AM549 LB617 MAL - 03/06/2019

## AMENDMENTS TO LB617

Introduced by Hilgers, 21.

- 1 1. Strike the original sections and insert the following new
- 2 sections:
- 3 Section 1. Section 86-101, Reissue Revised Statutes of Nebraska, is
- 4 amended to read:
- 5 86-101 Sections 86-101 to 86-165 and sections 3 to 6 and 11 of this
- 6 <u>act</u>shall be known and may be cited as the Nebraska Telecommunications
- 7 Regulation Act.
- 8 Sec. 2. Section 86-103, Reissue Revised Statutes of Nebraska, is
- 9 amended to read:
- 10 86-103 For purposes of the Nebraska Telecommunications Regulation
- 11 Act, unless the context otherwise requires, the definitions found in
- sections 86-103.01 to 86-121 and sections 3 to 6 of this act apply.
- Sec. 3. <u>Competitive local provider means a telecommunications</u>
- 14 <u>company offering a telecommunications service for which there are</u>
- 15 alternative services available without regard to the technology employed.
- 16 Sec. 4. Internet protocol has the same meaning as in section
- 17 86-1011.
- 18 Sec. 5. Internet-protocol-enabled service or IP-enabled service
- 19 means any service, capability, functionality, or application, other than
- 20 <u>voice over Internet protocol service, which uses Internet protocol or a</u>
- 21 <u>successor protocol that enables an end user to send or receive a voice,</u>
- 22 <u>data, or video communication utilizing a broadband connection at the end</u>
- 23 <u>user's location.</u>
- 24 Sec. 6. Voice over Internet protocol service means any service that
- 25 enables real-time, two-way communication originating from or terminating
- 26 at the user's location using Internet protocol or a successor protocol,
- 27 that uses a broadband connection from the user's location, that requires

AM549 LB617 MAL - 03/06/2019 AM549 MAL - 03/06/2019

- 1 Internet-protocol-compatible equipment, and that permits a user to
- 2 receive a call that originates on the public-switched telephone network
- 3 and to terminate a call to the public-switched telephone network.
- 4 Sec. 7. Section 86-123, Reissue Revised Statutes of Nebraska, is
- 5 amended to read:
- 6 86-123 (1) Except as provided in section 86-124, the The commission
- 7 shall regulate the quality of telecommunications service provided by
- 8 telecommunications companies and shall investigate and resolve subscriber
- 9 complaints concerning quality of telecommunications service, subscriber
- 10 deposits, and disconnection of telecommunications service. If such a
- 11 complaint cannot be resolved informally, then, upon petition by the
- 12 subscriber, the commission shall set the matter for hearing in accordance
- 13 with the commission's rules and regulations for notice and hearing. The
- 14 commission may by order grant or deny, in whole or in part, the
- 15 subscriber's petition or provide such other relief as is reasonable based
- 16 on the evidence presented at the hearing. Any such order of the
- 17 commission may be enforced against any telecommunications company as
- 18 provided in sections 75-140 to 75-144, and such order may be appealed by
- 19 an interested party. The appeal shall be in accordance with section
- 20 75-136.
- 21 (2) Except as provided in section 86-124, the The commission may
- 22 regulate telecommunications company rates pursuant to sections 86-139 to
- 23 86-157.
- 24 (3) The Nebraska Telecommunications Regulation Act shall preempt and
- 25 prohibit any regulation of a telecommunications company by counties,
- 26 cities, villages, townships, or any other local governmental entity.
- 27 Sec. 8. Section 86-124, Reissue Revised Statutes of Nebraska, is
- 28 amended to read:
- 29 86-124 (1) The commission shall not regulate the following:
- 30  $\frac{(a)}{(a)}$  One-way broadcast or cable television transmission of
- 31 television or radio signals; and

AM549 LB617 LB617 MAL - 03/06/2019 MAL - 03/06/2019

- 1  $\underline{\text{(b)}}$  (2) Mobile radio services, radio paging services, and wireless
- 2 telecommunications service; -
- 3 (c) The rates, terms, conditions, definition, and standards of local
- 4 exchange telecommunications service provided by a telecommunications
- 5 <u>company deemed or determined to be a competitive local provider as</u>
- 6 provided in subsection (2) of section 86-143;
- 7 (d) Interexchange services;
- 8 <u>(e) Local exchange telecommunications service or interexchange</u>
- 9 service provided as a business service; and
- 10 <u>(f) Internet-protocol-enabled service and voice over Internet</u>
- 11 protocol service, including rates, service or contract terms, conditions,
- 12 <u>or requirements for entry for such service.</u>
- 13 (2) This section shall not affect or modify:
- 14 (a) The enforcement of criminal or civil laws, including, without
- 15 <u>limitation</u>, <u>laws concerning consumer protection and unfair or deceptive</u>
- 16 trade practices which apply generally to the conduct of business;
- 17 <u>(b) Any entity's obligations or rights or commission authority under</u>
- 18 section 86-122 and 47 U.S.C. 251 and 252, as such federal sections
- 19 existed on January 1, 2019, and other federal law and any applicable
- 20 <u>carrier-to-carrier tariff rates, service quality standards,</u>
- 21 <u>interconnection agreements</u>, or other obligations for which the commission
- 22 <u>has jurisdiction under state or federal law;</u>
- 23 (c) Any requirement to contribute to any fund administered by the
- 24 commission authorized by the Enhanced Wireless 911 Services Act and the
- 25 Nebraska Telecommunications Universal Service Fund Act;
- 26 (d) The eligibility and requirements for the receipt of funds from
- 27 the Nebraska Telecommunications Universal Service Fund and the rules,
- 28 regulations, and orders under the Nebraska Telecommunications Universal
- 29 Service Fund Act or the receipt of funds from the federal universal
- 30 <u>service fund, regardless of the unregulated status of the provider's</u>
- 31 <u>service under this section; and</u>

AM549 AM549 LB617 MAL - 03/06/2019

- 1 (e) Any entity's rights and obligations with respect to (i)
- 2 registration under section 86-125, (ii) the use of public streets, roads,
- 3 highways, and rights-of-way, or (iii) a certificate of public convenience
- 4 and necessity or a permit.
- 5 (3) Notwithstanding any other provision of the Nebraska
- 6 Telecommunications Regulation Act, the commission shall retain limited
- 7 authority with respect to adequacy and quality of service for local
- 8 exchange telecommunications services determined to be competitive under
- 9 subdivision (1)(c) of this section and section 86-143. Such authority is
- limited to nonbinding mediation of disputes between customers and 10
- 11 providers.
- 12 Sec. 9. Section 86-143, Reissue Revised Statutes of Nebraska, is
- amended to read: 13
- 14 86-143 (1)(a) Except as provided in subdivision (b) of this
- 15 subsection, in an exchange in which local competition exists,
- telecommunications 16 companies shall file rate lists for each
- 17 telecommunications service which shall be effective after ten days'
- notice to the commission. 18
- 19 Notwithstanding any other provision of Chapter
- telecommunications company shall not be required to file rate lists, 20
- 21 tariffs, or contracts for any telecommunications service, including local
- 22 exchange and interexchange services, provided as a business service. Upon
- 23 written notice to the commission, a telecommunications company may
- 24 withdraw any rate list, tariff, or contract not required to be filed
- 25 under this subdivision if the telecommunications company posts the rates,
- 26 terms, and conditions of its telecommunications service on the company's
- 27 web site.
- (2)(a) A telecommunications company shall be deemed a competitive 28
- 29 <u>local provider pursuant to this subsection and its telecommunications</u>
- 30 services exempt from regulation pursuant to subdivision (1)(c) of section
- 86-124 in any geographic area defined by that company's telephone 31

AM549 LB617 MAL - 03/06/2019

1 exchange boundary. (2) Local competition shall be deemed to exist in an 2 exchange if a telecommunications company files an application with the 3 commission requesting a determination as to whether local competition exists in one or more exchanges specified in the application and the 4 5 commission enters an order after public notice and a hearing which 6 determines that local competition exists in such exchange or exchanges. 7 Notwithstanding any other provision of the Nebraska Telecommunications 8 Regulation Act, the commission may consider any wireless 9 telecommunications service provided in the exchange or exchanges when 10 determining whether local competition exists.

11 (b) A telecommunications company shall be deemed a competitive local 12 provider in a telephone exchange if it files a verified statement with the commission that one of the following conditions exists with respect 13 14 to the exchange designated by the telecommunications company in its 15 verified statement: (i) The number of active residential local exchange telecommunications subscribers it then serves constitutes fifty percent 16 17 or less of the total number of households, as determined by the United States Bureau of the Census or other federal agency, located in the 18 19 exchange or (ii) at least sixty percent of the total number of 20 households, as determined by the United States Bureau of the Census or 21 other federal agency, in the exchange can choose voice service 22 communications capability from among two or more other unaffiliated 23 providers. Within ninety days after receipt of the telecommunication 24 company's verified statement, the commission shall review the information provided in the verified statement, and upon failure of the commission 25 26 within ninety days after receipt of the verified statement to determine 27 that both of the conditions in subdivisions (2)(b)(i) and (ii) of this section are not met, the telecommunications company that filed the 28 29 verified statement shall be deemed a competitive local provider in the 30 exchange designated in its verified statement. Notwithstanding any other provision of the Nebraska Telecommunications Regulation Act, in 31

29

30

31

1 determining whether at least sixty percent of the total number of 2 households, as determined by the United States Bureau of the Census or 3 other federal agency, in an exchange can choose voice service communications capability from among two or more other unaffiliated 4 5 providers, the commission shall include the availability of all types of 6 voice communications service offered by unaffiliated providers, 7 regardless of the technology employed and the regulatory classification 8 of such other providers under state or federal law, including, without 9 limitation, wireless service, satellite service, and voice over Internet 10 protocol service in the exchange. 11 (3) Notwithstanding anything in Chapter 75 or Chapter 86 to the 12 contrary, no exchange in which the incumbent telecommunications company has been deemed a competitive local provider pursuant to subsection (2) 13 14 of this section shall receive support for voice services under any high-15 cost program of the Nebraska Telecommunications Universal Service Act. The commission shall reallocate any support for voice services previously 16 17 accruing to an exchange in which the incumbent telecommunications company 18 has been deemed a competitive local provider to the high-cost program for 19 redistribution to telecommunications companies, including the incumbent 20 telecommunications company, for the deployment of advanced services in 21 unserved rural areas of the state. Only that portion of support that the 22 commission has allocated to ongoing expenses to an exchange deemed 23 competitive shall be subject to reallocation. The amount of support to be 24 reallocated shall be the original amount geographically allocated by the 25 commission to the exchange as adjusted to reflect the change in the 26 original amount of total annual support received by the incumbent 27 telecommunications company compared to the total annual support for ongoing expenses received by the telecommunications company immediately 28

prior to the date it is deemed a local competitive provider, while

ensuring that the exchange's proportion of support for ongoing expenses

is the same as the proportion of total support the exchange originally

12

13

14

AM549 LB617 MAL - 03/06/2019 MAL - 03/06/2019

1 received. The notice of the hearing on the telecommunications company's 2 application shall be given once each week for two consecutive weeks in a 3 newspaper of general circulation in the affected area and shall state 4 that a determination of local competition may result in the freeing of 5 the telecommunications company from rate regulation by the commission. 6 The notice of the hearing on the commission's motion shall be sent to the 7 telecommunications company by certified mail, return receipt requested, 8 and notice of such hearing shall be published in a newspaper of general 9 circulation in the exchange area. The hearing on the commission's motion 10 shall be held no sooner than ten days after the receipt of notice by the 11 telecommunications company.

(4) The commission may, on its own motion at any time after a determination as to whether local competition exists, reexamine and redetermine the determination after notice and a hearing on the issue.

15 Sec. 10. Section 86-144, Reissue Revised Statutes of Nebraska, is amended to read: 16

17 86-144 <u>In exchanges in which the incumbent telecommunications</u> company has not been deemed a competitive local provider pursuant to 18 19 subsection (2) or (3) of section 86-143 (1)(a) Except as provided in 20 subdivision (b) of this subsection, in an exchange in which local 21 competition does not exist, telecommunications companies shall file rate 22 lists which, for all telecommunications service not exempt from 23 commission regulation by section 86-124. The rate lists except for basic 24 local exchange rates, shall be effective after ten days' notice to the 25 commission.(b) Notwithstanding any other provision of Chapter 86, a 26 telecommunications company shall not be required to file rate lists, 27 tariffs, or contracts for any telecommunications service, including local exchange and interexchange services, provided as a business service. Upon 28 29 written notice to the commission, a telecommunications company may 30 withdraw any rate list, tariff, or contract not required to be filed 31 under this <u>section</u> <u>subdivision</u> if the telecommunications company posts AM549 AM549 LB617 MAL - 03/06/2019 MAL - 03/06/2019

- the rates, terms, and conditions of its telecommunications service on the 1
- 2 company's web site.
- 3 (2) In an exchange in which local competition does not exist, basic
- 4 local exchange rates may be increased by a telecommunications company
- 5 only after ninety days' notice to all affected subscribers. Such notice
- 6 of increase shall include (a) the reasons for the rate increase, (b) a
- 7 description of the affected telecommunications service, (c) an
- 8 explanation of the right of the subscriber to petition the commission for
- 9 a public hearing on the rate increase, (d) a list of exchanges which are
- 10 affected by the proposed rate increase, and (e) the dates, times, and
- 11 places for the public informational meetings required by this section.
- 12 (3) A telecommunications company which proposes to increase its
- 13 basic local exchange rates shall hold at least one public informational
- 14 meeting in each public service commissioner district as established by
- 15 section 75-101.01 in which there is an exchange affected by the proposed
- 16 rate increase.
- Nothing in the Nebraska Telecommunications Regulation Act 17 Sec. 11.
- as amended by this legislative bill shall be construed to affect sections 18
- 19 86-133 and 86-134 or the commission's oversight authority over 911
- 20 <u>service.</u>
- 21 Sec. 12. Original sections 86-101, 86-103, 86-123, 86-124, 86-143,
- 22 and 86-144, Reissue Revised Statutes of Nebraska, are repealed.
- 23 Sec. 13. The following sections are outright repealed: Sections
- 24 86-145, 86-146, 86-147, and 86-148, Reissue Revised Statutes of Nebraska.