

**MINUTES OF THE
PUBLIC UTILITIES & TECHNOLOGY STANDING COMMITTEE
Room 223 - State Capitol Building**

Monday, February 16, 1998

MEMBERS PRESENT: Rep. Beverly Ann Evans, Chair
Rep. Dennis H. Iverson, Vice-Chair
Rep. Jeff Alexander
Rep. Ralph Becker
Rep. Orville Carnahan
Rep. Gary F. Cox
Rep. Christine R. Fox-Finlinson
Rep. Brent H. Goodfellow
Rep. Thomas Hatch
Rep. J. Brent Haymond
Rep. David M. Jones
Rep. Swen C. Nielsen
Rep. Martin R. Stephens

STAFF: Richard North, Research Analyst
Ann Bushman, Committee Secretary

VISITORS: List of visitors on file

Rep. Iverson called the meeting to order at 8:15 a.m.

Rep. Evans gave a presentation on Utah Tomorrow.

MOTION: Rep. Evans moved that the minutes of February 10th be approved. The motion passed unanimously.

H.B. 115 **Telecommunications Amendments** - Rep. Martin R. Stephens

Rep. Stephens introduced the bill.

Answering questions about the bill and the amendments: Steve Mecham, Public Service Commission; L.J. Godfrey, AT&T; and Ted Smith, US West.

MOTION: Rep. Hatch moved to amend the bill as follows:

1. Page 1, Line 17: After "applied to" delete "an incumbent telephone" and replace with "a telecommunications"
2. Page 3, Line 10: After "the" delete "incumbent telephone" and replace with "telecommunications"

3. Page 3, Line 15: After "commission" delete "shall" and replace with "may"
4. Page 3, Line 16: After "order the" delete "party or the incumbent telephone" and replace with "telecommunications"
5. Page 3, Line 24: At the beginning of the line delete "party or incumbent telephone" and replace with "telecommunications"
6. Page 3, Line 26: After "assess the" delete "incumbent telephone" and replace with "telecommunications"
7. Page 3, Line 27: After "of the" insert "prevailing" and after "if the" delete "incumbent telephone" and replace with "telecommunication"
8. Page 3, Line 30: Delete "party" and replace with "telecommunications corporation."

The motion passed with Reps. Alexander, Nielsen and Stephens voting in opposition. Rep. Fox-Finlinson was absent for the vote.

MOTION: Rep. Goodfellow moved to amend the bill as follows:

1. Page 1, Line 7: After "AGREEMENTS" insert "; AND ENACTING PROVISIONS REGARDING THE UNAUTHORIZED CHANGE OF LONG DISTANCE CARRIER"
2. Page 1, Line 11: After line 11 insert:
54-8b-18, Utah Code Annotated 1953
3. Page 4, Line 28: After line 28 insert:
"Section 3. Section **54-8b-18** is enacted to read:
54-8b-18. Unauthorized change of long distance carrier – Public Service Commission authority – Penalty.
(1) A local telecommunications corporation may not honor a request by any person other than a customer to change the customer's primary long distance provider except:
(a) when the requesting telecommunications corporation requesting the change has obtained from the customer a document signed by the customer that contains clear and conspicuous disclosure of the customer's request for a change in the long distance provider; or
(b) when the customer affected by the change in provider initiates contact with the local telecommunications corporation in order to request the change; or
(c) when the carrier who has initiated the change has obtained the customer's verbal authorization as verified by an independent third party or by electronic means in accordance with the rules prescribed by the commission.

(2) The documentation required in Subsection (1) must be signed by the customer responsible for paying the charges on the account held by the telecommunications corporation and may not be a part of a sweepstakes, contest, or similar promotional program.

(3) The commission shall adopt rules prior to December 31, 1998 to implement the provisions of this section.

(4) A telecommunications corporation who initiates an unauthorized change in a customer's long distance provider in violation of Subsection (1) is liable:

(a) to the customer for all long distance charges, monthly service charges, carrier switching fees and other applicable charges incurred by the customer during the period of the unauthorized change;

(b) to the customer's original long distance provider for all charges for reinstating service to the customer; and

(c) to the Universal Service Telecommunications Service Support Fund established under Section 54-8b-15 for penalties of not more than \$10,000 per unauthorized change.

(5)(a) The commission shall have the authority to investigate a telecommunications corporation's compliance with Subsection (1).

(b) If a telecommunications corporation is found to have made more than three unauthorized changes in violation of Subsection (1) during any calendar year, the penalty for the unauthorized changes after the first three may be assessed at a rate up to \$20,000 per unauthorized change."

The motion failed with Reps. Alexander, Carnahan, Fox-Finlinson, Hatch, Haymond, Nielsen, Stephens, Iverson and Evans voting in opposition. Rep. Becker was absent for the vote.

MOTION:

Rep. Fox-Finlinson moved to amend the bill as follows:

1. Page 3, Lines 26-29: Delete lines 26 through 29
2. Page 3, Line 30: Delete "(iv)"
3. Page 4, Lines 18-28: Delete lines 18 through 28

RENUMBER ACCORDINGLY

Rep. Stephens requested a division on Rep. Fox-Finlinson's proposed amendments. The Chair approved and indicated that the committee would first vote on items one and two.

Items one and two of the amendments passed with Reps. Alexander, Becker, Cox, Nielsen and Stephens voting in opposition.

The committee then voted on the third item of Rep. Fox-Finlinson's proposed amendments.

Item three of the amendments passed with Reps. Alexander, Becker, Carnahan, Cox, Jones and Stephens voting in opposition.

MOTION: Rep. Alexander moved to pass the bill out favorably as amended.
The motion passed unanimously.

HB 263 **Removal of Directory Subsidy Amendments** - Rep. J. Brent Haymond

MOTION: Rep. Haymond moved to adopt 1st Sub HB 263.
The motion passed unanimously with Rep. Jones absent for the vote.

Answering questions about the 1st Substitute: Tani Pack Downing, Legislative Research and General Counsel.

Speaking in opposition to the bill: Charles Johnson; Betsy Wolf, Salt Lake Community Action Program; Claire Geddes, United We Stand; Bruce Bammes, Disabled Rights Action Center, Sue Ashdown, Coalition of Utah Internet Service Providers; Rex Knowles, Nextlink; Jeff Fox, Crossroads Urban Center, and Jerry Oldroyd, attorney.

MOTION: Rep. Jones moved to adjourn at 10:00 a.m.

Rep. Beverly Ann Evans, Chair