~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 10, 2016

**H. 4679**

Introduced by Reps. Forrester, Huggins, Clemmons, Burns, Sandifer, Gambrell, Cobb‑Hunter, Sottile, Collins, McCoy, Allison, Clary, D.C. Moss, Brannon, Williams, Crosby, Loftis, Atwater, Jordan, Hardee, Jefferson, Erickson, McEachern, George, Newton, Willis, Ballentine, Bedingfield, Bingham, Cole, Duckworth, Gagnon, Goldfinch, Hamilton, Hayes, Lucas, V.S. Moss, Pope, Simrill, G.R. Smith, Stringer, Tallon, Thayer, Weeks, G.A. Brown, Anderson, Hicks, Yow, Alexander, Hiott, Lowe, Finlay, Pitts, Horne, Rutherford, Bannister, Anthony, J.E. Smith, Kennedy, Howard, H.A. Crawford, Mack, Ott, Ryhal, Funderburk and Hodges

S. Printed 2/10/16--H.

Read the first time January 14, 2016.

**THE COMMITTEE ON**

**LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (H. 4679) to amend Section 58‑9‑576, Code of Laws of South Carolina, 1976, relating to the election by and duties of the local exchange carrier and alternative forms, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

WILLIAM E. SANDIFER III for Committee.

**A** **BILL**

TO AMEND SECTION 58‑9‑576, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE ELECTION BY AND DUTIES OF THE LOCAL EXCHANGE CARRIER AND ALTERNATIVE FORMS OF REGULATION, SO AS TO PROHIBIT CERTAIN ACTIONS BY THE PUBLIC SERVICE COMMISSION AND PROVIDE EXCEPTIONS, AND TO DEFINE THE TERM “VOICE SERVICE”; TO ALLOW THE PUBLIC SERVICE COMMISSION TO CONDUCT AN INVESTIGATION IN CERTAIN CIRCUMSTANCES WHEN A CUSTOMER FILES A REQUEST FOR VOICE SERVICE WITH THE COMMISSION; AND TO DELINEATE THE COMMISSION’S ACTIONS UPON CONCLUSION OF THE INVESTIGATION.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 58‑9‑576(C)(2) of the 1976 Code is amended to read:

“(2)(a) Beginning on the date that the LEC’s election, pursuant to this subsection, becomes effective, the LEC may increase its rates for its stand‑alone basic residential lines that were in service on the preelection date on an annual basis by a percentage that does not exceed the percentage increase over the prior year in the Gross Domestic Product Price Index, as reported by the United States Department of Labor, Bureau of Labor Statistics. If the customer of record for a stand‑alone basic residential line that was in service on the preelection date dies or moves from the residence, the provisions of this subitem will continue to apply to the stand‑alone basic residential line at the residence if a spouse, family member, or cotenant of that customer of record provides documentation showing that he resided at the location and requests to have the stand‑alone basic residential line continued in his name. With the sole exception of ensuring the LEC’s compliance with the preceding sentences, the commission must not:

~~(a)~~(i) impose any requirements related to the terms, conditions, rates, or availability of any of the LEC’s stand-alone basic residential lines that were in service on the preelection date; or

~~(b)~~(ii) otherwise regulate any of the LEC’s stand-alone basic residential lines that were in service on the preelection date.

(b) Except as provided in subitem (c), for any LEC that elected to operate under this subsection prior to January 1, 2016, the commission may not:

(i) impose any requirements related to the terms, conditions, rates, or availability of any of the LEC’s stand‑alone basic residential lines that were in service on the preelection date; or

(ii) otherwise regulate any of the LEC’s stand‑alone basic residential lines that were in service on the preelection date.

(c)(i) As used in this subsection, ‘voice service’ means retail service provided through any technology or service arrangement that includes the applicable functionalities described in 47 C.F.R. sec. 54.101(a). Notwithstanding anything in subitem (b), the following provisions apply to each customer receiving a stand‑alone basic residential line from any LEC described in subitem (b) both on the preelection date and on the effective date of this act. For a period ending four years after the effective date of this act, if the customer cannot receive voice service from any provider through any technology at the customer’s residence where the customer received a stand‑alone basic residential line, the customer may file a request for service with the commission. Following an investigation by the commission, if the commission determines a reasonable request for service has been made and that no voice service is available to the customer, the commission may:

(1) make a determination that the LEC is best able to provide voice service to the customer’s residence and it may order the LEC to provide the voice service to the customer’s residence. If ordered by the commission to provide voice service, the LEC shall do so directly or through an affiliate; or

(2) conduct a competitive procurement process to identify a willing provider of voice service to provide voice service to the customer’s residence. The willing provider of voice service selected shall provide the voice service directly or through an affiliate.

(ii) The LEC or willing provider of voice service may provide the voice service through any technology.

(iii) Other than ordering the provision of voice service pursuant to this subsection, the commission may not regulate any aspect of the voice service. The commission shall issue a final order disposing of any request filed pursuant to this subsection within ninety days of the filing of the request, and all aspects of the commission’s order shall expire four years after the effective date of the order and may not be renewed.

(iv) Before terminating service to a customer described in subsubitem (i) whose residence uses a stand‑alone basic residential line, the LEC described shall provide written notice to the customer informing him of his rights under this subsection. This written notice shall direct the customer where to file the request and include the commission’s contact information. The LEC shall provide this written notice at least ninety days prior to terminating service at the customer’s residence.”

SECTION 2. This act takes effect upon approval by the Governor.

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