${\bf By}$ Senator Haridopolos

	26-01090B-09 20092626
1	A bill to be entitled
2	An act relating to telecommunications companies;
3	creating the "Consumer Choice and Protection Act";
4	amending s. 364.01, F.S.; providing that it is the
5	intent of the Legislature that the Public Service
6	Commission not regulate Internet protocol-enabled
7	service, including voice-over-Internet service;
8	amending s. 364.02, F.S.; redefining the terms "basic
9	local telecommunications service," "nonbasic service,"
10	and "telecommunications company" and defining the term
11	"Internet protocol-enabled service"; amending ss.
12	364.011 and 364.013, F.S.; exempting Internet
13	protocol-enabled services from the regulatory
14	jurisdiction of the Public Service Commission;
15	amending s. 364.04, F.S.; requiring each
16	telecommunications company to publish through
17	electronic or physical media the company's schedules
18	showing its rates, tolls, rentals, contracts, and
19	charges; authorizing a telecommunications company to
20	file the published schedules with the Public Service
21	Commission or to publish the schedules through other
22	reasonably publicly accessible means, including on a
23	website; deleting standards for printing schedules and
24	notices; amending s. 364.051, F.S.; removing a
25	limitation on eligibility to request an increase in
26	basic rates due to storm damage; deleting provisions
27	relating to rate increases for nonbasic services;
28	authorizing a telecommunications company to change the
29	price of a nonbasic service with 1 day's notice;

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20092626 26-01090B-09 30 amending s. 364.08, F.S.; prohibiting a 31 telecommunications company from charging or receiving 32 compensation for any service other than for the charge 33 applicable to the service as specified in its schedule 34 on file or otherwise published; providing an exception 35 for employee concessions; amending s. 364.10, F.S.; 36 providing the conditions that require a 37 telecommunications carrier to provide Lifeline 38 services to eligible customers; amending s. 364.15, 39 F.S.; requiring that the Public Service Commission order only those repairs and improvements to 40 telecommunications facilities which are authorized 41 42 under law; amending s. 364.33, F.S.; providing that a 43 certificate of necessity may be transferred from a 44 person holding a certificate to another, and a person 45 holding a certificate may acquire ownership or control 46 of a telecommunications facility without prior 47 approval of the commission; amending ss. 364.335 and 364.345, F.S.; conforming provisions to changes made 48 49 in the act; amending s. 364.3376, F.S.; requiring 50 providers of telephone operator services to comply 51 with certain enumerated criteria; requiring the 52 operator services to bill for services in accordance with published schedules; amending s. 364.3382, F.S.; 53 54 requiring each local exchange telecommunications 55 company to advise each residential customer of the 56 least-cost service available to that customer when the 57 residential customer initially requests basic local

telecommunications service; repealing s. 364.09, F.S.,

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59	relating to the illegal giving of rebates or special
60	rates by a telecommunications company; reenacting s.
61	364.059(1)(a), F.S., relating to petitions filed in a
62	telecommunication proceeding seeking a stay of an
63	anticompetitive price reduction, to incorporate the
64	amendments made to s. 364.051 F.S., in a reference
65	thereto; amending ss. 196.012, 199.183, 212.08,
66	290.007, 350.0605, 364.602, and 489.103, F.S.;
67	conforming cross-references; providing an effective
68	date.
69	
70	Be It Enacted by the Legislature of the State of Florida:
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72	Section 1. This act may be cited as the "Consumer Choice
73	and Protection Act."
74	Section 2. Subsection (3) of section 364.01, Florida
75	Statutes, is amended to read:
76	364.01 Powers of commission, legislative intent
77	(3) Communications activities that are not regulated by the
78	Florida Public Service Commission, including, but not limited
79	to, Internet protocol-enabled service such as VoIP, wireless,
80	and broadband, are subject to this state's generally applicable
81	business regulation and deceptive trade practices and consumer
82	protection laws, as enforced by the appropriate state authority
83	or through actions in the judicial system. This chapter does not
84	limit the availability to any party of any remedy or defense
85	under state or federal antitrust laws. The Legislature finds
86	that the competitive provision of telecommunications services,
87	including local exchange telecommunications service, is in the

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26-01090B-09 20092626 88 public interest and will provide customers with freedom of 89 choice, encourage the introduction of new telecommunications service, encourage technological innovation, and encourage 90 investment in telecommunications infrastructure. The Legislature 91 92 further finds that the transition from the monopoly provision of 93 local exchange service to the competitive provision thereof will 94 require appropriate regulatory oversight to protect consumers 95 and provide for the development of fair and effective 96 competition, but nothing in this chapter shall limit the 97 availability to any party of any remedy under state or federal antitrust laws. The Legislature further finds that changes in 98 99 regulations allowing increased competition in telecommunications 100 services could provide the occasion for increases in the 101 telecommunications workforce; therefore, it is in the public 102 interest that competition in telecommunications services lead to 103 a situation that enhances the high-technological skills and the 104 economic status of the telecommunications workforce. The 105 Legislature further finds that the provision of Internet protocol-enabled service, including voice-over-Internet protocol 106 107 (VoIP) free of unnecessary regulation, regardless of the 108 provider, is in the public interest.

109 Section 3. Section 364.02, Florida Statutes, is amended to 110 read:

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364.02 Definitions.-As used in this chapter, the term:

(1) "Basic local telecommunications service" means voicegrade, <u>single-line</u>, flat-rate residential, and flat-rate singleline business local exchange <u>service that provides</u> services which provide dial tone, local usage necessary to place unlimited calls within a local exchange area, dual tone

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26-01090B-09 20092626 117 multifrequency dialing, and access to the following: emergency 118 services such as "911," all locally available interexchange companies, directory assistance, operator services, relay 119 120 services, and an alphabetical directory listing. For a local 121 exchange telecommunications company, the term includes shall 122 include any extended area service routes, and extended calling 123 service in existence or ordered by the commission on or before 124 July 1, 1995. 125 (2) "Broadband service" means any service that consists of 126 or includes the offering of the capability to transmit or 127 receive information at a rate that is not less than 200 kilobits 128 per second and either: 129 (a) Is used to provide access to the Internet; or 130 (b) Provides computer processing, information storage, 131 information content, or protocol conversion in combination with 132 the service. 133 134 The definition of broadband service does not include any intrastate telecommunications services that have been tariffed 135 136 with the commission on or before January 1, 2005. (3) "Commercial mobile radio service provider" means a 137 138 commercial mobile radio service provider as defined by and pursuant to 47 U.S.C. ss. 153(n) and 332(d). 139 (4) "Commission" means the Florida Public Service 140 141 Commission. 142 (5) "Competitive local exchange telecommunications company" 143 means any company certificated by the commission to provide 144 local exchange telecommunications services in this state on or 145 after July 1, 1995.

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20092626 26-01090B-09 146 (6) "Corporation" includes a corporation, company, 147 association, or joint stock association. 148 (7) "Internet protocol-enabled service" means a service, 149 capability, functionality, or application that is provided using 150 Internet protocol or a successor protocol to enable an end user to send or receive data, video, or voice communications in 151 152 Internet protocol format or a successor format. 153 (8) (7) "Intrastate interexchange telecommunications 154 company" means any entity that provides intrastate interexchange telecommunications services. 155 156 (9) (8) "Local exchange telecommunications company" means 157 any company certificated by the commission to provide local exchange telecommunications service in this state on or before 158 June 30, 1995. 159 160 (10) (9) "Monopoly service" means a telecommunications service for which there is no effective competition, either in 161 162 fact or by operation of law. (11) (10) "Nonbasic service" means any telecommunications 163 service provided by a local exchange telecommunications company 164 165 other than a basic local telecommunications service, a local 166 interconnection arrangement described in s. 364.16, or a network 167 access service described in s. 364.163. Any combination of basic service along with a nonbasic service or an unregulated service 168 169 is nonbasic service. (12) (11) "Operator service" includes, but is not limited 170 171 to, billing or completion of third-party, person-to-person, collect, or calling card or credit card calls through the use of 172 173 a live operator or automated equipment. 174 (13) (12) "Operator service provider" means a person who

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20092626 26-01090B-09 175 furnishes operator service through a call aggregator. 176 (14) (13) "Service" is to be construed in its broadest and 177 most inclusive sense. The term "service" does not include 178 broadband service or Internet protocol-enabled service, 179 including voice-over-Internet protocol service for purposes of 180 regulation by the commission. Nothing herein shall affect the 181 rights and obligations of any entity related to the payment of 182 switched network access rates or other intercarrier 183 compensation, if any, related to Internet protocol-enabled 184 service, including voice-over-Internet protocol service. 185 Notwithstanding s. 364.013, and the exemption of services 186 pursuant to this subsection, the commission may arbitrate, enforce, or approve interconnection agreements, and resolve 187 188 disputes as provided by 47 U.S.C. ss. 251 and 252, or any other 189 applicable federal law or regulation. With respect to the 190 services exempted in this subsection, regardless of the 191 technology, the duties of a local exchange telecommunications 192 company are only those that the company is obligated to extend 193 or provide under applicable federal law and regulations. (15) (14) "Telecommunications company" includes every 194

corporation, partnership, and person and their lessees, trustees, or receivers appointed by any court whatsoever, and every political subdivision in the state, offering two-way telecommunications service to the public for hire within this state by the use of a telecommunications facility. The term "telecommunications company" does not include:

201 (a) An entity <u>that</u> which provides a telecommunications 202 facility exclusively to a certificated telecommunications 203 company;

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204	(b) An entity <u>that</u> which provides a telecommunications
205	facility exclusively to a company which is excluded from the
206	definition of a telecommunications company under this
207	subsection;
208	(c) A commercial mobile radio service provider;
209	(d) A facsimile transmission service;
210	(e) A private computer data network company not offering
211	service to the public for hire;
212	(f) A cable television company providing cable service as
213	defined in 47 U.S.C. s. 522; or
214	(g) An intrastate interexchange telecommunications company.
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216	However, each commercial mobile radio service provider and each
217	intrastate interexchange telecommunications company shall
218	continue to be liable for any taxes imposed under chapters 202,
219	203, and 212 and any fees assessed under s. 364.025. Each
220	intrastate interexchange telecommunications company shall
221	continue to be subject to ss. 364.04, 364.10(3)(a) and <u>(c)(d),</u>
222	364.163, 364.285, 364.336, 364.501, 364.603, and 364.604, shall
223	provide the commission with the current information as the
224	commission deems necessary to contact and communicate with the
225	company, and shall continue to pay intrastate switched network
226	access rates or other intercarrier compensation to the local
227	exchange telecommunications company or the competitive local
228	exchange telecommunications company for the origination and
229	termination of interexchange telecommunications service, and
230	shall reduce its intrastate long distance toll rates in
231	accordance with former s. 364.163(2).
232	(16) (15) "Telecommunications facility" includes real

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233	estate, easements, apparatus, property, and routes used and
234	operated to provide two-way telecommunications service to the
235	public for hire within this state.
236	(17) (16) "VoIP" means the voice-over-Internet protocol as
237	that term is defined in federal law.
238	Section 4. Section 364.011, Florida Statutes, is amended to
239	read:
240	364.011 Exemptions from commission jurisdictionThe
241	following services are exempt from oversight by the commission,
242	except to the extent delineated in this chapter or specifically
243	authorized by federal law:
244	(1) Intrastate interexchange telecommunications services.
245	(2) Broadband services, regardless of the provider,
246	platform, or protocol.
247	(3) Internet protocol-enabled services, including VoIP.
248	(4) Wireless telecommunications, including commercial
249	mobile radio service providers.
250	Section 5. Section 364.013, Florida Statutes, is amended to
251	read:
252	364.013 Emerging and advanced servicesBroadband service
253	and the provision of Internet protocol-enabled services,
254	including voice-over-Internet-protocol (VoIP), are exempt from
255	commission jurisdiction and shall be free of state regulation,
256	except as delineated in this chapter or as specifically
257	authorized by federal law, regardless of the provider, platform,
258	or protocol.
259	Section 6. Section 364.04, Florida Statutes, is amended to
260	read:
261	364.04 Schedules of rates, tolls, rentals, contracts, and

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26-01090B-09 2.62 charges; filing; public inspection.-263 (1) Upon order of the commission, Every telecommunications

264 company shall publish through electronic or physical media file 265 with the commission, and shall print and keep open to public 266 inspection, schedules showing the rates, tolls, rentals, 267 contracts, and charges of that company for service to be 268 performed within the state. A telecommunications company may, as 269 an option, file the published schedules with the commission or 270 publish its schedules through other reasonably publicly 271 accessible means, including on a website. A telecommunications 272 company that does not file its schedule with the commission 273 shall inform its customers where a customer may view the 274 telecommunications company's schedules.

275 (2) The schedule, as printed and open to public inspection, shall plainly state the places between which telecommunications 276 277 service will be rendered and shall also state separately all 278 charges and all privileges or facilities granted or allowed and 279 any rules or regulations or forms of contract which may in 280 anywise change, affect, or determine any of the aggregate of the 281 rates, tolls, rentals, or charges for the service rendered.

282 (3) A schedule shall be plainly printed in large type, and 283 a copy thereof shall be kept by every telecommunications company readily accessible to, and for convenient inspection by, the 284 285 public at such places as may be designated by the commission. Any such schedule shall be immediately produced by the 286 287 telecommunications company upon the demand of any person.

288 (4) A notice printed in bold type and stating that such 289 schedules are on file and open to inspection by any person, the places where the schedules are kept, and that the agent will 290

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26-01090B-09 20092626 291 assist any person to determine from such schedules any rate, 292 toll, rental, rule, or regulation which is in force shall be 293 kept posted by every telecommunications company as the 294 commission designates. 295 Section 7. Paragraph (c) of subsection (1), paragraph (c) 296 of subsection (2), paragraph (b) of subsection (4), and subsection (5) of section 364.051, Florida Statutes, are amended 297 298 to read: 299 364.051 Price regulation.-(1) SCHEDULE.-Notwithstanding any other provisions of this 300 301 chapter, the following local exchange telecommunications 302 companies shall become subject to the price regulation described in this section on the following dates: 303 304 (c) Each company subject to this section is shall be exempt 305 from rate base, rate of return regulation and the requirements 306 of ss. 364.03, 364.035, 364.037, 364.05, 364.055, 364.14, 307 364.17, and 364.18, and 364.19. 308 (2) BASIC LOCAL TELECOMMUNICATIONS SERVICE.-Price 309 regulation of basic local telecommunications service shall 310 consist of the following: 311 (c) There shall be a flat-rate pricing option for basic local telecommunications service services, and mandatory 312 313 measured service for basic local telecommunications service services shall not be imposed. 314 315 (4)316 (b) For purposes of this section, evidence of damage 317 occurring to the lines, plants, or facilities of a local 318 exchange telecommunications company that is subject to the 319 carrier-of-last-resort obligations, which damage is the result

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26-01090B-09 20092626 320 of a tropical system occurring after June 1, 2005, and named by 321 the National Hurricane Center, constitutes a compelling showing 322 of changed circumstances. 323 1. A company may file a petition to recover its intrastate 324 costs and expenses relating to repairing, restoring, or 325 replacing the lines, plants, or facilities damaged by a named 326 tropical system. 327 2. The commission shall verify the intrastate costs and 328 expenses submitted by the company in support of its petition. 329 3. The company must show and the commission shall determine 330 whether the intrastate costs and expenses are reasonable under 331 the circumstances for the named tropical system. 332 4. A company having a storm-reserve fund may recover 333 tropical-system-related costs and expenses from its customers 334 only in excess of any amount available in the storm-reserve 335 fund. 336 5. The commission may determine the amount of any increase 337 that the company may charge its customers, but the charge per 338 line item may not exceed 50 cents per month per customer line 339 for a period of not more than 12 months. 340 6. The commission may order the company to add an equal 341 line-item charge per access line to the billing statement of the 342 company's retail basic local telecommunications service 343 customers, its retail nonbasic telecommunications service 344 customers, and, to the extent the commission determines 345 appropriate, its wholesale loop unbundled network element 346 customers. At the end of the collection period, the commission shall verify that the collected amount does not exceed the 347 348 amount authorized by the order. If collections exceed the

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26-01090B-09 20092626_ 349 ordered amount, the commission shall order the company to refund 350 the excess.

351 7. In order to qualify for filing a petition under this 352 paragraph, a company with 1 million or more access lines, but 353 fewer than 3 million access lines, must have tropical-system-354 related costs and expenses exceeding \$1.5 million, and a company 355 with 3 million or more access lines must have tropical-system-356 related costs and expenses of \$5 million or more. A company with 357 fewer than 1 million access lines is not required to meet a 358 minimum damage threshold in order to qualify to file a petition 359 under this paragraph.

360 8. A company may file only one petition for storm recovery 361 in any 12-month period for the previous storm season, but the 362 application may cover damages from more than one named tropical 363 system.

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365 This paragraph is not intended to adversely affect the 366 commission's consideration of any petition for an increase in 367 basic rates to recover costs related to storm damage which was 368 filed before the effective date of this act.

369 (5) NONBASIC SERVICES.—Price regulation of nonbasic 370 services shall consist of the following:

(a) Each company subject to this section shall, at its
option, maintain tariffs with the commission or otherwise
publicly publish the terms, conditions, and rates for each of
its nonbasic services, and may set or change, on 1 day's notice,
the rate for each of its nonbasic services. For a company
electing to publicly publish the terms, conditions, and rates
for each of its nonbasic services, the commission may establish

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26-01090B-09 20092626 quidelines for the publication. The guidelines may not require 378 379 more information than what is required to be filed with a 380 tariff. The price increase for any nonbasic service category 381 shall not exceed 6 percent within a 12-month period until there 382 is another provider providing local telecommunications service in an exchange area at which time the price for any nonbasic 383 384 service category may be increased in an amount not to exceed 20 385 percent within a 12-month period, and the rate shall be 386 presumptively valid. However, for purposes of this subsection, 387 the prices of: 388 1. A voice-grade, flat-rate, multi-line business local 389 exchange service, including multiple individual lines, centrex lines, private branch exchange trunks, and any associated 390 391 hunting services, that provides dial tone and local usage 392 necessary to place a call within a local exchange calling area; 393 and 394 2. Telecommunications services provided under 395 service arrangements to the SUNCOM Network, as defined in 396 chapter 282, 397 398 shall be capped at the rates in effect on July 1, 1995, and such 399 rates shall not be increased prior to January 1, 2000; provided, 400 however, that a petition to increase such rates may be filed 401 pursuant to subsection (4) utilizing the standards set forth 402 therein. There shall be a flat-rate pricing option for multi-403 line business local exchange service, and mandatory measured 404 service for multi-line business local exchange service shall not 405 be imposed. Nothing contained in This chapter does not section 406 shall prevent the local exchange telecommunications company from

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26-01090B-09 20092626 407 meeting offerings by any competitive provider of the same, or 408 functionally equivalent, nonbasic services in a specific 409 geographic market or to a specific customer by deaveraging the 410 price of any nonbasic service, packaging nonbasic services together or with basic services, using volume discounts and term 411 discounts, and offering individual contracts. However, the local 412 413 exchange telecommunications company may shall not engage in any 414 anticompetitive act or practice or, nor unreasonably 415 discriminate among similarly situated customers. 416 (b) The commission has shall have continuing regulatory 417 oversight of nonbasic services for purposes of ensuring 418 resolution of service complaints, preventing cross-subsidization 419 of nonbasic services with revenues from basic services, and 420 ensuring that all providers are treated fairly in the 421 telecommunications market. The cost standard for determining 422 cross-subsidization is whether the total revenue from a nonbasic 423 service is less than the total long-run incremental cost of the 424 service. Total long-run incremental cost means service-specific 425 volume and nonvolume-sensitive costs. 426 (c) The price charged to a consumer for a nonbasic service 427 shall cover the direct costs of providing the service and shall, 428 to the extent a cost is not included in the direct cost, include 429 as an imputed cost the price charged by the company to 430 competitors for any monopoly component used by a competitor in 431 the provision of its same or functionally equivalent service. 432 Section 8. Section 364.08, Florida Statutes, is amended to 433 read:

434 364.08 Unlawful to charge other than schedule rates or 435 charges; free service and reduced rates prohibited.-

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436	(1) A telecommunications company may not charge, demand,
437	collect, or receive for any service rendered or to be rendered
438	any compensation other than the charge applicable to such
439	service as specified in its schedule on file <u>or otherwise</u>
440	published and in effect at that time. A telecommunications
441	company may not refund or remit, directly or indirectly, any
442	portion of the rate or charge so specified or extend to any
443	person any advantage of contract or agreement or the benefit of
444	any rule or regulation or any privilege or facility not
445	regularly and uniformly extended to all persons under like
446	circumstances for like or substantially similar service.
447	(2) A telecommunications company subject to this chapter
448	may provide not, directly or indirectly, give any free or
449	reduced service between points within this state. However, it
450	shall be lawful for the commission to authorize employee
451	concessions <u>without approval by the commission</u> if in the public
452	interest.
453	Section 9. Subsection (3) of section 364.10, Florida
454	Statutes, is amended to read:
455	364.10 Undue advantage to person or locality prohibited;
456	Lifeline service
457	(3)(a) <u>Each</u> Effective September 1, 2003, any local exchange
458	telecommunications company that has more than 1 million access
459	lines and that is designated as an eligible telecommunications
460	carrier authorized by the commission to reduce its switched
461	network access rate pursuant to s. 364.164 shall have tariffed
462	and shall provide Lifeline service to any otherwise eligible
463	customer or potential customer who meets an income eligibility
464	test at 135 percent or less of the federal poverty income

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26-01090B-09 20092626 465 guidelines for Lifeline customers. Such a test for eligibility 466 must augment, rather than replace, the eligibility standards 467 established by federal law and based on participation in certain 468 low-income assistance programs. Each intrastate interexchange telecommunications company shall, effective September 1, 2003, 469 470 file or publish a schedule tariff providing at a minimum the 471 intrastate interexchange telecommunications carrier's current 472 Lifeline benefits and exemptions to Lifeline customers who meet 473 the income eligibility test set forth in this subsection. The 474 Office of Public Counsel shall certify and maintain claims 475 submitted by a customer for eligibility under the income test 476 authorized by this subsection.

(b) Each eligible telecommunications carrier subject to this subsection shall provide to each state and federal agency providing benefits to persons eligible for Lifeline service applications, brochures, pamphlets, or other materials that inform the persons of their eligibility for Lifeline, and each state agency providing the benefits shall furnish the materials to affected persons at the time they apply for benefits.

484 (c) Any local exchange telecommunications company customer 485 receiving Lifeline benefits shall not be subject to any 486 residential basic local telecommunications service rate increases authorized by s. 364.164 until the local exchange 487 488 telecommunications company reaches parity as defined in s. 489 364.164(5) or until the customer no longer qualifies for the 490 Lifeline benefits established by this section or s. 364.105, 491 unless otherwise determined by the commission upon petition by a local exchange telecommunications company. 492

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(c) (d) An eligible telecommunications carrier may not

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state and federal taxes.

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20092626 26-01090B-09 494 discontinue basic local exchange telephone service to a 495 subscriber who receives Lifeline service because of nonpayment 496 by the subscriber of charges for nonbasic services billed by the 497 telecommunications company, including long-distance service. A subscriber who receives Lifeline service shall be required to 498 499 pay all applicable basic local exchange service fees, including 500 the subscriber line charge, E-911, telephone relay system 501 charges, and applicable state and federal taxes. 502 (d) (e) An eligible telecommunications carrier may not 503 refuse to connect, reconnect, or provide Lifeline service 504 because of unpaid toll charges or nonbasic charges other than 505 basic local exchange service. 506 (e) (f) An eligible telecommunications carrier may require 507 that payment arrangements be made for outstanding debt 508 associated with basic local exchange service, subscriber line 509 charges, E-911, telephone relay system charges, and applicable

511 (f) (g) An eligible telecommunications carrier may block a 512 Lifeline service subscriber's access to all long-distance 513 service, except for toll-free numbers, and may block the ability 514 to accept collect calls when the subscriber owes an outstanding 515 amount for long-distance service or amounts resulting from collect calls. However, the eligible telecommunications carrier 516 517 may not impose a charge for blocking long-distance service. The 518 eligible telecommunications carrier shall remove the block at 519 the request of the subscriber without additional cost to the 520 subscriber upon payment of the outstanding amount. An eligible 521 telecommunications carrier may charge a service deposit before 522 removing the block.

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523 (g)(h)1. By December 31, 2007, each state agency that 524 provides benefits to persons eligible for Lifeline service shall 525 undertake, in cooperation with the Department of Children and 526 Family Services, the Department of Education, the commission, 527 the Office of Public Counsel, and telecommunications companies 528 providing Lifeline services, the development of procedures to 529 promote Lifeline participation.

530 2. If any state agency determines that a person is eligible 531 for Lifeline services, the agency shall immediately forward the 532 information to the commission to ensure that the person is 533 automatically enrolled in the program with the appropriate 534 eligible telecommunications carrier. The state agency shall include an option for an eligible customer to choose not to 535 subscribe to the Lifeline service. The Public Service Commission 536 537 and the Department of Children and Family Services shall, no 538 later than December 31, 2007, adopt rules creating procedures to 539 automatically enroll eligible customers in Lifeline service.

3. The commission, the Department of Children and Family Services, and the Office of Public Counsel shall enter into a memorandum of understanding establishing the respective duties of the commission, the department, and the public counsel with respect to the automatic enrollment procedures no later than December 31, 2007.

546 (h) (i) The commission shall report to the Governor, the 547 President of the Senate, and the Speaker of the House of 548 Representatives by December 31 each year on the number of 549 customers who are subscribing to Lifeline service and the 550 effectiveness of any procedures to promote participation. 551 (i) (i) The commission shall adopt rules to administer this

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     section.
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          Section 10. Section 364.15, Florida Statutes, is amended to
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     read:
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          364.15 Compelling repairs, improvements, changes,
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     additions, or extensions.-Whenever the commission finds, on its
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     own motion or upon complaint, that repairs or improvements to,
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     or changes in, any telecommunications facility ought reasonably
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     to be made, or that any additions or extensions should
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     reasonably be made to any telecommunications facility, in order
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     to promote the security or convenience of the public or
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     employees or in order to secure adequate service or facilities
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     for basic local telecommunications services consistent with the
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     requirements set forth in this chapter, the commission shall
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     make and serve an order directing that such repairs,
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     improvements, changes, additions, or extensions be made in the
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     manner to be specified in the order. This section authorizes the
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     commission to impose only those requirements that it is
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     otherwise authorized to impose under this chapter.
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          Section 11. Section 364.33, Florida Statutes, is amended to
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     read:
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          364.33 Certificate of necessity prerequisite to
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     construction, operation, or control of telecommunications
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     facilities.-Except for a transfer of a certificate of necessity
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     from one person to another as provided in this section, a person
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577 telecommunications facility, or any extension thereof for the 578 purpose of providing telecommunications services to the public, 579 or acquire ownership or control thereof, in whatever manner, 580 including the acquisition, transfer, or assignment of majority

may not begin the construction or operation of any

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581	organizational control or controlling stock ownership, without
582	prior approval. <u>A certificate of necessity may be transferred</u>
583	from a person holding a certificate to another person holding a
584	certificate and a person holding a certificate may acquire
585	ownership or control of a telecommunications facility through
586	the acquisition, transfer, or assignment of majority
587	organizational control or controlling stock ownership of a
588	person holding a certificate without prior approval of the
589	commission by giving 60 days' written notice of the transfer or
590	change of control to the commission and affected customers. This
591	section does not require approval by the commission prior to the
592	construction, operation, or extension of a facility by a
593	certificated company within its certificated area nor in any way
594	limit the commission's ability to review the prudence of such
595	construction programs for ratemaking as provided under this
596	chapter.
597	Section 12. Subsection (4) of section 364.335, Florida
598	Statutes, is amended to read:
599	364.335 Application for certificate
600	(4) Except as provided in s. 364.33, revocation,
601	suspension, transfer, or amendment of a certificate shall be
602	subject to the provisions of this section; except that, when the
603	commission initiates the action, the commission shall furnish
604	notice to the appropriate local government and to the Public
605	Counsel.
606	Section 13. Section 364.3376, Florida Statutes, is amended
607	to read:
608	364.3376 Operator services
609	(1)(a) A person may not provide operator services as

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611	a certificate of public convenience and necessity as an operator
612	services provider.
613	(b) This section does not apply to operator services
614	provided by a local exchange telecommunications company or by an
615	intrastate interexchange telecommunications company, except as
616	required by the commission in the public interest.
617	(2) Notwithstanding any finding by the commission that a
618	service or facility is subject to competition and should be
619	regulated pursuant to s. 364.338, All intrastate operator
620	service providers are subject to the jurisdiction of the
621	commission and shall render operator services pursuant to
622	schedules in accordance with s. 364.04 tariffs approved by the
623	commission.
624	(3) For operator services, the commission shall establish
625	maximum rates and charges for all providers of such services
626	within the state.
627	(3)(4) Operator service providers shall:
628	(a) Require operators to:
629	1. Clearly identify the operator service provider to all
630	end users before the call is made.
631	2. When requested, provide rate and service information.
632	3. When requested, provide the number to call for
633	complaints and inquiries.
634	4. When requested, provide the procedure for reporting
635	service difficulties and methods of obtaining refunds.
636	(b) Not intentionally charge for incompleted calls and
637	provide full refund or credit for any misbilled or incomplete
638	calls.

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26-01090B-0920092626____639(c) Bill for services in accordance with their published640schedules approved in their tariff and only at the rates set641forth therein tariff or otherwise approved rate, and disclose642their names on bills which include charges for services643rendered.
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644 <u>(4) (5)</u> Each call aggregator shall post in the immediate 645 vicinity of each telephone available to the public the name of 646 the operator service provider, a toll-free customer service 647 number, a statement that rate quotes are available upon request, 648 and instructions on how the end user may access other operator 649 service providers and such other information determined by the 650 commission to be necessary in the public interest.

651 <u>(5)</u> (6) Neither the operator service provider nor the call 652 aggregator shall block or prevent an end user's access to the 653 end user's operator service provider of choice, except that the 654 commission shall grant limited waivers to operator service 655 providers or call aggregators upon a showing that such waiver is 656 in the public interest.

657 (6) (7) The local exchange telecommunications company shall
 658 not disconnect local service for properly contested nonpayment
 659 of any operator services bill.

660 (7) (8) The commission shall adopt and enforce requirements
 661 for the provision of services by operator services companies and
 662 call aggregators.

(8) (9) Operator service providers and local exchange
 companies providing billing and collection services shall only
 bill and collect only the tariffed rates and charges set forth
 in the applicable schedules.

667

(9) (10) Notwithstanding any finding by the commission that

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26-01090B-09 20092626 668 a service or facility is subject to competition and should be 669 regulated pursuant to s. 364.338, A local exchange 670 telecommunications company may shall not perform billing and 671 collection functions relating to regulated telecommunications 672 services provided by an operator services provider unless the 673 operator services provider has filed a statement with the local 674 exchange telecommunications company signed by a corporate 675 officer, or by another authorized person having personal 676 knowledge, that all regulated telecommunications services to be 677 billed will shall be rendered pursuant to applicable published 678 schedules tariffs approved by the commission.

679 (10) (11) The commission shall conduct have the 680 responsibility for conducting an effective program of random, 681 no-notice compliance investigations of the operator services 682 providers and call aggregators operating within the state. When 683 the commission finds a blocking violation, it shall determine 684 whether the blocking is the responsibility of the call 685 aggregator or the operator services provider and may fine the 686 responsible party in accordance with s. 364.285. Upon the 687 failure of the responsible party to correct a violation within a 688 mandatory time limit established by the commission or upon a proven pattern of intentional blocking, the commission shall 689 order the discontinuance of the call aggregator's telephone 690 691 service or revoke the operator services provider's certificate, 692 as applicable.

693 Section 14. Section 364.3382, Florida Statutes, is amended 694 to read:

695 364.3382 Disclosure.-

696 (1) A local exchange telecommunications company, when a

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26-01090B-09 20092626 697 residential customer initially requests basic local 698 telecommunications service, shall advise each residential 699 customer of the least-cost service available to that customer. 700 Annually, in the form of a bill insert, the local exchange 701 telecommunications company shall advise each residential 702 customer of the price of each service option selected by that 703 customer. The requirement of an annual notice through a bill 704 insert does not apply to interexchange service. 705 (2) Copies of both the written notices and information 706 provided to customer service representatives concerning the 707 disclosure required pursuant to subsection (1) shall be 708 submitted to the commission for prior approval. 709 Section 15. Subsection (2) of section 364.345, Florida 710 Statutes, is amended to read: 711 364.345 Certificates; territory served; transfer.-(2) Except as provided in s. 364.33, a telecommunications 712 713 company may not sell, assign, or transfer its certificate or any 714 portion thereof without: 715 (a) A determination by the commission that the proposed 716 sale, assignment, or transfer is in the public interest; and 717 (b) The approval of the commission. 718 Section 16. Section 364.09, Florida Statutes, is repealed. 719 Section 17. For the purpose of incorporating the amendment 720 made by this act to section 364.051, Florida Statutes, in a 721 reference thereto, paragraph (a) of subsection (1) of section 722 364.059, Florida Statutes, is reenacted to read: 723 364.059 Procedures for seeking stay; benchmark; criteria.-724 (1) If a local exchange telecommunications company has 725 elected, pursuant to s. 364.051(6), to have its basic local

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26-01090B-09 20092626 telecommunications services treated the same as its nonbasic 72.6 727 services, the following procedures shall be available: 728 (a) Any petition filed by a substantially interested party 729 against a local exchange telecommunications company seeking a stay of the effective date of a price reduction for a basic 730 731 local telecommunications service, alleging an anticompetitive 732 price reduction pursuant to s. 364.051(5), s. 364.08, s. 364.09, 733 s. 364.10, or s. 364.3381, shall be resolved by the commission 734 pursuant to this section and by an order issued within 45 days 735 after the date the petition is filed. 736 Section 18. Subsection (6) of section 196.012, Florida 737 Statutes, is amended to read: 738 196.012 Definitions.-For the purpose of this chapter, the 739 following terms are defined as follows, except where the context 740 clearly indicates otherwise: 741 (6) Governmental, municipal, or public purpose or function 742 shall be deemed to be served or performed when the lessee under 743 any leasehold interest created in property of the United States, 744 the state or any of its political subdivisions, or any 745 municipality, agency, special district, authority, or other 746 public body corporate of the state is demonstrated to perform a 747 function or serve a governmental purpose which could properly be 748 performed or served by an appropriate governmental unit or which 749 is demonstrated to perform a function or serve a purpose which

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would otherwise be a valid subject for the allocation of public

undertaken by a lessee which is permitted under the terms of its

funds. For purposes of the preceding sentence, an activity

lease of real property designated as an aviation area on an

airport layout plan which has been approved by the Federal

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26-01090B-09 20092626 755 Aviation Administration and which real property is used for the 756 administration, operation, business offices and activities 757 related specifically thereto in connection with the conduct of 758 an aircraft full service fixed base operation which provides 759 goods and services to the general aviation public in the 760 promotion of air commerce shall be deemed an activity which 761 serves a governmental, municipal, or public purpose or function. 762 Any activity undertaken by a lessee which is permitted under the 763 terms of its lease of real property designated as a public 764 airport as defined in s. 332.004(14) by municipalities, 765 agencies, special districts, authorities, or other public bodies 766 corporate and public bodies politic of the state, a spaceport as 767 defined in s. 331.303, or which is located in a deepwater port 768 identified in s. 403.021(9)(b) and owned by one of the foregoing 769 governmental units, subject to a leasehold or other possessory 770 interest of a nongovernmental lessee that is deemed to perform 771 an aviation, airport, aerospace, maritime, or port purpose or 772 operation shall be deemed an activity that serves a 773 governmental, municipal, or public purpose. The use by a lessee, 774 licensee, or management company of real property or a portion 775 thereof as a convention center, visitor center, sports facility 776 with permanent seating, concert hall, arena, stadium, park, or 777 beach is deemed a use that serves a governmental, municipal, or 778 public purpose or function when access to the property is open 779 to the general public with or without a charge for admission. If 780 property deeded to a municipality by the United States is 781 subject to a requirement that the Federal Government, through a 782 schedule established by the Secretary of the Interior, determine 783 that the property is being maintained for public historic

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784 preservation, park, or recreational purposes and if those 785 conditions are not met the property will revert back to the 786 Federal Government, then such property shall be deemed to serve 787 a municipal or public purpose. The term "governmental purpose" 788 also includes a direct use of property on federal lands in 789 connection with the Federal Government's Space Exploration 790 Program or spaceport activities as defined in s. 212.02(22). 791 Real property and tangible personal property owned by the 792 Federal Government or Space Florida and used for defense and 793 space exploration purposes or which is put to a use in support 794 thereof shall be deemed to perform an essential national 795 governmental purpose and shall be exempt. "Owned by the lessee" 796 as used in this chapter does not include personal property, 797 buildings, or other real property improvements used for the 798 administration, operation, business offices and activities 799 related specifically thereto in connection with the conduct of 800 an aircraft full service fixed based operation which provides 801 goods and services to the general aviation public in the 802 promotion of air commerce provided that the real property is 803 designated as an aviation area on an airport layout plan 804 approved by the Federal Aviation Administration. For purposes of 805 determination of "ownership," buildings and other real property 806 improvements which will revert to the airport authority or other 807 governmental unit upon expiration of the term of the lease shall 808 be deemed "owned" by the governmental unit and not the lessee. 809 Providing two-way telecommunications services to the public for 810 hire by the use of a telecommunications facility, as defined in 811 s. 364.02(16) s. 364.02(15), and for which a certificate is

812 required under chapter 364 does not constitute an exempt use for

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813	purposes of s. 196.199, unless the telecommunications services
814	are provided by the operator of a public-use airport, as defined
815	in s. 332.004, for the operator's provision of
816	telecommunications services for the airport or its tenants,
817	concessionaires, or licensees, or unless the telecommunications
818	services are provided by a public hospital.
819	Section 19. Paragraph (b) of subsection (1) of section
820	199.183, Florida Statutes, is amended to read:
821	199.183 Taxpayers exempt from nonrecurring taxes
822	(1) Intangible personal property owned by this state or any
823	of its political subdivisions or municipalities shall be exempt
824	from taxation under this chapter. This exemption does not apply
825	to:
826	(b) Property related to the provision of two-way
827	telecommunications services to the public for hire by the use of
828	a telecommunications facility, as defined in <u>s. 364.02(16)</u> s.
829	364.02(15), and for which a certificate is required under
830	chapter 364, when the service is provided by any county,
831	municipality, or other political subdivision of the state. Any
832	immunity of any political subdivision of the state or other
833	entity of local government from taxation of the property used to
834	provide telecommunication services that is taxed as a result of
835	this paragraph is hereby waived. However, intangible personal
836	property related to the provision of telecommunications services
837	provided by the operator of a public-use airport, as defined in
838	s. 332.004, for the operator's provision of telecommunications
839	services for the airport or its tenants, concessionaires, or
840	licensees, and intangible personal property related to the
841	provision of telecommunications services provided by a public

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26-01090B-09 20092626 842 hospital, are exempt from taxation under this chapter. 843 Section 20. Subsection (6) of section 212.08, Florida 844 Statutes, is amended to read: 212.08 Sales, rental, use, consumption, distribution, and 845 846 storage tax; specified exemptions.-The sale at retail, the 847 rental, the use, the consumption, the distribution, and the 848 storage to be used or consumed in this state of the following 849 are hereby specifically exempt from the tax imposed by this 850 chapter. 851 (6) EXEMPTIONS; POLITICAL SUBDIVISIONS.-There are also 852 exempt from the tax imposed by this chapter sales made to the 853 United States Government, a state, or any county, municipality, 854 or political subdivision of a state when payment is made 855 directly to the dealer by the governmental entity. This 856 exemption shall not inure to any transaction otherwise taxable 857 under this chapter when payment is made by a government employee

858 by any means, including, but not limited to, cash, check, or 859 credit card when that employee is subsequently reimbursed by the 860 governmental entity. This exemption does not include sales of 861 tangible personal property made to contractors employed either 862 directly or as agents of any such government or political 863 subdivision thereof when such tangible personal property goes 864 into or becomes a part of public works owned by such government 865 or political subdivision. A determination whether a particular 866 transaction is properly characterized as an exempt sale to a 867 government entity or a taxable sale to a contractor shall be 868 based on the substance of the transaction rather than the form 869 in which the transaction is cast. The department shall adopt 870 rules that give special consideration to factors that govern the

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26-01090B-09 20092626 871 status of the tangible personal property before its affixation 872 to real property. In developing these rules, assumption of the 873 risk of damage or loss is of paramount consideration in the 874 determination. This exemption does not include sales, rental, 875 use, consumption, or storage for use in any political 876 subdivision or municipality in this state of machines and 877 equipment and parts and accessories therefor used in the 878 generation, transmission, or distribution of electrical energy 879 by systems owned and operated by a political subdivision in this 880 state for transmission or distribution expansion. Likewise 881 exempt are charges for services rendered by radio and television 882 stations, including line charges, talent fees, or license fees 883 and charges for films, videotapes, and transcriptions used in 884 producing radio or television broadcasts. The exemption provided 885 in this subsection does not include sales, rental, use, 886 consumption, or storage for use in any political subdivision or 887 municipality in this state of machines and equipment and parts 888 and accessories therefor used in providing two-way 889 telecommunications services to the public for hire by the use of 890 a telecommunications facility, as defined in s. 364.02(16) s. 891 364.02(15), and for which a certificate is required under 892 chapter 364, which facility is owned and operated by any county, 893 municipality, or other political subdivision of the state. Any 894 immunity of any political subdivision of the state or other 895 entity of local government from taxation of the property used to 896 provide telecommunication services that is taxed as a result of 897 this section is hereby waived. However, the exemption provided in this subsection includes transactions taxable under this 898

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chapter which are for use by the operator of a public-use

26-01090B-09 20092626 900 airport, as defined in s. 332.004, in providing such 901 telecommunications services for the airport or its tenants, 902 concessionaires, or licensees, or which are for use by a public 903 hospital for the provision of such telecommunications services. 904 Section 21. Subsection (8) of section 290.007, Florida 905 Statutes, is amended to read: 906 290.007 State incentives available in enterprise zones.-The 907 following incentives are provided by the state to encourage the 908 revitalization of enterprise zones: 909 (8) Notwithstanding any law to the contrary, the Public 910 Service Commission may allow public utilities and 911 telecommunications companies to grant discounts of up to 50 912 percent on tariffed rates for services to small businesses 913 located in an enterprise zone designated pursuant to s. 914 290.0065. Such discounts may be granted for a period not to 915 exceed 5 years. For purposes of this subsection, the term 916 "public utility" has the same meaning as in s. 366.02(1) and the 917 term "telecommunications company" has the same meaning as in s. 918 364.02(15) s. 364.02(14). 919 Section 22. Subsection (3) of section 350.0605, Florida 920 Statutes, is amended to read: 921 350.0605 Former commissioners and employees; representation 922 of clients before commission.-923 (3) For a period of 2 years following termination of 924 service on the commission, a former member may not accept 925 employment by or compensation from a business entity which, 926 directly or indirectly, owns or controls a public utility 927 regulated by the commission, from a public utility regulated by 928 the commission, from a business entity which, directly or

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26-01090B-09 20092626 929 indirectly, is an affiliate or subsidiary of a public utility 930 regulated by the commission or is an actual business competitor 931 of a local exchange company or public utility regulated by the 932 commission and is otherwise exempt from regulation by the commission under ss. 364.02(15) ss. 364.02(14) and 366.02(1), or 933 934 from a business entity or trade association that has been a 935 party to a commission proceeding within the 2 years preceding 936 the member's termination of service on the commission. This 937 subsection applies only to members of the Florida Public Service 938 Commission who are appointed or reappointed after May 10, 1993.

939 Section 23. Subsection (4) of section 364.602, Florida 940 Statutes, is amended to read:

941

364.602 Definitions.-For purposes of this part:

942 (4) "Originating party" means any person, firm, 943 corporation, or other entity, including a telecommunications 944 company or a billing clearinghouse, that provides any 945 telecommunications service or information service to a customer 946 or bills a customer through a billing party, except the term 947 "originating party" does not include any entity specifically 948 exempted from the definition of "telecommunications company" as 949 provided in s. 364.02(15) s. 364.02(14).

950 Section 24. Subsection (5) of section 489.103, Florida 951 Statutes, is amended to read:

952

489.103 Exemptions.-This part does not apply to:

953 (5) Public utilities, including special gas districts as 954 defined in chapter 189, telecommunications companies as defined 955 in <u>s. 364.02(15)</u> s. 364.02(14), and natural gas transmission 956 companies as defined in s. 368.103(4), on construction, 957 maintenance, and development work performed by their employees,

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958	which work, including, but not limited to, work on bridges,
959	roads, streets, highways, or railroads, is incidental to their
960	business. The board shall define, by rule, the term "incidental
961	to their business" for purposes of this subsection.
962	Section 25. This act shall take effect July 1, 2009.