

By: Fraser

S.B. No. 332

A BILL TO BE ENTITLED

AN ACT

relating to furthering competition in the telecommunication industry.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The Utilities Code is amended by adding Chapter 65 to read as follows:

CHAPTER 65. DEREGULATION OF MARKETS IN INCUMBENT

LOCAL EXCHANGE COMPANY TERRITORIES.

SUBCHAPTER A. GENERAL PROVISIONS.

Sec. 65.001. STATEMENT OF POLICY. It is the policy of this state to provide for full rate and service competition in the telecommunications market of this state so that customers may benefit from innovations in service quality and market-based pricing.

Sec. 65.002. COMMISSION AUTHORITY. (a) Notwithstanding any other provisions of this title, the commission has the authority to implement and enforce this chapter.

(b) The commission has the authority to collect and compile information from all telecommunications providers as necessary to implement and enforce this chapter. The commission shall maintain the confidentiality of information collected under this chapter that is claimed to be confidential for competitive purposes. Confidential information is exempt from disclosure under Chapter 552, Government Code.

1 Sec. 65.003 DEFINITIONS. In this chapter:

2 (1) "Deregulated Company" means an incumbent local
3 exchange company as defined by Sec. 51.002(3) for which all markets
4 of the company's certificate of convenience and necessity territory
5 have been deregulated.

6 (2) "Market" means an exchange of the incumbent local
7 exchange company as defined by Sec. 51.002(3) in which residential
8 local exchange telephone service is provided by the incumbent local
9 exchange company.

10 (3) "Regulated company" means an incumbent local
11 exchange company as defined by Sec. 51.002(3) for which no market in
12 the company's certificate for convenience and necessity territory
13 has been deregulated.

14 (4) "Small local exchange company" means an incumbent
15 local exchange company as defined by Sec. 51.002(3) that has,
16 together with all of its affiliated incumbent local exchange
17 companies, fewer than 31,000 access lines in service in this state
18 or is a cooperative corporation.

19 (5) "Transitioning company" means an incumbent local
20 exchange company as defined by Sec. 51.002(3) for which at least one
21 market in the company's certificate for convenience and necessity
22 territory has been deregulated.

23 SUBCHAPTER B. INCUMBENT LOCAL EXCHANGE COMPANY MARKETS

24 DEREGULATED.

25 Sec. 65.100 DEREGULATED MARKETS. Except as provided in
26 Subchapters C and K of this Chapter, the markets of all incumbent
27 local exchange companies are deregulated on August 1, 2007.

1 SUBCHAPTER C. INCUMBENT LOCAL EXCHANGE COMPANY MARKETS
2 THAT SHOULD REMAIN REGULATED.

3 Sec. 65.110 DETERMINING WHETHER A MARKET OR MARKETS SHOULD
4 REMAIN REGULATED. (a) The commission shall determine whether a
5 market or markets of an incumbent local exchange company should
6 remain regulated on and after August 1, 2007.

7 (b) The commission shall adopt rules and conduct
8 proceedings necessary to make the determination whether a market or
9 markets of an incumbent local exchange company should remain
10 regulated on and after August 1, 2007. The commission's
11 determination shall include, but is not limited to, the
12 requirements of Subchapter F of this Chapter. The incumbent local
13 exchange carrier has the burden of proving that a market should not
14 remain regulated.

15 (c) An incumbent local exchange company for which the
16 commission does not determine that a market or markets in its
17 territory shall remain regulated on and after August 1, 2007 shall
18 be a deregulated company and subject to Subchapter G of this
19 Chapter.

20 (d) An incumbent local exchange company for which the
21 commission determines that a market or markets in its territory
22 shall remain regulated on and after August 1, 2007 and that a market
23 or markets in its territory shall not remain regulated shall be a
24 transitioning company and subject to Subchapter H of this Chapter.

25 (e) An incumbent local exchange company for which the
26 Commission determines that all markets in its territory shall
27 remain regulated on and after August 1, 2007 shall continue to be a

1 regulated company and subject to the provisions of this title
2 applicable to it on January 1, 2005, except that if the regulated
3 company elects pursuant Chapters 58 or 59 of this title after
4 January 1, 2005, such regulated company shall be regulated pursuant
5 to the provisions of the chapter under which it elected.

6 (f) The commission shall issue final orders in proceedings
7 held pursuant to this section no later than May 31, 2007.

8 Sec. 65.115 SMALL INCUMBENT LOCAL EXCHANGE COMPANY MARKETS.

9 (a) Notwithstanding Section 65.110, a small incumbent local
10 exchange company may elect for its market or markets to remain
11 regulated on and after August 1, 2007.

12 (b) By January 1, 2006, such small incumbent local exchange
13 company shall file an affidavit with the commission indicating that
14 it elects for its market or markets to remain regulated.

15 (c) A small incumbent local exchange company who elects to
16 remain regulated shall continue to be a regulated company and
17 subject to the provisions of this title applicable to it on January
18 1, 2005, except that if the regulated company elects pursuant
19 Chapters 58 or 59 of this title after January 1, 2005, such
20 regulated company shall be regulated pursuant to the provisions of
21 the chapter under which it elected.

22 SUBCHAPTER D. DEREGULATION OF MARKETS THAT REMAIN

23 REGULATED ON AND AFTER AUGUST 1, 2007.

24 Sec. 65.120. PETITION FOR DEREGULATION. (a) Pursuant to
25 this subchapter and after January 1, 2008, an incumbent local
26 exchange company may petition the commission for deregulation in a
27 market that remains regulated.

1 (b) The commission shall adopt rules and conduct
2 proceedings necessary to make the determination whether a market or
3 markets of an incumbent local exchange company that remain
4 regulated on and after August 1, 2007 shall be deregulated. The
5 commission's determination shall include, but is not limited to,
6 the requirements of Subchapter F of this Chapter. The incumbent
7 local exchange carrier has the burden of proving that a market
8 should be deregulated.

9 SUBCHAPTER E. RE-REGULATION OF MARKETS.

10 Sec. 65.130. COMMISSION AUTHORITY TO RE-REGULATE. (a) In
11 a market in which a transitioning company or a deregulated company
12 is deregulated, the commission may subject the transitioning
13 company or the deregulated company to re-regulation in that market
14 pursuant to Section 52.206 of this title.

15 (b) The commission shall adopt rules and conduct
16 proceedings necessary to make the determination whether a market or
17 markets of an incumbent local exchange company that are deregulated
18 shall be re-regulated. The commission's determination shall
19 include, but is not limited to, the requirements of Subchapter F of
20 this Chapter. The incumbent local exchange carrier has the burden
21 of proving that a market should not be re-regulated.

22 SUBCHAPTER F. MARKET TEST.

23 Sec. 65.140. MARKET TEST TO DETERMINE STATUS OF REGULATION.

24 (a) To determine whether a market of an incumbent local exchange
25 company should be regulated or deregulated, the commission shall
26 consider the following for residential local exchange telephone
27 service in that market:

1 (1) the elasticity of demand, including, but not
2 limited to:

3 (A) evidence that customers have changed or have
4 considered changing providers of service due to changes in price or
5 other competitive reasons;

6 (B) evidence that customers have purchased or
7 have considered purchasing substitutable products in response to
8 changes in price or other competitive reasons;

9 (C) evidence that the incumbent local exchange
10 company bases business decisions on the possibility of customer
11 substitution, and

12 (D) evidence of customer churn.

13 (2) the elasticity of supply, including but not
14 limited to:

15 (A) the number of providers of service in the
16 market;

17 (B) the existence of excess capacity among
18 competitors and their ability to expand capacity;

19 (C) barriers to entry arising from the
20 competitors' need to interconnect with and/or purchase wholesale
21 services from the incumbent local exchange company;

22 (D) barriers to entry arising from pricing
23 factors;

24 (E) the viability of competitors to provide a
25 check on the incumbent local exchange company pricing;

26 (F) the business plans of potential competitors
27 to enter the market;

1 (G) the viability of competitors to enter the
2 market or to expand within the market; and

3 (H) evidence that the incumbent local exchange
4 company bases business decisions on the prospect of losing
5 customers to competitors.

6 (3) other factors including but not limited to:

7 (A) evidence of a material decline in market
8 share of the incumbent local exchange company; and

9 (B) evidence of price competition.

10 SUBCHAPTER G. DEREGULATED COMPANY.

11 Sec. 65.150. REQUIREMENTS FOR A DEREGULATED COMPANY.

12 (a) A deregulated company may petition the commission to
13 relinquish its certificate of convenience and necessity and receive
14 a certificate of operating authority. Upon such a request and
15 findings that the company has met the definition of a deregulated
16 company, the commission shall issue the deregulated company a
17 certificate of operating authority and rescind the deregulated
18 company's certificate of convenience and necessity.

19 (b) A deregulated company holding a certificate of
20 operating authority shall be a non-dominant carrier governed in the
21 same manner as any holder of a certificate of operating authority
22 except that the deregulated company shall:

23 (1) retain the obligations of a provider of last
24 resort pursuant to Chapter 54 of this title; and

25 (2) be subject to the incumbent local exchange carrier
26 provisions set forth in the following:

27 (A) Section 52.206;

1 (B) Sections 54.156, 54.158, and 54.159;

2 (C) Section 55.012; and

3 (D) Chapters 60, 61, 62 and 63 of this title.

4 Sec. 65.151. SWITCHED ACCESS RATES FOR DEREGULATED COMPANY.

5 (a) Upon deregulation in the last market in its certificate of
6 convenience and necessity territory, the deregulated company shall
7 reduce both its originating and terminating per minute of use
8 switched access rates in all its markets to parity with its
9 respective local reciprocal compensation rates.

10 (b) After reducing its per minute of use switched access
11 rates pursuant to subsection (a), the deregulated company shall
12 maintain parity with its local reciprocal compensation rates.
13 After a change in its local reciprocal compensation rates, the
14 deregulated company shall change its per minute of use switched
15 access rates in all its markets to parity with its local reciprocal
16 compensation rates.

17 (c) The deregulated company shall not increase its per
18 minute of use switched access rates above its applicable reciprocal
19 compensation rates.

20 (d) The requirements of this section apply to a deregulated
21 company holding a certificate of convenience and necessity or a
22 certificate of operating authority pursuant to this subchapter.

23 SUBCHAPTER H. TRANSITIONING COMPANY.

24 Sec. 65.160. REQUIREMENTS FOR A TRANSITIONING COMPANY. A
25 transitioning company shall remain subject to the provisions of
26 this title applicable to such company immediately prior to becoming
27 a transitioning company and to the provisions of this subchapter.

1 Where the provisions are inconsistent, this subchapter controls.

2 Sec. 65.161. GENERAL REQUIREMENTS FOR A TRANSITIONING
3 COMPANY. (a) A transitioning company:

4 (1) may offer its services in all markets one day after
5 providing an informational notice as provided by Section 58.063 or
6 58.153 of this title; and

7 (2) shall not be required to comply with
8 exchange-specific retail quality of service standards and
9 reporting in markets that are deregulated.

10 Sec. 65.162. RATE REQUIREMENTS FOR TRANSITIONING COMPANY.

11 (a) In a market not subject to deregulation, the transitioning
12 company shall price its retail services in accordance with the
13 provisions applicable to such company immediately prior to becoming
14 a transitioning company.

15 (b) In a market subject to deregulation, the transitioning
16 company shall price its retail services in those markets as
17 follows:

18 (1) for all services, except basic local
19 telecommunications service, at any price higher than the service's
20 long run incremental cost; and

21 (2) for basic local telecommunications service, at any
22 price higher than the lesser of the long run incremental cost or the
23 tariffed price on the date of deregulation in that market.

24 (c) In all markets, the transitioning company shall not:

25 (1) establish a retail rate, term, or condition that
26 is anticompetitive or unreasonably preferential, prejudicial, or
27 discriminatory;

1 (2) establish a retail rate that is subsidized either
2 directly or indirectly by a regulated monopoly service or a service
3 provided in an exchange that is not deregulated; and

4 (3) engage in predatory pricing or attempt to engage
5 in predatory pricing.

6 Sec. 65.163. SWITCHED ACCESS RATES FOR TRANSITIONING
7 COMPANY. (a) Notwithstanding any other provision of this title,
8 on August 1, 2007, the transitioning company shall reduce both its
9 originating and terminating per minute of use switched access rates
10 in all its markets to parity with its respective federal
11 originating and terminating per minute of use switched access
12 rates.

13 (b) After reducing its per minute of use switched access
14 rates pursuant to subsection (a), the transitioning company shall
15 maintain parity with its federal originating and terminating per
16 minute of use switched access rates. Upon reduction in its federal
17 per minute of use switched access rates, the transitioning company
18 shall reduce its per minute of use switched access rates in all its
19 markets to parity with its federal per minute of use switched access
20 rates.

21 (c) A transitioning company may not increase its per minute
22 of use switched access rates above the lesser of the rate set in
23 subsection (a) of this section or the rate set in accordance with
24 subsection (b) of this section.

25 SUBCHAPTER I. CUSTOMER PROTECTION.

26 Sec. 65.170. CUSTOMER PROTECTION. This Chapter does not
27 alter a customer's right to complain to the commission.

1 SUBCHAPTER J. LEGISLATIVE OVERSIGHT COMMITTEE.

2 Sec. 65.180. OVERSIGHT COMMITTEE. (a) In this subchapter,
3 "committee" means the telecommunications competitiveness
4 legislative oversight committee.

5 (b) The committee is composed of nine members as follows:

6 (1) the chair of the Senate Committee on Business and
7 Commerce;

8 (2) the chair of the House Committee on Regulated
9 Industries;

10 (3) three members of the Senate appointed by the
11 lieutenant governor;

12 (4) three members of the house appointed by the
13 speaker of the house of representatives; and

14 (5) the chief executive of the Office of Public
15 Utility Counsel.

16 (c) An appointed member of the committee serves at the
17 pleasure of the appointing official.

18 Sec. 65.181. COMMITTEE DUTIES. (a) The committee shall
19 conduct joint public hearings with the commission at least annually
20 regarding the introduction of full competition to
21 telecommunication services in the state. The commission shall:

22 (1) collect and compile information from all
23 telecommunications providers as necessary to conduct a hearing
24 under this section; and

25 (2) maintain the confidentiality of information
26 collected under this section that is claimed to be confidential for
27 competitive purposes. The confidential information is exempt from

1 disclosure under Chapter 552, Government Code.

2 (b) The committee shall receive information about rules
3 relating to telecommunications deregulation proposed by the
4 commission and may submit comments to the commission on those
5 proposed rules.

6 (c) The committee shall monitor the effectiveness of
7 telecommunications deregulation, including the fairness of rates,
8 the quality of service, and the effect of regulation on the normal
9 forces of competition.

10 (d) The committee may request reports and other information
11 from the commission as necessary to carry out this subchapter.

12 (e) Not later than November 15 of each even numbered year,
13 the committee shall report to the governor, lieutenant governor,
14 and speaker of the house of representatives on the committee's
15 activities under this subchapter. The report shall include:

16 (1) an analysis of any problems caused by
17 telecommunications deregulation; and

18 (2) recommendations of any legislative action
19 necessary to address those problems and to further competition
20 within the telecommunications industry.

21 Sec. 65.182. EFFECT OF SUNSET PROVISION. The committee is
22 subject to Chapter 325, Government Code (Texas Sunset Act). Unless
23 continued in existence as provided by that chapter, the committee
24 is abolished January 1, 2011.

25 SUBCHAPTER K. BASIC LOCAL TELECOMMUNICATIONS

26 SERVICES CAPPED.

27 Sec. 65.190. RATES CAPPED. (a) All incumbent local

1 exchange companies subject to this chapter shall not increase any
2 rate for basic local telecommunications services, except the
3 companies may increase rates for business local exchange telephone
4 service subject to provisions of this chapter.

5 (b) The rates of an incumbent local exchange carrier capped
6 by subsection (a) of this section are the rates charged by the
7 company on August 31, 2005.

8 SECTION 2. Section 51.002(3), Utilities Code, is amended to
9 read as follows:

10 Sec. 51.002 DEFINITIONS.

11 (3) "Incumbent local exchange company" means a local
12 exchange company that has a certificate of convenience and
13 necessity on January 1, 2005 [~~September 1, 1995~~].

14 SECTION 3. Section 52.155, Utilities Code, is amended to
15 read as follows:

16 Sec. 52.155. PROHIBITION OF EXCESSIVE ACCESS CHARGES.

17 (a) A telecommunications utility that holds a certificate of
18 operating authority or a service provider certificate of operating
19 authority may not charge a higher amount for originating or
20 terminating intrastate switched access than the prevailing rates
21 charged by the holder of the certificate of convenience and
22 necessity or the holder of a certificate of operating authority
23 granted pursuant to Chapter 65 of this title in whose territory the
24 call originated or terminated unless:

25 (1) the commission specifically approves the higher
26 rate; or

27 (2) subject to commission review, the

1 telecommunications utility established statewide average composite
2 originating and terminating intrastate switched access rates based
3 on a reasonable approximation of traffic originating and
4 terminating between all holders of certificates of convenience and
5 necessity in this state.

6 (b) Notwithstanding any other provision of this title, the
7 commission has all jurisdiction necessary to enforce this section.

8 (c) Notwithstanding subsection (a) of this section, a
9 company that holds a certificate of operating authority received
10 pursuant Chapter 65 of this title shall have its switched access
11 charge rates governed by Chapter 65 of this title.

12 SECTION 4. Subchapter D, Chapter 52, Utilities Code, is
13 amended by adding Section 52.156 to read as follows:

14 Sec. 52.156. RETAIL RATES, TERMS, AND CONDITIONS ESTABLISHED
15 BY HOLDERS OF COA OR SPCOA. A holder of a COA or SPCOA shall not:

16 (1) establish a retail rate, term, or condition that
17 is anticompetitive or unreasonably preferential, prejudicial, or
18 discriminatory; or

19 (2) engage in predatory pricing or attempt to engage
20 in predatory pricing.

21 SECTION 5. Section 54.251, Utilities Code, is amended to
22 read as follows:

23 Sec. 54.251. PROVISION OF SERVICE. (a) Except as provided
24 by this section, Section 54.252, Section 54.253, and Section
25 54.254, a telecommunications utility that holds a certificate of
26 convenience and necessity or a certificate of operating authority
27 shall:

1 (1) offer all basic local telecommunications services
2 to each customer in the utility's certificated area; and

3 (2) provide continuous and adequate service in that
4 area.

5 (b) Except as specifically determined otherwise by the
6 commission under this subchapter or Subchapter G, the holder of a
7 certificate of convenience and necessity or the holder of a
8 certificate of operating authority granted pursuant to Chapter 65
9 of this title for an area has the obligations of a provider of last
10 resort regardless of whether another provider has a certificate of
11 operating authority or service provider certificate of operating
12 authority for that area.

13 SECTION 6. Section 54.301, Utilities Code, is amended as
14 follows:

15 Sec. 54.301. DEFINITIONS. In this subchapter:

16 (1) "Exiting utility" means a telecommunications
17 utility that:

18 (A) holds a certificate of operating authority or
19 a service provider certificate of operating authority;

20 (B) is the predominant provider of basic local
21 telecommunications service in a defined geographic area and
22 provides those services using the utility's own facilities; and

23 (C) ceases operations in all or part of the
24 utility's certificated service area under Section 54.253 or 54.303.

25 (2) "Holder of Certificate of Convenience and
26 Necessity" means a holder of a certificate of convenience and
27 necessity or a holder of a certificate of operating authority

1 granted pursuant to Chapter 65 of this title.

2 (3) [(2)] "Provider of last resort" means a
3 certificated telecommunications utility that must offer basic
4 local telecommunications service throughout a defined geographic
5 area.

6 (4) [(3)] "Successor utility" means a
7 telecommunications utility that holds a certificate of convenience
8 and necessity, certificate of operating authority, or service
9 provider certificate of operating authority, and that is or is
10 designated to become the provider of last resort for the defined
11 geographic area previously served by an exiting utility.

12 SECTION 7. Section 56.026, Utilities Code, is amended by
13 revising Subsection (c) as follows:

14 (c) Notwithstanding any other provision of this title, as
15 follows:

16 (1) after notice and opportunity for hearing, the
17 commission may determine the appropriate universal service fund
18 disbursement amounts.

19 (2) when an incumbent local exchange company receiving
20 disbursements, as of January 1, 2005, from the Texas High Cost
21 Universal Service Plan, as established pursuant to this title,
22 becomes a deregulated company pursuant to Chapter 65 of this title,
23 telecommunications providers in such incumbent local exchange
24 company territory shall receive universal service fund
25 disbursements only for providing lifeline service pursuant to
26 Section 56.021(5) of this chapter.

27 ~~[Notwithstanding any other provision of this title, if an~~

1 ~~electing company reduces rates in conjunction with receiving~~
2 ~~disbursements from the universal service fund, the commission may~~
3 ~~not reduce the amount of those disbursements, except that:~~

4 ~~[(1) if a local end user customer of the electing~~
5 ~~company switches to another local service provider that serves the~~
6 ~~customer entirely through the use of its own facilities and not~~
7 ~~partially or solely through the use of unbundled network elements,~~
8 ~~the electing company's disbursement may be reduced by the amount~~
9 ~~attributable to that customer under Section 56.021(1); or~~

10 ~~[(2) if a local end user customer of the electing~~
11 ~~company switches to another local service provider, and the new~~
12 ~~local service provider serves the customer partially or solely~~
13 ~~through the use of unbundled network elements provided by the~~
14 ~~electing company, the electing company's disbursement attributable~~
15 ~~to that customer under Section 56.021(1) may be reduced only if the~~
16 ~~commission establishes an equitable allocation formula for the~~
17 ~~disbursement.]~~

18 SECTION 8. Subchapter G, Chapter 58, Utilities Code, is
19 amended by adding Section 58.268 to read as follows:

20 Sec. 58.268. CONTINUATION OF THIS SUBCHAPTER.
21 Notwithstanding any other provision of this title, the following
22 companies shall continue to comply with provisions of this
23 subchapter until January 1, 2012:

- 24 (1) A company electing pursuant to this chapter; or
25 (2) A company electing pursuant to this chapter that,
26 pursuant to Chapter 65, becomes a regulated company, a
27 transitioning company, a deregulated company, or a holder of a

1 certificate of convenience and necessity.

2 SECTION 9. Subchapter D, Chapter 59, Utilities Code, is
3 amended by adding Section 59.083 to read as follows:

4 Sec. 59.083. CONTINUATION OF THIS SUBCHAPTER.
5 Notwithstanding any other provision of this title, the following
6 companies shall continue to comply with provisions of this
7 Subchapter until January 1, 2012:

- 8 (1) A company electing pursuant to this chapter; or
9 (2) A company electing pursuant to this chapter that,
10 pursuant to Chapter 65, becomes a regulated company, a
11 transitioning company, a deregulated company, or a holder of a
12 certificate of convenience and necessity.

13 SECTION 10. Chapter 60, Utilities Code, is amended by
14 adding Subchapter J to read as follows:

15 SUBCHAPTER J. WHOLESALE CODE OF CONDUCT.

16 Sec. 60.175. STATEMENT OF POLICY. It is the policy of this
17 state that providers of telecommunications services operate
18 consistent with minimum standards to provide customers with
19 continued competitive choice for providers.

20 Sec. 60.176. MINIMUM SERVICE PROVIDER REQUIREMENTS. A
21 telecommunications provider may not unreasonably:

- 22 (1) discriminate against another provider by refusing
23 access to an exchange;
24 (2) refuse or delay an interconnection to another
25 provider;
26 (3) degrade the quality of access the
27 telecommunications provider provides to another provider;

1 (4) impair the speed, quality, or efficiency of a line
2 used by another provider;

3 (5) fail to fully disclose in a timely manner on
4 request all available information necessary to design equipment
5 that will meet the specifications of the network; or

6 (6) refuse or delay access by a person to another
7 provider.

8 Sec. 60.177. INTERCONNECTION. All telecommunications
9 providers shall have a duty to provide interconnection with other
10 telecommunications providers' networks:

11 (1) for the transmission routing of telephone exchange
12 service and exchange access;

13 (2) at any technically feasible point within the
14 network of the provider;

15 (3) at least equal in quality to that provided by the
16 telecommunications provider or any subsidiary, affiliate, or any
17 other party to which the provider provides interconnection;

18 (4) on rates, terms, and conditions that are just
19 reasonable, and nondiscriminatory.

20 Sec. 60.178. NUMBER PORTABILITY. All telecommunications
21 providers shall provide number portability in accordance with
22 federal requirements.

23 Sec. 60.179. DUTY TO NEGOTIATE. All telecommunications
24 providers shall negotiate in good faith the terms and conditions of
25 any agreements.

26 Sec. 60.180. DIALING PARITY. All telecommunications
27 providers shall provide dialing parity to competing

1 telecommunications providers of telephone exchange service and
2 telephone toll service and shall provide nondiscriminatory access
3 to telephone numbers, operator services, directory assistance, and
4 directory listing with no unreasonable delays.

5 Sec. 60.181. ACCESS TO RIGHTS OF WAY. All
6 telecommunications providers shall provide access to poles ducts,
7 conduits and rights-of-way to competing providers of
8 telecommunications service on rates, terms, and conditions that are
9 just, reasonable, and nondiscriminatory.

10 Sec. 60.182. RECIPROCAL COMPENSATION. All telecommunications
11 providers shall establish reciprocal compensation arrangements for
12 the transport and termination of telecommunications.

13 Sec. 60.183. ACCESS TO SERVICES. A telecommunications
14 provider shall provide access to:

15 (1) 911 and E-911 service;

16 (2) directory assistance service to allow other
17 telecommunications providers' customers to obtain telephone
18 numbers; and

19 (3) operator call completion service.

20 SECTION 11. Chapter 60, Utilities Code, is amended by
21 adding Subchapter K to read as follows:

22 SUBCHAPTER K. WHOLESAL COMPLIANCE AND ENFORCEMENT.

23 Sec. 60.200. MONITOR AND ENFORCE COMPLIANCE WITH CHAPTER 60
24 OF THIS TITLE AND 47 U.S.C. 251 AND 252. Notwithstanding any other
25 law, the commission has jurisdiction to monitor and enforce an
26 incumbent local exchange company's compliance with the
27 requirements of Chapter 60 of this title and 47 U.S.C. Sections 251

1 and 252. This jurisdiction includes, but is not limited to,
2 establishing benchmarks for performance for the incumbent local
3 exchange company and requiring the incumbent local exchange company
4 to provide reports to the commission.

5 SECTION 12. This act takes effect September 1, 2005.