



Member Alert

March 3, 2006

House Committee Passes Over Telecom Regulatory Reform Bill

The House Tourism Development and Energy Committee passed over **HB 337**, a telecom regulatory reform bill called the *Emerging Technology and Consumer Choice Act of 2006* yesterday morning. The bill had been on the agenda but committee chairman Eddie Ballard (D-Madisonville) announced at the beginning of the meeting that it would not be heard.

The bill had been revised extensively since the initial hearing last month and was expected to be voted out of committee to the House floor. The chairman's action was unexpected.

Strong opposition to the bill still exists from the Attorney General, AARP and several CLECs. The Public Service Commission was not scheduled to speak on the bill and was officially neutral.

Early in the afternoon, the chairman convened a meeting with the primary sponsors -- Reps. Joni Jenkins (D-Louisville) and Scott Brinkman (R-Louisville) -- and the major parties involved and directed them to *reach a compromise by next Tuesday morning or the bill will not move in his committee*. Over the next 2½ hours and with sometimes gentle urgings by the sponsors, the opponents presented their primary concerns with the bill. The sponsors and telecom supporters responded to each concern. All parties agreed that there was a better understanding of the bill and that although some agreements had been reached some basic differences remained. Telecom agreed to review the bill and to consider further changes requested. All parties agreed to make the effort to meet the chairman's deadline. Parties are expected to work over the weekend to determine if a compromise can be reached.

The premise of the bill remains the recognition that effective competition exists in the state telecommunications marketplace and that consumers should be allowed to benefit from the products and services provided by all competitors. While basic service remains under the PSC, non-basic services, including bundles and packages of services will be subject to the competitive market only. The bill applies equally to all telecom providers to encourage investment in modern infrastructure and the provision of new and innovative product and service offerings, promotions and packages in the competitive marketplace.

Even if a compromise can be reached on the components of the bill, some opposition will likely remain on the overall premise of the bill and contend that the current regulatory conditions should remain in place.

ACTION REQUEST: *None at this time.* If a compromise bill is reached, the chairman will call a committee meeting to hear the bill. Members will be urged to contact their representatives to support the bill. The time remaining in the session make it's essential that the bill begin to move in the House next week.

This is an email publication by the Kentucky Telephone Association for the benefit and information for its members and friends. Send questions and comments to [Forest M. Skaggs](mailto:Forest.M.Skaggs@ktaoffice.org), Executive Director. KTA office: 851 Corporate Drive Suite 105, Lexington, KY 40503. Tel – 859/223-9001, Fax – 859/223-2601, www.ktaoffice.org.