

# SENATE BILL 864

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71r2991

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By: **Senator Middleton**

Introduced and read first time: February 19, 2007

Assigned to: Rules

Re-referred to: Finance, March 2, 2007

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 26, 2007

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## 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 consumer with a certain notification; requiring the Department of Business and  
8 Economic Development and the Commission, with input from certain agencies,  
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  
12 circumstances, to report certain findings and recommendations to the General  
13 Assembly; providing for the construction of this Act; defining ~~certain terms a~~  
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~~”

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



1 Annotated Code of Maryland  
2 (1998 Volume and 2006 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
4 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. IN THIS SUBTITLE:~~

17 ~~(C) (1) “VOICE VOICE OVER INTERNET PROTOCOL SERVICE” OR~~  
18 ~~“VOIP SERVICE” MEANS ANY SERVICE THAT:~~

19 (I) ENABLES REAL-TIME TWO-WAY VOICE  
20 COMMUNICATIONS THAT ORIGINATE FROM OR TERMINATE USING TO THE  
21 SUBSCRIBER END USER’S LOCATION REQUIRING INTERNET PROTOCOL OR A ANY  
22 SUCCESSOR ~~FORMAT~~ PROTOCOL TO INTERNET PROTOCOL; AND

23 (II) ~~USES~~ REQUIRES A BROADBAND CONNECTION FROM THE  
24 USER’S LOCATION; AND

25 (2) ~~“VOICE VOICE OVER INTERNET PROTOCOL SERVICE” OR~~  
26 ~~“VOIP SERVICE” INCLUDES ANY SUCH SERVICE THAT PERMITS USERS~~  
27 ~~GENERALLY TO RECEIVE CALLS THAT ORIGINATE ON THE PUBLIC SWITCHED~~  
28 ~~TELEPHONE NETWORK AND TO TERMINATE CALLS TO THE PUBLIC SWITCHED~~  
29 ~~TELEPHONE NETWORK.~~

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.

6 (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 FOR  
11 TELECOMMUNICATIONS RELAY SERVICE UNDER TITLE 3, SUBTITLE 8 OF THE  
12 STATE 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 §  
17 8-201 OF THIS TITLE OF ITS OBLIGATION TO PROVIDE TELEPHONE LIFELINE  
18 SERVICE OVER LOCAL EXCHANGE ACCESS LINES THAT ARE SUBJECT TO THE  
19 COMMISSION'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 PURVIEW 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) A COMPANY THAT MOVES A CUSTOMER FROM A  
28 COMMISSION-APPROVED TARIFF SERVICE TO VOIP SERVICE SHALL NOTIFY

1 THE CUSTOMER THAT THE COMMISSION DOES NOT HAVE JURISDICTION OVER  
2 THE REGULATION OF VOIP SERVICE AND THAT VOIP SERVICE IS UNDER THE  
3 PURVIEW OF THE DIVISION OF CONSUMER PROTECTION IN THE OFFICE OF THE  
4 ATTORNEY GENERAL.

5 SECTION 2. AND BE IT FURTHER ENACTED, That nothing in this Act  
6 authorizes a company to move a customer from a service the customer ordered under a  
7 tariff approved by the Public Service Commission to another service that may be  
8 tariffed or nontariffed unless:

9 (1) the customer consents; or

10 (2) the service the customer ordered under a Commission–approved  
11 tariff is discontinued with the approval of the Commission.

12 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before December 1,  
13 2010, the Department of Business and Economic Development and the Public Service  
14 Commission, with input from the Office of the Attorney General and other appropriate  
15 agencies as necessary, shall report to the General Assembly, in accordance with §  
16 2–1246 of the State Government Article, on the status of the deployment of Internet  
17 Protocol–enabled services, including VoIP services, in Maryland and the status of any  
18 federal legislation or regulatory proceedings before the Federal Communications  
19 Commission relating to Internet Protocol–enabled services.

20 SECTION 4. AND BE IT FURTHER ENACTED, That, the Public Service  
21 Commission, with input from the Office of the Attorney General and the Office of  
22 People’s Counsel, shall track the number of consumer complaints received by those  
23 State agencies regarding the provision of VoIP services in Maryland, including  
24 consumer complaints related to service outages, terminations without consumer  
25 consent, poor service, or billing disputes. If, at any time, the Commission determines  
26 that additional consumer protections may be necessary for the public interest based on  
27 consumer complaints or that a substantial number of consumers lack alternatives for  
28 voice service, including regulated voice services offered under Commission–approved  
29 tariffs or VoIP service offered by other providers, the Commission on its own initiative  
30 may report its findings and recommendations to the General Assembly, in accordance  
31 with § 2–1246 of the State Government Article.

32 SECTION ~~2~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take  
33 effect October 1, 2007.