

1 SB87
2 126271-2
3 By Senator Marsh
4 RFD: Commerce, Transportation, and Utilities
5 First Read: 01-MAR-11

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

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11 To amend Section 37-2A-8 of the Code of Alabama
12 1975, relating to basic telephone service; to further specify
13 and add exceptions to the obligation of the carrier of last
14 resort to provide basic telephone service to the premises of a
15 permanent residence within the franchised service territory of
16 an incumbent local exchange carrier.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. Section 37-2A-8 of the Code of Alabama
19 1975, is amended to read as follows:

20 "§37-2A-8.

21 "(a) (1) Notwithstanding any provision of law to the
22 contrary, an entity that is not an incumbent local exchange
23 carrier shall not be obligated to tariff or otherwise provide
24 basic telephone service. An incumbent local exchange carrier
25 shall provide, upon reasonable request, basic telephone
26 service to the premises of a permanent residence within its
27 franchised service territory, if the costs, including, but not

1 limited to costs of facilities, rights-of-way, and equipment,
2 of providing basic telephone service to the requesting party
3 does not exceed eight thousand dollars (\$8,000).

4 "(2) If the cost exceeds eight thousand dollars
5 (\$8,000), as provided in subdivision (1), an incumbent local
6 exchange carrier may not deny service on the basis of cost so
7 long as sufficient funds to provide that service are available
8 from the Alabama portion of the applicable federal universal
9 service fund program.

10 "(3) An incumbent local exchange carrier obligated
11 by this section to serve as the carrier of last resort is
12 relieved of that obligation and shall not be obligated to
13 provide basic telephone service to any occupants of real
14 property if the owner or developer of the real property, or a
15 person acting on behalf of the owner or developer of real
16 property, engages in any of the following acts:

17 "a. Permits an alternative communications service
18 provider to install its facilities or equipment used to
19 provide communications services based on a condition of
20 exclusion of the incumbent local exchange carrier during the
21 construction phase of the real property.

22 "b. Accepts or agrees to accept incentives or
23 rewards from an alternative communications services provider
24 that are contingent upon the provision of any or all local
25 communications services by one or more alternative
26 communications services providers to the exclusion of the
27 incumbent local exchange carrier.

1 "c. Collects from the occupants or residents of the
2 real property mandatory charges for the provision of any local
3 communications services provided by an alternative
4 communications services provider to the occupants or residents
5 in any manner, including, but not limited to, collection
6 through rent, fees, or dues.

7 "d. Prohibits an incumbent local exchange carrier
8 from providing the full range of its communications services,
9 including video services, to the premises of potential
10 customers.

11 "(4) If the alternative communications services
12 provider in paragraphs a. through c. of subdivision (3) goes
13 out of business and is unable to provide service to the
14 property and there is no other provider willing or able to
15 provide, or actually providing voice service to the property,
16 then the incumbent local exchange carrier, subject to the
17 limitations in subdivisions (1) and (2), shall provide voice
18 service to the property utilizing any available technology
19 through any affiliated companies, provided the incumbent local
20 exchange carrier has reasonable access to the property.

21 "(b) (1) Beginning February 1, 2007, the retail price
22 for basic telephone service to be offered by incumbent local
23 exchange carriers shall not exceed the highest price charged
24 by the incumbent local exchange carrier on January 31, 2007.

25 "(2)a. Beginning January 1, 2008, and every
26 succeeding January 1 through December 31, 2010, the retail
27 rates for basic telephone service may not be increased by the

1 incumbent local exchange carrier to exceed the rates of the
2 previous year as of January 1, plus any increase in the
3 Consumer Price Index for all urban consumers as reported by
4 the U.S. Department of Labor, Bureau of Labor Statistics.

5 "b. Beginning August 1, 2009,, the commission shall
6 not have any jurisdiction, right, power, authority, or duty to
7 regulate, supervise, control, oversee, or monitor, directly or
8 indirectly, the costs, rates, charges, terms, or conditions,
9 for any retail telecommunications services provided to
10 businesses or government entities, except as provided in
11 Section 37-2A-11(b) (6).

12 "c. Beginning January 1, 2011, the commission shall
13 not have any jurisdiction, right, power, authority, or duty to
14 regulate, supervise, control, oversee, or monitor, directly or
15 indirectly, the costs, rates, charges, terms, or conditions
16 for basic telephone service.

17 "(3)a. Each optional telephone feature in a bundled
18 offering must be available on a stand-alone basis under a
19 tariff on file with the commission. If a bundled offering is
20 offered by a local exchange carrier, the carrier shall have a
21 basic telephone service tariffed offering for residential
22 customers on file with the commission.

23 "b. Beginning January 1, 2008, and through December
24 31, 2010, increases in tariffed rates for optional telephone
25 features may not exceed five percent per optional telephone
26 feature per year.

1 "c. Through December 31, 2010, a residential bundled
2 offering that consists solely of basic telephone service and
3 optional telephone features must be priced at or below the sum
4 of the tariffed price of basic telephone service and the
5 tariffed price of the associated optional telephone features.

6 "d. Beginning January 1, 2011, the commission shall
7 not have any jurisdiction, right, power, authority, or duty to
8 regulate, supervise, control, oversee, or monitor, directly or
9 indirectly, the costs, rates, charges, terms, or conditions
10 for optional telephone features."

11 Section 2. This act shall become effective on the
12 first day of the third month following its passage and
13 approval by the Governor, or its otherwise becoming law.

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Senate

Read for the first time and referred to the Senate
committee on Commerce, Transportation, and Utili-
ties..... 01-MAR-11

Read for the second time and placed on the calen-
dar..... 03-MAR-11

Read for the third time and passed as amended 05-APR-11

Yeas 30
Nays 0
Abstaining 1

Patrick Harris
Secretary