GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1135* Commerce Committee Substitute Adopted 7/29/98

Short Title: Telephone Line Access.

(Public)

Sponsors:

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Referred to:

May 13, 1998

A BILL TO BE ENTITLED

2 ACT IMPLEMENT A RECOMMENDATION AN TO OF THE JOINT 3 LEGISLATIVE UTILITY REVIEW COMMITTEE TO ALLOW SHARED 4 TENANT PROVIDERS TO OBTAIN LINE ACCESS FROM ANY 5 CERTIFICATED LOCAL PROVIDER OF TELEPHONE SERVICE AND TO ALLOW FLAT RATE ACCESS LINES TO PREMISES PROVIDING 6 7 ACCOMMODATIONS TO TRANSIENT PATRONS.

8 The General Assembly of North Carolina enacts:

Section 1. G.S. 62-110(d) reads as rewritten:

The Commission shall be authorized, consistent with the public interest and 10 "(d) notwithstanding any other provision of law, to adopt procedures for the purpose of 11 allowing shared use and/or resale of any telephone service provided to persons who 12 occupy the same contiguous premises (as such term shall be defined by the 13 Commission); provided, however, that there shall be no 'networking' of any services 14 authorized under this subsection whereby two or more premises where such services are 15 provided are connected, and provided further that the certificated local exchange telephone 16 company shall be the only provider of any certificated local provider or any other provider 17 authorized by the Commission may provide access lines or trunks connecting such 18 authorized service to the telephone network, and that the local service rates permitted or 19 approved by the Commission for local exchange lines or trunks being shared or resold 20 21 shall be fully compensatory and on a measured usage basis where facilities are available 22 or on a message rate basis otherwise. Provided however, the Commission may permit or 23 approve rates on bases other than measured or message for shared service-flat rates,

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1 measured rates, message rates, or some combination of those rates for shared or resold services whenever the service is offered to patrons of hotels or motels, occupants of 2 3 timeshare or condominium complexes serving primarily transient occupants, to patrons of hospitals, nursing homes, rest homes, or licensed retirement centers, or to members 4 5 of clubs or students living in guarters furnished by educational institutions, or to persons 6 temporarily subleasing a-residential premise. premises. The Commission shall issue rules to implement the service authorized by this subsection, considering the 7 8 competitive nature of the offerings and, notwithstanding any other provision of law, the 9 Commission shall determine the extent to which such services shall be regulated and, to 10 the extent necessary to protect the public interest, regulate the terms, conditions, and rates charged for such services and the terms and conditions for interconnection to the 11 local exchange network. The Commission shall require any person offering telephone 12 13 service under this subsection by means of a Private Branch Exchange ('PBX') or key 14 system to secure adequate local exchange trunks from the local exchange telephone 15 company-any certificated local provider or any other provider authorized by the 16 Commission so as to assure a quality of service equal to the quality of service generally 17 found acceptable by the Commission. Unless otherwise ordered by the Commission for 18 good cause shown by the company, the right and obligation of the local exchange carrier certificated local provider or any other provider authorized by the Commission to 19 20 provide local service directly to any person located within its certificated service area 21 shall continue to apply to premises where shared or resold telephone service is 22 available, provided however, the Commission shall be authorized to establish the terms 23 and conditions under which such services should be provided."

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Section 2. G.S. 62-110(e) reads as rewritten:

25 "(e) Notwithstanding subsection (d) of this section, the Commission may authorize any telephone services provided to a nonprofit college or university, and its 26 27 affiliated medical centers, which is gualified under Sections 501 and 170 of the United States Internal Revenue Code of 1986 or which is a State-owned institution, to be 28 29 shared or resold by that institution on both contiguous campus premises owned or 30 leased by the institution and noncontiguous premises owned or leased exclusively by the institution, provided these services are offered to students or guests housed in quarters 31 32 furnished by the institution, patrons of hospitals or medical centers of the institution, or persons or businesses providing educational, research, professional, consulting, food, or 33 34 other support services directly to or for the institution, its students, or guests. The services of the certified local exchange telephone company, a certificated local provider or 35 36 any other provider authorized by the Commission, when provided to said colleges, 37 universities, and affiliated medical centers shall be rated in the same way as those 38 provided for shared service offered to patrons of hospitals, nursing homes, rest homes, 39 licensed retirement centers, members of clubs or students living in quarters furnished by 40 educational institutions as provided for in subsection (d) of this section. The institutions regulated pursuant to this subsection shall not be prohibited from electing optional 41 42 services from the certificated local exchange telephone company-certificated local provider or any other provider authorized by the Commission which include measured or 43 message rate services. There shall be no 'networking' of any services authorized under 44

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this subsection whereby two or more different institutions where such services are 1 2 provided are interconnected. The certified local exchange telephone company shall be the 3 only provider of Any certificated local provider or any other provider authorized by the Commission may provide access lines or trunks connecting such authorized services to 4 5 the telephone network. The Commission shall require such institutions to secure 6 adequate local exchange trunks from the certified local exchange telephone company 7 certificated local provider or any other provider authorized by the Commission to assure 8 a quality of service equal to the quality of service generally found acceptable by the 9 Commission. Unless otherwise ordered by the Commission for good cause shown by 10 the certified local exchange telephone company, certificated local provider or any other provider authorized by the Commission, the right and obligation of the local exchange 11 12 company-that provide to provide local service directly to any person located within its 13 certificated service area shall continue to apply to premises where shared or resold 14 telephone service is available under this subsection, provided however, the Commission 15 shall be authorized to establish the terms and conditions under which such service 16 should be provided. The Commission shall issued issue rules to implement the services 17 authorized by this subsection." 18 Section 3. This act is effective when it becomes law.

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