

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE
Revised

House Bill 56 (Delegate Stern. *et al.*)

Environmental Matters

Public Service Commission - Telephone Rates - Competition

This bill directs the Public Service Commission (PSC) to undertake efforts to increase competition in the local exchange service and intrastate interLATA service markets for residential telephone customers in the State, consistent with the federal Telecommunications Act of 1996, including commencing State proceedings to investigate and implement regulatory changes to enhance competition, and petitioning the Federal Communications Commission to implement regulatory changes to enhance competition in intrastate interLATA services in the State.

The PSC must report to the Senate Finance Committee and the House Environmental Matters Committee by January 1, 2002 and January 1, 2003 on its progress in meeting the bill's requirements.

Fiscal Summary

State Effect: The bill is not expected to significantly impact governmental operations or finances.

Local Effect: The bill is not expected to significantly impact governmental operations or finances.

Small Business Effect: Potential minimal.

Analysis

Current Law: None applicable.

Background: This bill arises out of requests by Maryland residents for expanded local calling areas. Such a request by a group of Calvert County residents is at issue in case number 8772, which is pending before the Public Service Commission (PSC).

The bill states that competition in local exchange telephone services, which the federal Telecommunications Act of 1996 was enacted to foster, has languished in this State, particularly in residential local exchange services.

Customers ultimately pay for expanded local calling areas through higher rates.

State Fiscal Effect: The PSC advises that it could meet the bill's requirements using existing budgeted resources.

Additional Information

Prior Introductions: None.

Cross File: SB 498 (Senator Hogan, *et al.*) - Finance.

Information Source(s): Public Service Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 2, 2000
drg/jr Revised - House Third Reader - March 29, 2000

Analysis by: Claire E. Rooney

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510