

By: Carona

S.B. No. 986

A BILL TO BE ENTITLED

AN ACT

relating to deregulation of certain telecommunications markets and companies.

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

SECTION 1. Section 65.051, Utilities Code, is amended to read as follows:

Sec. 65.051. MARKETS DEREGULATED. A market that is deregulated as of September 1, 2011, shall remain deregulated.

Notwithstanding any other provision of this title, the commission may not reregulate a market or company that has been deregulated.

~~[(a) Except as provided by Subsection (b), all markets of all incumbent local exchange companies are deregulated on January 1, 2006, unless the commission determines under Section 65.052(a) that a market or markets should remain regulated.]~~

~~[(b) A market of an incumbent local exchange company in which the population in the area included in the market is less than 30,000 is deregulated on January 1, 2007, unless the commission determines under Section 65.052(f) that the market should remain regulated.]~~

SECTION 2. Sections 65.052(a), (b), and (c), Utilities Code, are amended to read as follows:

(a) An incumbent local exchange company may petition the commission to deregulate a market of the company that the commission previously determined should remain regulated.

1 Notwithstanding any other provision of this title, only the
2 incumbent local exchange company may initiate a proceeding to
3 deregulate one of the company's markets. Not later than the 90th day
4 after the date the commission receives the petition, [~~Except as~~
5 provided by Subsection (f),] the commission shall:

6 (1) determine whether the regulated [~~each~~] market [~~of~~
7 ~~an incumbent local exchange company~~] should remain regulated [~~on~~
8 ~~and after January 1, 2006~~]; and

9 (2) issue a final order classifying the market
10 [~~company~~] in accordance with this section [~~effective January 1,~~
11 ~~2006~~].

12 (b) In making a determination under Subsection (a), the
13 commission may not determine that a market should remain regulated
14 if:

15 (1) the population in the area included in the market
16 is at least 100,000; or

17 (2) the population in the area included in the market
18 is [~~at least 30,000 but~~] less than 100,000 and, in addition to the
19 incumbent local exchange company, there are at least two
20 competitors operating in all or part of the market that [~~three~~
21 ~~competitors of which~~]:

22 (A) are unaffiliated with the incumbent local
23 exchange company [~~at least one is a telecommunications provider~~
24 ~~that holds a certificate of operating authority or service provider~~
25 ~~certificate of operating authority and provides residential local~~
26 ~~exchange telephone service in the market~~]; and

27 (B) provide voice communications service without

1 regard to the delivery technology, including through:

2 (i) Internet Protocol or a successor
3 protocol;

4 (ii) satellite; or

5 (iii) a technology used by a wireless
6 provider or a commercial mobile service provider, as that term is
7 defined by Section 64.201 [at least one is an entity providing
8 residential telephone service in the market using facilities that
9 the entity or its affiliate owns; and

10 [~~(C) at least one is a provider in that market of~~
11 ~~commercial mobile service as defined by Section 332(d),~~
12 ~~Communications Act of 1934 (47 U.S.C. Section 151 et seq.), Federal~~
13 ~~Communications Commission rules, and the Omnibus Budget~~
14 ~~Reconciliation Act of 1993 (Pub. L. No. 103-66), that is not~~
15 ~~affiliated with the incumbent local exchange company].~~

16 (c) If the commission deregulates a market under this
17 section and the deregulation results in a regulated or
18 transitioning company no longer meeting the definition of a
19 regulated or transitioning company, the commission shall issue an
20 order reclassifying the company as a transitioning company or
21 deregulated company, as those terms are defined by Section 65.002.

22 [~~The commission shall issue an order classifying an incumbent local~~
23 ~~exchange company as a deregulated company that is subject to~~
24 ~~Subchapter C if:~~

25 [~~(1) the company does not have any markets in which the~~
26 ~~population in the area included in the market is less than 30,000,~~
27 ~~and~~

1 ~~[(2) the commission does not determine that a market~~
2 ~~of the company should remain regulated on and after January 1,~~
3 ~~2006.]~~

4 SECTION 3. Sections 65.052(d), (e), and (f), 65.054, and
5 65.055, Utilities Code, are repealed.

6 SECTION 4. This Act takes effect September 1, 2011.