HOUSE BILL 1379

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By: Delegate Davis

Introduced and read first time: March 5, 2007 Assigned to: Rules and Executive Nominations Re–referred to: Economic Matters, March 12, 2007

Committee Report: Favorable with amendments House action: Adopted Read second time: March 26, 2007

CHAPTER _____

1 AN ACT concerning

2 Voice Over Internet Protocol Service and Internet Protocol-Enabled Service

3 FOR the purpose of providing that the Public Service Commission does not have 4 jurisdiction over certain voice over Internet protocol services and Internet 5 protocol-enabled services; requiring a certain company that moves a customer 6 from a certain service to a voice over Internet protocol service to provide the 7 customer with a certain notification; requiring the Department of Business and Economic Development and the Commission, with input from certain agencies, 8 9 to report to the General Assembly by a certain date on the status of a certain 10 deployment; requiring the Commission, with input from certain agencies, to 11 track certain consumer complaints; authorizing the Commission, under certain circumstances, to report certain findings and recommendations to the General 12 Assembly: providing for the construction of this Act; defining certain terms a 13 14 certain term; and generally relating to voice over Internet protocol service and 15 Internet protocol-enabled service.

- 16 BY adding to
- 17 Article Public Utility Companies
- 18 Section 8–601 and 8–602 to be under the new subtitle "Subtitle 6. Voice over
 19 Internet Protocol Service and Internet Protocol–Enabled Service"

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 2	Annotated Code of Maryland (1998 Volume and 2006 Supplement)
3 4	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
5	Article – Public Utility Companies
6	SUBTITLE 6. VOICE OVER INTERNET PROTOCOL SERVICE AND INTERNET
7	PROTOCOL-ENABLED SERVICE.
8	8-601.
9	(A) IN THIS SUBTITLE, THE FOLLOWING WORDS HAVE THE MEANINGS
10	INDICATED.
11	(B) "INTERNET PROTOCOL-ENABLED SERVICE" OR "IP-ENABLED
12	SERVICE" MEANS ANY SERVICE, CAPABILITY, FUNCTIONALITY, OR APPLICATION
13	PROVIDED USING INTERNET PROTOCOL OR ANY SUCCESSOR PROTOCOL THAT
14	ENABLES AN END USER TO SEND OR RECEIVE A COMMUNICATION IN IP FORMAT
15	OR ANY SUCCESSOR FORMAT, REGARDLESS OF WHETHER THE COMMUNICATION
16	IS VOICE, DATA, OR VIDEO.
17	IN THIS SUBTITLE:
18	(C) (1) " Voice <u>voice</u> over Internet protocol service" or
19	"VOIP SERVICE" MEANS ANY SERVICE THAT:
20	(I) ENABLES REAL-TIME TWO-WAY VOICE
21	COMMUNICATIONS THAT ORIGINATE FROM OR TERMINATE USING TO THE
22	SUBSCRIBER END USER'S LOCATION REQUIRING INTERNET PROTOCOL OR A
23	<u>ANY</u> SUCCESSOR FORMAT <u>PROTOCOL TO INTERNET PROTOCOL</u> ; AND
24	(II) USES REQUIRES A BROADBAND CONNECTION FROM THE
25	USER'S LOCATION=; AND
26	(2) " Voice <u>voice</u> over Internet protocol service" or
27	"VOIP SERVICE" INCLUDES ANY <u>SUCH</u> SERVICE THAT PERMITS USERS
28	GENERALLY TO RECEIVE CALLS THAT ORIGINATE ON THE PUBLIC SWITCHED
29	TELEPHONE NETWORK AND TO TERMINATE CALLS TO THE PUBLIC SWITCHED
30	TELEPHONE NETWORK.

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1 **8–602.**

2 (A) THE COMMISSION DOES NOT HAVE JURISDICTION OVER THE 3 REGULATION OF VOIP SERVICE OR IP-ENABLED SERVICE, INCLUDING THE 4 IMPOSITION OF REGULATORY FEES, CERTIFICATION REQUIREMENTS, AND THE 5 FILING OR APPROVAL OF TARIFFS.

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(B) NOTHING IN THIS SUBTITLE MAY BE CONSTRUED TO:

7 (1) REQUIRE OR PROHIBIT THE ASSESSMENT OF 9-1-1 FEES IN
8 ACCORDANCE WITH § 1-310 OF THE PUBLIC SAFETY ARTICLE ON VOIP OR
9 IP-ENABLED SERVICE;

10(2)REQUIRE OR PROHIBIT THE ASSESSMENT OF FEES FOR11TELECOMMUNICATIONS RELAY SERVICE UNDER TITLE 3, SUBTITLE 8 OF THE12STATE FINANCE AND PROCUREMENT ARTICLE;

13 (2) (3) REQUIRE OR PROHIBIT THE PAYMENT OF ANY
 14 SWITCHED NETWORK ACCESS RATES OR OTHER INTERCARRIER COMPENSATION
 15 RATES THAT MAY BE DETERMINED TO APPLY; OR

16(3) (4)RELIEVE A COMPANY THAT IS OTHERWISE SUBJECT TO \$178-201 OF THIS TITLE OF ITS OBLIGATION TO PROVIDE TELEPHONE LIFELINE18SERVICE OVER LOCAL EXCHANGE ACCESS LINES THAT ARE SUBJECT TO THE19COMMISSION'S JURISDICTION;

20 (5) EXEMPT VOIP SERVICE FROM GENERALLY APPLICABLE
 21 STATE AND FEDERAL LAWS RELATING TO PUBLIC SAFETY, CONSUMER
 22 PROTECTION, AND UNFAIR AND DECEPTIVE TRADE PRACTICES, OR TO EXEMPT
 23 VOIP SERVICE FROM THE AUTHORITY OF THE DIVISION OF CONSUMER
 24 PROTECTION IN THE OFFICE OF THE ATTORNEY GENERAL; OR

 25
 (6)
 REMOVE THE COMMISSION'S JURISDICTION OVER CIRCUIT

 26
 SWITCHED LOCAL EXCHANGE ACCESS SERVICE.

27(C)ACOMPANYTHATMOVESACUSTOMERFROMA28COMMISSION-APPROVED TARIFF SERVICE TO VOIPSERVICE SHALL NOTIFY29THE CUSTOMER THAT THE COMMISSION DOES NOT HAVE JURISDICTION OVER30THE REGULATION OF VOIPSERVICE AND THAT COMPLAINTS ABOUT VOIP

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SERVICE MAY BE FILED WITH THE DIVISION OF CONSUMER PROTECTION IN THE OFFICE OF THE ATTORNEY GENERAL.

- 3 <u>SECTION 2. AND BE IT FURTHER ENACTED</u>, That nothing in this Act 4 <u>authorizes a company to move a customer from a service the customer ordered under a</u> 5 <u>tariff approved by the Public Service Commission to another service that may be</u> 6 tariffed or nontariffed unless:
- 7
- (1) <u>the customer consents; or</u>
- 8 (2) the service the customer ordered under a Commission-approved 9 tariff is discontinued with the approval of the Commission.
- SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1, 10 2010, the Department of Business and Economic Development and the Public Service 11 Commission, with input from the Office of the Attorney General and other appropriate 12 13 agencies as necessary, shall report to the General Assembly, in accordance with § 14 2-1246 of the State Government Article, on the status of the deployment of Internet Protocol–enabled services, including VoIP services, in Maryland and the status of any 15 federal legislation or regulatory proceedings before the Federal Communications 16 17 Commission relating to Internet Protocol-enabled services.
- 18 SECTION 4. AND BE IT FURTHER ENACTED, That, the Public Service 19 Commission, with input from the Office of the Attorney General and the Office of 20 People's Counsel, shall track the number of consumer complaints received by those 21 State agencies regarding the provision of VoIP services in Maryland, including consumer complaints related to service outages, terminations without consumer 22 23 consent, poor service, or billing disputes. If, at any time, the Commission determines that additional consumer protections may be necessary for the public interest based on 24 25 consumer complaints or that a substantial number of consumers lack alternatives for voice service, including regulated voice services offered under Commission-approved 26 tariffs or VoIP service offered by other providers, the Commission on its own initiative 27 may report its findings and recommendations to the General Assembly, in accordance 28 with § 2-1246 of the State Government Article. 29
- 30 SECTION 2. <u>5.</u> AND BE IT FURTHER ENACTED, That this Act shall take 31 effect October 1, 2007.