

## State Corporation Commission 2008 Fiscal Impact Statement

**1. Bill Number:** HB545

House of Origin	<u>X</u>	Introduced	___	Substitute	___	Engrossed
Second House	___	In Committee	___	Substitute	___	Enrolled

**2. Patron:** Nixon

**3. Committee:** Commerce and Labor

**4. Title:** Alternatives to regulation of telephone service.

**5. Summary:** Alternatives to regulation of telephone service. Declares that all telephone services, other than lifeline and E-911 services, offered by a telephone company are competitive. Increases in monthly charges for residential dialtone telephone service are capped at \$1.50 per 12-month period through July 1, 2011, though the State Corporation Commission may extend this cap for up to an additional 24 months if the Commission finds that competition or the potential for competition in the market place cannot be an effective regulator of its price. The Commission is required to establish rules to permit any telephone company to detariff telephone services offered to (i) business customers, other than E-911 services, beginning no later January 1, 2009, and (ii) residential customers, other than lifeline services, beginning no later than January 1, 2010. Prior to detariffing its telephone services, a telephone company may offer promotional rates, terms, or conditions and individual customer pricing for its telephone services in accordance with the Commission's rules for competitive local exchange carriers. Lifeline or E-911 services may be detariffed when the Commission determines that their tariffing is no longer required to protect the public interest. Telephone companies offering competitive telephone services under these provisions are exempted from Commission oversight of their issuance of securities and affiliate transactions.

**6. Fiscal Impact Estimates:** Not available.

**7. Budget Amendment Necessary:** No.

**8. Fiscal Implications:** The fiscal impact cannot be determined at this time.

**9. Specific Agency or Political Subdivisions Affected:** State Corporation Commission

**10. Technical Amendment Necessary:**

**11. Other Comments:** None

**Date:** 1/31/2008 sb  
**cc:** Secretary of Commerce and Trade