

AMENDED IN ASSEMBLY MAY 11, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 2198

Introduced by Assembly Member Pescetti

February 24, 2000

An act to add and repeal Section 2887 of the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 2198, as amended, Pescetti. Telecommunications: local ~~telephone service competition~~ exchange carriers.

Under existing law, the Public Utilities Commission is vested with regulatory authority over public utilities, including telephone corporations.

This bill would ~~state the intent of the Legislature to require the commission to remove barriers to local telephone service competition in all unincorporated areas of south Sacramento County, to the extent not preempted by the federal Telecommunications Act of 1996, until January 1, 2006, require the commission to survey each local exchange carrier, as defined, and determine if any upgrades are needed to provide standard telephone and Internet service to the service area of the local exchange carrier, and the cost of those upgrades. The bill would require a local exchange carrier to submit to the survey and annually submit certain reports on service to the commission and to each local governing board of the area being served. The bill would require the Office of Ratepayer Advocates, a division of the commission, to conduct~~

an annual survey of public opinion with regard to product quality, price, and customer service provided by a local exchange carrier. The bill would provide that its provisions do not apply to any local exchange carrier whose market share has, at any time, on or after January 1, 2001, fallen below 75% of customers in the service area.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~—yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1.—It is the intent of the Legislature to~~
2 SECTION 1. Section 2887 is added to the Public
3 Utilities Code, to read:
4 2887. (a) As used in this section, the term “local
5 exchange carrier” means a small independent telephone
6 corporation, as defined by the commission pursuant to
7 subdivision (b) of Section 739.3, and any other telephone
8 corporation with fewer than 1,000,000 lines.
9 (b) The commission shall survey each local exchange
10 carrier and determine if any upgrades are needed to
11 provide standard telephone and Internet service to the
12 service area of the local exchange carrier, and the cost of
13 those upgrades.
14 (c) Any local exchange carrier subject to survey
15 pursuant to subdivision (b) shall comply with all of the
16 following requirements:
17 (1) Submit to the survey by the commission pursuant
18 to subdivision (b).
19 (2) On March 1, 2001, and March 1 of each successive
20 year, the local exchange carrier shall submit to the
21 commission and to each local governing board of the area
22 being served, a report of the carrier’s progress with
23 regard to meeting the system upgrades needed to
24 provide standard service, as provided in the survey
25 pursuant to subdivision (b). If the commission has not
26 completed a survey, the carrier shall provide a general
27 report of system upgrades.
28 (3) On March 1, 2001, and March 1 of each successive
29 year, the local exchange carrier shall submit to the



1 commission and each local governing board of the area
2 being served, a report that includes all of the following:

3 (A) The results of the public opinion survey pursuant
4 to subdivision (d), and in succeeding years, the results of
5 the public opinion surveys for the current and previous
6 years.

7 (B) The number of complaints received by the local
8 exchange carrier and the commission for the two
9 preceding calendar years.

10 (C) A comparison of rates between the local exchange
11 carrier and other carriers that provide similar service, for
12 both of the following services:

13 (i) Basic telephone service.

14 (ii) Internet service.

15 (4) Based on the reports described in paragraphs (2)
16 and (3), and public input, if the local governing board of
17 the service area finds that the carrier is not maintaining
18 a reasonable standard of service, the board may file a
19 complaint with the commission.

20 (5) The local exchange carrier shall provide on each
21 monthly billing statement for each customer a toll-free
22 number for customer complaints. The number shall be
23 placed in the top half of the first page of each statement.

24 (d) The Office of Ratepayer Advocates shall conduct
25 an annual survey of public opinion with regard to product
26 quality, price, and customer service provided by a local
27 exchange carrier.

28 (e) If the commission finds that the upgrades have
29 been insufficient to meet the requirements of a survey
30 pursuant to subdivision (b), the commission shall open an
31 investigation into the local exchange carrier's operations.

32 (f) This section does not apply to any local exchange
33 carrier whose market share has, at any time, on or after
34 January 1, 2001, fallen below 75 percent of customers in
35 the service area.

36 (g) This section shall remain in effect only until
37 January 1, 2006, and as of that date is repealed, unless a
38 later enacted statute, that is enacted before January 1,
39 2006, deletes or extends that date. ~~require the Public
40 Utilities Commission to remove barriers to local~~



1 ~~telephone service competition in all unincorporated~~
2 ~~areas of south Sacramento County, to the extent not~~
3 ~~preempted by the federal Telecommunications Act of~~
4 ~~1996 (P.L. 104-104).~~

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