

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 142

(Senator Pugh, *et al.*)

Finance

Economic Matters

Public Utilities - Telephone Service - Charges for Directory Assistance

This bill requires the Public Service Commission (PSC) to authorize telephone company charges to be levied for directory assistance calls made subsequent to the first two calls made to directory assistance from each residence per month, except under specified conditions.

Fiscal Summary

State Effect: None. PSC can implement the bill with existing budgeted resources.

Local Effect: Minimal or none.

Small Business Effect: Minimal or none.

Analysis

Current Law: “Telephone company” means a public service company that owns telephone lines to receive, transmit, or communicate telephone or teletype communications; or leases, licenses, or sells telephone or teletype communications. A telephone company does not include a cellular service provider.

PSC may not authorize telephone company charges to be levied for directory assistance calls made by residential customers on the first two calls made to directory assistance from each residential service per monthly billing cycle. However, PSC *may* authorize charges on other directory assistance calls subject to specified conditions. PSC may not authorize telephone company charges to be levied for directory assistance on an

individual who suffers from a physical or visual disability that precludes the use of a telephone directory.

PSC may adopt reasonable regulations as it deems necessary to carry out relevant provisions of law. In regulating telecommunications, PSC reviews tariff filings and rate revisions, requires telephone companies to meet or exceed specified service standards, and regulates the intrastate services of long distance companies. If a telecommunications regulation results in unreasonable hardship to a utility or to a customer, an application may be made to PSC for the modification of the regulation, or for temporary or permanent exemption from its requirements.

Background: In May 2011, Verizon Maryland filed a revised tariff page that, if it went into effect, would have decreased the number of free residential directory assistance calls included as part of Verizon's local service offerings from four calls per month to two calls per month. In November 2011, PSC issued a proposed order that denied Verizon's proposed tariff revision, which Verizon appealed. However, on March 2, 2012, in Order No. 84727, PSC denied the appeal and thus the request to reduce the free residential directory assistance call allowance from four calls per month to two.

Verizon's current tariff rate for directory assistance calls in the State is \$1.99 per call.

Additional Information

Prior Introductions: HB 677 of 2012 passed the House and received a hearing in the Senate Finance Committee, but no further action was taken.

Cross File: Although not designated as a cross file, HB 124 (Delegate Davis – Economic Matters) is identical.

Information Source(s): Public Service Commission, Office of People's Counsel, Department of Legislative Services

Fiscal Note History: First Reader - January 18, 2013
ncs/lgc

Analysis by: Stephen M. Ross

Direct Inquiries to:
(410) 946-5510
(301) 970-5510