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HOUSE BILL NO. 2115

Offered January 9, 2013

Prefiled January 9, 2013

A BILL to amend and reenact § 56-235.5:1 of the Code of Virginia, relating to local exchange telephone service; intrastate switched access charges.

Patron—Comstock

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That § 56-235.5:1 of the Code of Virginia is amended and reenacted as follows:

§ 56-235.5:1. Local exchange telephone service competition policy.

A. The Commission, in resolving issues and cases concerning local exchange telephone service under the federal Telecommunications Act of 1996 (P.L. 104-104), this title, or both, shall, consistent with federal and state laws, consider it in the public interest to, as appropriate, (i) treat all providers of local exchange telephone services in an equitable fashion and without undue discrimination and, to the greatest extent possible, apply the same rules to all providers of local exchange telephone services; (ii) promote competitive product offerings, investments, and innovations from all providers of local exchange telephone services in all areas of the Commonwealth; and (iii) reduce or eliminate any requirement to price retail and wholesale products and services at levels that do not permit providers of local exchange telephone services to recover their costs of those products and services.

B. In order to treat all providers of local exchange telephone service more equitably and without undue discrimination by ensuring that they are subject to the same rules:

1. Notwithstanding any other provision of law, the Commission shall (i) for incumbent local exchange carriers serving more than 15,000 access lines in its incumbent territory, establish a schedule that eliminates the carrier common line charge element of intrastate carrier switched access charges no later than July 1, 2013, provided that (a) any such carrier that directly receives no later than April 1, 2010, a Broadband Initiatives Program grant and loan for use in the Commonwealth from the Rural Utilities Service of the U.S. Department of Agriculture under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) shall be considered under clause (ii), and (b) any such carrier that has not been the subject of a Commission proceeding to investigate its carrier common line charge may apply to the Commission for an opportunity to be heard as to why it is in the public interest and why it will not unreasonably prejudice or disadvantage telephone customers throughout the Commonwealth to extend the deadline for the elimination of its carrier common line charge to a date determined by the Commission, but in no case later than July 1, 2014; and (ii) for incumbent local exchange carriers with 15,000 or fewer access lines in its incumbent territory, determine, no later than July 1, 2011, and after notice and an opportunity for a hearing, a schedule for the elimination of the carrier common line charge element of intrastate carrier switched access charges in a manner to be determined by the Commission.

2. The Commission shall permit any incumbent local exchange carrier to increase its retail rates to recover a reasonable amount of carrier common line charge revenue lost due to the reductions required in subdivision 1.

~~3. The Commission shall (i) not permit any incumbent local exchange carrier to add additional elements of intrastate carrier switched access charges or to increase the charge for any element of intrastate carrier switched access charges above that incumbent local exchange carrier's charges on January 1, 2010; (ii) on July 1, 2010, take any action necessary to eliminate any element of intrastate carrier switched access charges implemented by an incumbent local exchange carrier after January 1, 2010; and (iii) on July 1, 2010, take any action necessary to reduce to its January 1, 2010, level any element of intrastate carrier switched access charges increased by an incumbent local exchange carrier after January 1, 2010.~~

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