By the Committee on Utilities & Communications and Representatives Clemons and Merchant

A bill to be entitled
An act relating to telecommunications network
access services; amending s. 364.163, F.S.;
requiring specified reductions in intrastate
switched access rates and long distance rates
by certain companies under certain
circumstances; providing an exception;
authorizing certain local exchange
telecommunications companies to adjust basic
local telecommunications service rates under
certain circumstances; providing an effective
date.

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

Section 1. Subsections (6) and (7) of section 364.163, Florida Statutes, are amended to read:

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364.163 Network access services.—For purposes of this section, "network access service" is defined as any service provided by a local exchange telecommunications company to a telecommunications company certificated under this chapter or licensed by the Federal Communications Commission to access the local exchange telecommunications network, excluding the local interconnection arrangements in s. 364.16 and the resale arrangements in s. 364.161. Each local exchange telecommunications company subject to s. 364.051 shall maintain tariffs with the commission containing the terms, conditions, and rates for each of its network access services.

(6)(a) Any local exchange telecommunications company whose current intrastate switched access rates are higher than its interstate switched access rates in effect on December 31,

1994, shall reduce its intrastate switched access rates by 5 percent annually beginning October 1, 1996. Any such company shall be relieved of this requirement if it reduces such rates by a greater percentage by the relevant date or earlier, taking into account any reduction made pursuant to Florida Public Service Commission Order No. PSC 94-0172-FOF-TL. Upon reaching parity between intrastate and 1994 interstate switched access rates, no further reductions shall be required. Any telecommunications company whose intrastate switched access rate is reduced by this subsection shall decrease its customer long distance rates by the amount necessary to return the benefits of such reduction to its customers.

- (b) Any local exchange telecommunications company with more than 100,000 and less than 1.85 million basic local telecommunications service access lines in service on January 1, 1997, shall reduce its intrastate switched access rates by an additional 5 percent on February 1, 1998, and February 1, 1999.
- (c) Any local exchange telecommunications company with more than 1.85 million and less than 3 million basic local telecommunications service access lines in service on January 1, 1997, shall reduce its intrastate switched access rates by an additional 5 percent on February 1, 1998, June 1, 1998, and February 1, 1999.
- intrastate switched access rate is reduced by this subsection shall decrease its customer long distance rates by the amount necessary to return the benefits of such reduction to its customers. The commission shall ensure that the reductions benefit all customers who make intrastate long distance calls,

regardless of the volume or type of such calls unless the commission, after an opportunity for a hearing, determines that this is not in the public interest. The commission shall have continuing regulatory oversight of customer long distance rate reductions.

- (e) Any local exchange company that can show it can no longer afford to provide universal service as a result of the rate reductions required by this subsection may petition the Public Service Commission for appropriate relief from the rate reduction required by this subsection.
- (f) Access fee reductions pursuant to this section shall not be deemed substantially changed circumstances for purposes of s. 364.051(5).
- (7) Telecommunications company intrastate switched access and customer long distance rate reductions shall become effective on the relevant dates set forth in paragraphs (6)(b) and (c) and on October 1 of each relevant year. Rate decreases proposed in tariff revisions filed by the telecommunications companies with the commission shall be presumed valid and become effective on the dates set forth in paragraphs (6)(b) and (c) and on October 1 of each relevant year.

Section 2. This act shall take effect upon becoming a law.