

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H. F. 358
Version: Delete-everything amendment
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Subject: Telecommunications Regulation
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Overview

H.F. No. 358 is a proposal of the public utilities commission relating to telecommunications. The bill removes most state regulation of pay telephones. It also authorizes the commission to impose administrative penalties against providers of local telephone service. This is a summary of the delete-everything amendment.

- 1** Provides that a certificate or approval from the commission is not required to site a public pay telephone in the state. Commission approval is not required for changes in service, rates, location, or ownership of a public pay telephone. Registration is required to own and operate a pay phone. Local units of government and other state government entities are expressly authorized to retain their existing exercised authority over pay telephones. The commission retains authority to require free 911 or E-911 access and free telecommunications relay service. Owners of pay telephones also must post customer service and complaint information and post a toll free number for obtaining pricing information.
- 2** **Subd. 1.** Authorizes the public utilities commission to issue a monetary administrative penalty following an investigation of a telephone company under section 237.081. The penalty can only be imposed for a violation of:
 - section 237.09, 237.121, or 237.16 which regulate discriminatory practices, prohibited practices, and local exchange competition, respectively, or any rule adopted under those sections;
 - any standards or limits established in a commission order pursuant to those same sections; or
 - any approved interconnection agreement.
- Subd. 2.** Provides criteria for determining the appropriate penalty subject to a minimum of \$100 and a maximum of \$5,000 a day for each violation. A penalty can only be imposed for a knowing and intentional violation.

Subd. 3. Requires proof by a preponderance of the evidence in order to impose a penalty.

Subd. 4. Specifies the contents of an order imposing an administrative penalty.

Subd. 5. Provides for a delay in the payment of a penalty to accommodate a possible appeal.

Subd. 6. Provides an expedited proceeding that may be used at the option of the commission to develop an evidentiary record for imposition of an administrative penalty.

Subd. 7. Authorizes the commission to issue a temporary order requiring behavior that may be the basis for imposing an administrative penalty to cease pending a final decision by the commission.

Subd. 8. Authorizes the attorney general to collect penalties using any procedure available under law.

Subd. 9. Provides that the administrative penalty is in addition to other remedies that may be available. However, the attorney general may not seek additional civil penalties under section 237.461 in cases when an administrative penalty has been imposed by the commission.

Subd. 10. Limits the scope of section 2 so it applies only to telecommunications providers, telephone companies, or telecommunications carriers that offer local telephone service in the service territory of a telephone company with 50,000 or more subscribers, regardless of where the violation occurs.

-434 Extends the sunset for certain statutes relating to alternative telephone regulation from August 1, 1999 to December 31, 2004.

5 Provides for an immediate effective date.