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**By: Senator Dorman**

Introduced and read first time: January 29, 1996

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Public Service Commission - Telephone Companies - Residential Service Local Messages**

3 FOR the purpose of prohibiting the Public Service Commission from authorizing  
4 telephone companies to levy mandatory charges based on a measured time period  
5 unit rate for residential service local messages; and generally relating to charges  
6 levied by telephone companies.

7 BY repealing and reenacting, with amendments,  
8 Article 78 - Public Service Commission Law  
9 Section 68  
10 Annotated Code of Maryland  
11 (1995 Replacement Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article 78 - Public Service Commission Law**

15 68.

16 (a) The Commission shall have the power to determine just and reasonable rates  
17 of public service companies, whether as maximum, minimum or maximum and minimum,  
18 respectively. The rates so determined shall be fixed by order to be served upon each  
19 public service company affected thereby. This subsection does not apply to small rural  
20 electric cooperatives.

21 (b) (1) The Commission may not authorize telephone company charges to be  
22 levied for directory assistance calls made by residential customers upon the first 6 calls  
23 made to directory assistance from each residential service per monthly billing cycle.

24 (2) In order to determine just and reasonable rates for residential telephone  
25 service, the Commission shall adjust the residential telephone rates of a telephone  
26 company that it considers appropriate to provide the same net operating income that the  
27 telephone company would realize if no charges were levied on the first 12 calls made to  
28 directory assistance under paragraph (1) of this subsection.

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1                   (3) The Commission may not authorize telephone company charges to be  
2 levied for directory assistance upon any person who suffers from a physical or visual  
3 handicap that precludes the use of a telephone directory.

4                   (4) The Commission may provide other exemptions that are just and  
5 reasonable.

6                   (c) (1) The Commission may not authorize any mandatory telephone company  
7 charges based on a measured time period unit rate for RESIDENTIAL SERVICE local  
8 messages.

9                   (2) Paragraph (1) of this subsection does not preclude the Commission from  
10 any study or evaluation of mandatory telephone company charges.

11                   (3) If the Commission authorizes any telephone company to offer to  
12 residential customers the option of telephone charges based on a measured time period  
13 unit rate for local messages, the Commission shall also require the telephone company to  
14 offer to residential customers:

15                   (i) The option of an unlimited number and duration of local calls; and

16                   (ii) The option of a specific charge per local call, regardless of the  
17 duration of the local call.

18                   (4) Until December 1, 1985 a telephone company may not require the  
19 payment of an order processing charge or line change charge for a residential customer's  
20 first change to any type of local telephone service based on charges per call or measured  
21 time period unit rates.

22                   (5) A telephone company may not require the payment of an order  
23 processing charge or line change charge for a residential customer's first change from  
24 local telephone service based on charges for measured time period unit rates, if the  
25 change occurs within 18 months of the date that the consumer elects this telephone  
26 service.

27                   (6) The Public Service Commission may not authorize any telephone  
28 company to charge for the distance of a call within any local calling area.

29                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
30 October 1, 1996.