



Member Alert

Feb 2, 2006

Telecom Regulatory Reform Bill Heard in House Committee Today

The House Tourism Development and Energy Committee heard **HB 337**, a telecom regulatory reform bill called the *Emerging Technology and Consumer Choice Act of 2006* this morning. After a 2½ hour hearing, *the committee voted to pass it over* concluding more time was needed to study the bill. It may be brought back up again next week in the committee.

KTA member lobbyists and House members supporting the bill began facing heavy opposition last week. AARP came out in opposition and had its members send hundreds of emails to House members. In addition, some CLECs in opposition hired lobbyists and began working the hallways of the Capitol in Frankfort. At the same time, supporters were meeting with the opposition to explain the bill and determine if any compromises could be worked out. The Attorney General came out in opposition to the bill on Wednesday. In the end, although several changes were made in response to the opposition, and a committee substitute bill and some amendments were introduced in the hearing, the opposition had raised enough questions that the committee needed more time to consider the bill.

Testifying for the bill were the 2 main co-sponsors Rep. Joni Jenkins (D-Louisville) and Rep. Scott Brinkman (R-Louisville), Forest Skaggs (KTA Executive Director), Dan Powell (ALLTEL State President), Richard Long (CWA-Owensboro), Dr. Jeffery Keefe (Director of Telecommunications Policy Programs, Rutgers University) and Brian Mefford (ConnectKentucky President). Testifying in opposition included representatives of the Attorney General, AARP, SouthEast Telephone and Time Warner Telecom. The PSC, while claiming it was neutral, gave a presentation that was anything but neutral. It was unfortunate that the opposition spoke against the language in the original bill and failed to give consideration to the committee substitute or any amendments made specifically in response to their concerns, causing confusion among committee members as to the actual language and intent of the bill. The committee did, however, adopt the committee substitute bill and 2 amendments and this will be the start of any future action on the bill.

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.

ACTION REQUEST: *None at this time.* The committee substitute bill and amendments will be available on Friday.

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.