## **HOUSE BILL NO. 1804**

Offered January 12, 2005 Prefiled January 5, 2005

A BILL to amend and reenact § 56-1 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 56-1.3, relating to the regulation of voice-over-Internet protocol service.

Patron—Marshall, R.G.

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That § 56-1 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 56-1.3, as follows:

§ 56-1. Definitions.

Whenever used in any chapter under this title, the following terms, words and phrases shall have the meaning and shall include what is specified in this section, unless the contrary plainly appears, that is to say unless the context requires a different meaning:

The words "the "Commission" shall meanmeans the State Corporation Commission.

The word "corporation" or "company" shall include includes all corporations created by acts of the General Assembly of Virginia, or under the general incorporation laws of this Commonwealth, or doing business therein, and shall exclude all municipal corporations, other political subdivisions, and public institutions owned or controlled by the Commonwealth.

The words "interexchange "Interexchange telephone service" shall meanmeans telephone service between points in two or more exchanges, which that is not classified as local exchange telephone service. "Interexchange telephone service" shall not include voice-over-Internet protocol service for purposes of regulation by the Commission, including the imposition of regulatory fees, certification requirements, and the filing or approval of tariffs. Nothing herein shall affect the rights and obligations of any entity with respect to the payment of switched network access rates or other intercarrier compensation, if any, related to voice-over-Internet protocol service.

The words "Virginia limited liability company" shall mean (i) any limited liability company organized under Chapter 12 (§ 13.1-1000 et seq.) of Title 13.1, or (ii) any foreign limited liability company that is organized or is domesticated by filing articles of organization that meet the requirements of §§ 13.1-1003 and 13.1-1011 and include (a) the name of the foreign limited liability company immediately prior to the filing of the articles of organization; (b) the date on which and the jurisdiction in which the foreign limited liability company was first formed, organized, created or otherwise came into being; and (c) the jurisdiction that constituted the seat, siege social, or principal place of business or central administration of the foreign limited liability company, or any equivalent thereto under applicable law, immediately prior to the filing of the articles of organization. The terms and conditions of a domestication of a foreign limited liability company as a limited liability company shall be approved in the manner provided for by the document, instrument, agreement or other writing, as the case may be, governing the internal affairs of the foreign limited liability company in the conduct of its business or by applicable law other than the law of this Commonwealth, as appropriate. The provisions governing the status, powers, obligations, and choice of law applicable under § 13.1-1010.3 shall apply to any limited liability company domesticated or organized in accordance with this process.

The words "local" Local exchange telephone service" shall meanmeans telephone service provided in a geographical area established for the administration of communication services and consists of one or more central offices together with associated facilities which are used in providing local exchange service. Local exchange service, as opposed to interexchange service, consists of telecommunications between points within an exchange or between exchanges which are within an area where customers may call at rates and charges specified in local exchange tariffs filed with the Commission. "Local exchange telephone service" shall not include voice-over-Internet protocol service for purposes of regulation by the Commission, including the imposition of regulatory fees, certification requirements, and the filing or approval of tariffs. Nothing herein shall affect the rights and obligations of any entity with respect to the payment of switched network access rates or other intercarrier compensation, if any, related to voice-over-Internet protocol service.

The word "person" shall include "Person" includes individuals, partnerships and corporations.

The words "public" Public service corporation" or "public service company" shall include includes gas, pipeline, electric light, heat, power and water supply companies, sewer companies, telephone companies, telegraph companies, and all persons authorized to transport passengers or property as a

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common carrier. "Public service corporation" or "public service company" shall not include a municipal corporation, other political subdivision or public institution owned or controlled by the Commonwealth; however, if such an entity has obtained a certificate to provide services pursuant to § 56-265.4:4, then such entity shall be deemed to be a public service corporation or public service company and subject to the authority of the Commission with respect only to its provision of the services it is authorized to provide pursuant to such certificate.

The word "railroad" shall include "Railroad" includes all railroad or railway lines, whether operated by steam, electricity, or other motive power, except when otherwise specifically designated.

The words "railroad "Railroad company" shall include includes any company, trustee or other person owning, leasing or operating a railroad.

The word "rate" shall be considered to mean "Rate" means "rate charged for any service rendered or to be rendered."

The words "rate" Rate," "charge" and "regulation" shall include joint rates, joint charges and joint regulations, respectively.

The words "transportation "Transportation company" shall include includes any railroad company, any company transporting express by railroad, and any ship or boat company.

"Virginia limited liability company" means (i) any limited liability company organized under Chapter 12 (§ 13.1-1000 et seq.) of Title 13.1, or (ii) any foreign limited liability company that is organized or is domesticated by filing articles of organization that meet the requirements of §§ 13.1-1003 and 13.1-1011 and include (a) the name of the foreign limited liability company immediately prior to the filing of the articles of organization; (b) the date on which and the jurisdiction in which the foreign limited liability company was first formed, organized, created or otherwise came into being; and (c) the jurisdiction that constituted the seat, siege social, or principal place of business or central administration of the foreign limited liability company, or any equivalent thereto under applicable law, immediately prior to the filing of the articles of organization. The terms and conditions of a domestication of a foreign limited liability company as a limited liability company shall be approved in the manner provided for by the document, instrument, agreement or other writing, as the case may be, governing the internal affairs of the foreign limited liability company in the conduct of its business or by applicable law other than the law of this Commonwealth, as appropriate. The provisions governing the status, powers, obligations, and choice of law applicable under § 13.1-1010.3 shall apply to any limited liability company domesticated or organized in accordance with this process.

"Voice-over-Internet protocol service" or "VoIP service" means any Internet protocol enabled services offering real time, multi-directional voice functionality including, but not limited to, services that mimic traditional telephone service. Transmission paths to facilitate Voice-over-Internet protocol applications or services, or both, utilize the Internet, a global, packet switched group of networks consisting of interconnected public, private, managed and non-managed Internet protocol networks.

§ 56-1.3. Regulation of voice-over-Internet protocol service.

Notwithstanding any provision of law to the contrary:

- 1. "Telecommunications service" and "telephone service" shall not include the provision of voice-over-Internet protocol service for purposes of regulation by the Commission.
- 2. The Commission shall not have jurisdiction with respect to the regulation of voice-over-Internet protocol service, including but not limited to the imposition of regulatory fees, certification requirements, and the filing or approval of tariffs.
- 3. Nothing herein shall affect the rights and obligations of any entity related to the payment of switched network access rates or other intercarrier compensation, if any, related to voice-over-Internet protocol service.