

Senate Bill 417

Sponsored by Senator BEYER, Representative SMITH DB (at the request of CenturyLink) (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes new exemptions from carrier of last resort obligation for telecommunications utilities, cooperative corporations and municipalities certified by Public Utility Commission to provide local exchange telecommunications service.

A BILL FOR AN ACT

1
2 Relating to the carrier of last resort obligation; amending ORS 759.506.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 759.506 is amended to read:

5 759.506. (1) The purpose of establishing allocated territories under ORS 759.500 to 759.570 is to
6 ensure that telecommunications utilities, cooperative corporations and municipalities certified by the
7 Public Utility Commission to provide local exchange telecommunications service:

8 (a) Provide adequate and safe service to the customers of this state; and

9 (b) Serve all customers in an adequate and nondiscriminatory manner.

10 (2) The obligations described in this section may be referenced as carrier of last resort obli-
11 gations.

12 (3) The commission, upon petition from a telecommunications utility, cooperative corporation or
13 municipality, may exempt the telecommunications utility, cooperative corporation or municipality
14 from the obligations described in this section if the commission finds, for a property with four or
15 more single-family dwellings, that the owner or developer of the property, or a person acting on
16 behalf of the owner or developer:

17 (a) Permits an alternative service provider to install its facilities or equipment used to provide
18 local telecommunications service based on a condition of exclusion of the telecommunications utility,
19 cooperative corporation or municipality during the construction phase of the real property;

20 (b) Accepts or agrees to accept incentives or rewards from an alternative service provider that
21 are contingent upon the provision of any or all local telecommunications services by one or more
22 alternative service providers to the exclusion of the telecommunications utility, cooperative corpo-
23 ration or municipality; or

24 (c) Collects from the occupants or residents of the property mandatory charges for the provision
25 of any local telecommunications service provided to the occupants or residents by an alternative
26 service provider in any manner, including, but not limited to, collection through rent, fees or dues.

27 **(4) Except as provided in subsection (5) of this section, the commission shall exempt a**
28 **telecommunications utility, cooperative corporation or municipality from the obligations de-**
29 **scribed in this section:**

30 **(a) For an exchange or a portion of an exchange in which the telecommunications utility,**
31 **cooperative corporation or municipality provides local exchange telecommunications service**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 **if the commission finds that an alternative service provider is receiving support from the**
2 **universal service fund under ORS 759.425 to provide any or all local telecommunications**
3 **services or broadband service within the same exchange or portion of the exchange;**

4 **(b) For an exchange or a portion of an exchange in which the telecommunications utility,**
5 **cooperative corporation or municipality provides local exchange telecommunications service**
6 **if the commission finds that the exchange or portion of the exchange is served local tele-**
7 **communication services or broadband service by another carrier designated as an eligible**
8 **telecommunications carrier under 47 C.F.R. 54.201 and receiving federal universal service**
9 **support;**

10 **(c) For any wire center for which the telecommunications utility, cooperative corporation**
11 **or municipality does not receive support from the universal service fund under ORS 759.425;**
12 **or**

13 **(d) If, upon the commission's own motion or upon petition from a telecommunications**
14 **utility, cooperative corporation or municipality, the commission determines that a wire**
15 **center, exchange or portion of an exchange has access to or is served by another carrier of**
16 **voice telephony service, including but not limited to carriers of interconnected voice over**
17 **internet protocol service, telephony service by cellular, wireless or other radio common**
18 **carrier, satellite telephony service or cable telephony service.**

19 [(4)] (5) If the commission, upon petition from any interested person located within the property
20 for which the commission has waived the carrier of last resort obligations under subsection (3) **or**
21 (4) of this section, finds that the existing public convenience and necessity requires reinstatement
22 of the carrier of last resort obligations, then the commission has the power to assign the obligations
23 to a telecommunications utility, cooperative corporation or municipality after a public hearing. The
24 commission shall determine how the costs of serving the customers are allocated so that the tele-
25 communications utility, cooperative corporation or municipality will be allowed an opportunity to
26 recover reasonable and prudent costs that exceed the costs that would have been incurred to ini-
27 tially construct or acquire facilities to serve customers of the territory. The determination of cost
28 allocation by the commission must also divide the costs allowed equitably among all customers of
29 the territory to which service is being reinstated.

30
