

HOUSE BILL NO. 550

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 4/1/04

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act setting a timeline for decisions of the Regulatory Commission of Alaska;**
2 **relating to competitive telecommunications markets; and providing for an effective**
3 **date."**

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

5 * **Section 1.** AS 42.05.175 is amended by adding a new subsection to read:

6 (k) The commission shall issue a final order in a proceeding not described in
7 (a) - (e) of this section not later than 12 months after a complete petition is filed or,
8 when the commission initiates a proceeding, not later than 12 months after the order
9 initiating the proceeding is issued.

10 * **Sec. 2.** AS 42.05 is amended by adding new sections to read:

11 **Sec. 42.05.433. Telecommunications services in a competitive market.** (a)
12 A local exchange carrier may petition the commission for a determination that one or
13 more of its markets is a competitive service area. The commission shall, within 90
14 days, grant or reject the petition. If the commission fails to act within 90 days after the

1 submission of the petition, the petition shall be considered granted. A determination
2 that a market is competitive exempts all local exchange carriers from retail tariff filing
3 requirements for that market.

4 (b) The commission may deny a petition filed under (a) of this section only
5 upon a written finding and order that, based on a preponderance of the evidence, the
6 market does not constitute a competitive service area.

7 (c) A local exchange carrier in a market that might be affected by a
8 competitive market determination under (a) of this section may petition the
9 commission for a stay in any proceeding before the commission that could be affected
10 by a competitive market determination. A competitive market determination granted
11 under (a) of this section operates to dismiss the same issue in any other proceeding
12 stayed under this subsection. If a competitive market determination is the only issue
13 in a stayed proceeding, the entire proceeding is terminated as of the date of the
14 determination under (a) of this section. If the petition for a competitive market
15 determination is not granted under (a) of this section, the stayed proceeding resumes
16 on the date the petition under (a) of this section is denied. The period of time during
17 which a matter is stayed under this subsection is not counted in the calculation of time
18 for issuance of the final order in the matter under AS 42.05.175.

19 (d) A local exchange carrier granted a retail tariff exemption under (a) of this
20 section is, with regard to retail service in competitive service areas, exempt from the
21 following provisions of this chapter: AS 42.05.361, 42.05.371, 42.05.381, 42.05.391,
22 42.05.411, 42.05.421, and 42.05.431.

23 (e) A local exchange carrier providing services in a competitive service area
24 may structure its company in any manner not otherwise prohibited by federal or state
25 law. Business units are not required to be separate, and local exchange service
26 providers and affiliates may jointly own and operate infrastructure, networks,
27 switches, and other facilities. Providers and affiliates may exercise joint and common
28 use of all resources and employees.

29 (f) A local exchange carrier providing services in a competitive service area
30 may offer combinations of products and services. Products and service combinations
31 may include multiple local exchange products and services or may combine local with

1 nonlocal products and services.

2 (g) A local exchange carrier in a competitive service area may market the
3 products, plans, and services of a long-distance carrier affiliated with the local
4 exchange carrier.

5 (h) In this section,

6 (1) "competitive service area" means an area served by a local
7 exchange carrier in which at least 75 percent of all retail customers have a choice of
8 facilities-based service providers; the area may be

9 (A) the entire service area; or

10 (B) if the entire service area is not competitive, specifically
11 identified communities within the service area that are competitive;

12 (2) "facilities-based service provider" means a telephone utility that
13 offers a portion of its products and services by means of facilities it owns and operates
14 or by means of facilities and unbundled network elements it leases from another
15 provider, or any combination of facilities owned and leased; in this paragraph,

16 (A) "network element" means a facility or equipment used in
17 the provision of a telecommunications service;

18 (B) "unbundled" has the meaning given in 47 U.S.C. 251(c)(3);

19 (3) "retail" means services or products sold directly to the actual user
20 of the services or products.

21 * **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).