

**CS FOR HOUSE BILL NO. 416(STA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 3/26/98

Referred: Judiciary, Finance

Sponsor(s): REPRESENTATIVES KELLY, Therriault, Mulder

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to competition in the provision of local exchange telephone  
2 service; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 \* **Section 1.** AS 42.05 is amended by adding a new section to read:

5 **Sec. 42.05.870. Competition in local exchange service.** (a) The legislature  
6 finds that

7 (1) modern, affordable, efficient, and universally available local and  
8 long distance telephone service is essential to the people of the state;

9 (2) local exchange telephone service should be provided competitively  
10 wherever possible;

11 (3) technological advances, reduced costs, and increased consumer  
12 choices for local exchange telephone service, resulting from the adoption of an  
13 appropriate competitive market structure, will enhance the state's economic  
14 development;

1 (4) the benefits of competition in local exchange telephone service  
2 should be available to consumers throughout the state;

3 (5) the commission should oversee competition in local exchange  
4 telephone service to ensure that the competition is fair to consumers and competitors;

5 (6) the commission should provide for competition in a timely manner  
6 and should adopt regulations that eliminate impediments to entry for local exchange  
7 carriers fit, willing, and able to provide service.

8 (b) By December 31, 1998, the commission shall adopt

9 (1) regulations ensuring universal service and providing for access  
10 charges that are compatible with full competition in the provision of local exchange  
11 telephone service using all methods allowed by 47 U.S.C. 251 - 276  
12 (Telecommunications Act of 1996); and

13 (2) any further regulations necessary to allow and promote local  
14 exchange competition, using all methods allowed by 47 U.S.C. 251 - 276  
15 (Telecommunications Act of 1996), in the service areas of all local exchange carriers  
16 that served 1,500 or more access lines on January 1, 1998.

17 (c) The commission shall approve or deny applications to provide competitive  
18 local exchange telephone service within 90 days after the filing of a complete  
19 application and shall consider competitive local exchange telephone service to be a  
20 service required for the convenience and necessity of the public under AS 42.05.241.  
21 The commission shall approve an application on a finding that the applicant is fit,  
22 willing, and able to provide the service. In accordance with 47 U.S.C. 253(f), the  
23 commission may require the applicant to offer service throughout the study area of the  
24 existing local exchange telephone utility. If the commission fails to approve or deny  
25 an application within 90 days after the commission has received a complete  
26 application, the application is considered approved.

27 (d) A local exchange telephone company, other than a municipally-owned local  
28 exchange telephone company, that is exempted in whole or in part from complying  
29 with all or a portion of this chapter may not be regulated by a municipality under  
30 AS 29.35.060 or 29.35.070.

31 \* **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).