364.14, 364.17,~~  
 77 ~~364.18, and 364.19.~~

78           Section 4. Subsection (2) of section 364.052, Florida  
 79 Statutes, is amended to read:

80           364.052 Regulatory methods for small local exchange  
 81 telecommunications companies.—

82           (2) ~~A small local exchange telecommunications company~~  
 83 ~~shall remain under rate base, rate of return regulation until~~  
 84 ~~the company elects to become subject to s. 364.051, or January~~

85 ~~1, 2001, whichever occurs first. A company subject to this~~  
86 ~~section, electing to be regulated pursuant to s. 364.051, will~~  
87 ~~have any overearnings attributable to a period prior to the date~~  
88 ~~on which the company makes the election subject to refund or~~  
89 ~~other disposition by the commission. Small local exchange~~  
90 ~~telecommunications companies not electing the price regulation~~  
91 ~~provided for under s. 364.051 shall also be regulated pursuant~~  
92 ~~to ss. 364.03, 364.035(1) and (2), 364.05, and 364.055 and other~~  
93 ~~provisions necessary for rate base, rate of return regulation.~~  
94 ~~If a small local exchange telecommunications company has not~~  
95 ~~elected to be regulated under s. 364.051, by January 1, 2001,~~  
96 ~~the company shall remain under rate base, rate of return~~  
97 ~~regulation until such time as a certificated competitive local~~  
98 ~~exchange company provides basic local telecommunications service~~  
99 ~~in the company's territory. At such time, the small local~~  
100 ~~exchange telecommunications company shall be subject to s.~~  
101 ~~364.051.~~

102 ~~(a) The commission shall establish, by rule, ranges of~~  
103 ~~basic factors for lives and salvage values to be used in~~  
104 ~~developing depreciation rates for companies subject to this~~  
105 ~~section. Companies shall have the option of using basic factors~~  
106 ~~within the established ranges or of filing depreciation studies.~~

107 ~~(b) The commission shall adopt, by rule, streamlined~~  
108 ~~procedures for regulating companies subject to this section.~~  
109 ~~These procedures shall minimize the burdens of regulation with~~  
110 ~~regard to audits, investigations, service standards, cost~~  
111 ~~studies, reports, and other matters, and the commission shall~~  
112 ~~establish, by rule, only those procedures that are cost-~~

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113 justified and are in the public interest so that universal  
114 service may be promoted. Upon petition filed in this rulemaking  
115 proceeding, the commission shall review and may approve any  
116 regulations unique to the specific circumstances of a company  
117 subject to this section.

118 Section 5. Section 364.063, Florida Statutes, is amended  
119 to read:

120 364.063 Rate adjustment orders.—Any order issued by the  
121 Florida Public Service Commission adjusting general increases or  
122 reductions of the rates of a telecommunications company shall be  
123 reduced to writing, including any dissenting or concurring  
124 opinions, within 20 days after the official vote of the  
125 commission. Within such 20-day period, the commission shall also  
126 mail a copy of the order to the clerk of the circuit court of  
127 each county in which customers are served who are affected by  
128 the rate adjustment, which copy shall be kept on file and made  
129 available to the public. The commission shall notify all parties  
130 of record in the proceeding of the date of such mailing. Such an  
131 order shall not be considered rendered for purposes of appeal,  
132 rehearing, or judicial review until the order is signed and  
133 dated by the commission's designee. This provision shall not  
134 delay the effective date of the order. ~~Such an order shall be~~  
135 ~~considered rendered on the date of the official vote for the~~  
136 ~~purposes of s. 364.05(5).~~

137 Section 6. Subsections (1), (2), and (4) of section  
138 364.337, Florida Statutes, are amended to read:

139 364.337 Competitive local exchange telecommunications  
140 companies; intrastate interexchange telecommunications services;

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141 certification.—

142 (1) Upon this act becoming a law, a party may file an  
143 application for a certificate as a competitive local exchange  
144 telecommunications company before January 1, 1996, and the  
145 commission shall conduct its review of the application and take  
146 all actions necessary to process the application. However, an  
147 application shall become effective no sooner than January 1,  
148 1996. The commission shall grant a certificate of authority to  
149 provide competitive local exchange service upon a showing that  
150 the applicant has sufficient technical, financial, and  
151 managerial capability to provide such service in the geographic  
152 area proposed to be served. A competitive local exchange  
153 telecommunications company may not offer basic local  
154 telecommunications services within the territory served by a  
155 company subject to s. 364.052 prior to January 1, 2001, unless  
156 the small local exchange telecommunications company is ~~elects to~~  
157 ~~be~~ regulated under s. 364.051 or provides cable television  
158 programming services directly or as video dial tone applications  
159 authorized under 47 U.S.C. s. 214, except as provided for in  
160 compliance with part II. It is the intent of the Legislature  
161 that the commission act expeditiously to grant certificates of  
162 authority under this section and that the grant of certificates  
163 not be affected by the application of any criteria other than  
164 that specifically enumerated in this subsection.

165 (2) Rules adopted by the commission governing the  
166 provision of competitive local exchange telecommunications  
167 service shall be consistent with s. 364.01. The basic local  
168 telecommunications service provided by a competitive local

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169 exchange telecommunications company must include access to  
170 operator services, "911" services, and relay services for the  
171 hearing impaired. A competitive local exchange  
172 telecommunications company's "911" service shall be provided at  
173 a level equivalent to that provided by the local exchange  
174 telecommunications company serving the same area. There shall be  
175 a flat-rate pricing option for basic local telecommunications  
176 services, and mandatory measured service for basic local  
177 telecommunications services shall not be imposed. A certificated  
178 competitive local exchange telecommunications company may  
179 petition the commission for a waiver of some or all of the  
180 requirements of this chapter, except ss. 364.16, 364.336, and  
181 subsections (1) and (5). The commission may grant such petition  
182 if determined to be in the public interest. Competitive local  
183 exchange telecommunications companies are not subject to the  
184 requirements of ~~ss. 364.03, 364.035, 364.037, 364.05, 364.055,~~  
185 ~~364.14, 364.17, 364.18,~~ 364.33~~7~~, and 364.3381.

186 (4) Rules adopted by the commission governing the  
187 provision of intrastate interexchange telecommunications service  
188 must be consistent with s. 364.01. A certificated intrastate  
189 interexchange telecommunications company may petition the  
190 commission for a waiver for some or all of the requirements of  
191 this chapter, except s. 364.16, s. 364.335(3), or subsection  
192 (5). The commission may grant such petition if determined to be  
193 in the public interest. Intrastate interexchange  
194 telecommunications companies are not subject to the requirements  
195 of s. ~~ss. 364.03, 364.035, 364.037, 364.05, 364.055, 364.14,~~  
196 ~~364.17, 364.18,~~ and 364.3381.

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197 Section 7. Subsection (2) of section 364.385, Florida  
 198 Statutes, is amended to read:

199 364.385 Saving clauses.—

200 (2) All applications for extended area service, routes, or  
 201 extended calling service pending before the commission on March  
 202 1, 1995, shall be governed by the law as it existed prior to  
 203 July 1, 1995. Upon the approval of the application, the extended  
 204 area service, routes, or extended calling service shall be  
 205 considered basic services and shall be regulated as provided in  
 206 s. 364.051 ~~for a company that has elected price regulation.~~  
 207 Proceedings including judicial review pending on July 1, 1995,  
 208 shall be governed by the law as it existed prior to the date on  
 209 which this section becomes a law. No new proceedings governed by  
 210 the law as it existed prior to July 1, 1995, shall be initiated  
 211 after July 1, 1995. Any administrative adjudicatory proceeding  
 212 which has not progressed to the stage of a hearing by July 1,  
 213 1995, may, with the consent of all parties and the commission,  
 214 be conducted in accordance with the law as it existed prior to  
 215 January 1, 1996.

216 Section 8. Subsection (2) of section 364.507, Florida  
 217 Statutes, is amended to read:

218 364.507 Legislative intent.—

219 (2) It is the intent of the Legislature that all local  
 220 exchange telecommunications companies, ~~including those with less~~  
 221 ~~than 100,000 access lines in service which do not elect to be~~  
 222 ~~regulated under price regulation pursuant to s. 364.051,~~ should  
 223 be required to provide advanced telecommunications services to  
 224 eligible facilities in the absence of a competitive bid to

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225 | provide such services pursuant to s. 364.510(3). This obligation  
226 | arises from the privileges granted such local exchange  
227 | telecommunications companies under part I of this chapter.

228 |       Section 9. This act shall take effect July 1, 2010.