

SENATE BILL 605

C5, S1

6lr2445
CF 6lr1904

By: **Senator M. Washington**

Introduced and read first time: February 5, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Public Service Commission – Broadband and Voice Over Internet Protocol**
3 **Service – Oversight**
4 **(Broadband Accountability and Affordability Act)**

5 FOR the purpose of authorizing the Public Service Commission to exercise certain oversight
6 of broadband service and voice over Internet protocol service; altering the definition of
7 “public service company” to include certain Internet service providers and entities that
8 provide voice over Internet protocol services for certain provisions of law regarding the
9 costs and expenses of the Commission, the Strategic Energy Planning Office, and the
10 Office of People’s Counsel; requiring the
11 Commission to assess the adequacy of certain plans for each Internet service
12 provider; authorizing the Commission to conduct certain evaluations or audits and
13 require certain remedial action under certain circumstances; and generally relating
14 to broadband service and voice over Internet protocol service.

BY repealing and reenacting, with amendments,

Article – Public Utilities
Section 2–110 and 8–602
Annotated Code of Maryland
(2025 Replacement Volume and 2025 Supplement)

11 BY adding to
12 Article – Public Utilities
13 Section 5–107
14 Annotated Code of Maryland
15 (2025 Replacement Volume and 2025 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – Public Utilities
18 Section 8–601
19 Annotated Code of Maryland
20 (2025 Replacement Volume and 2025 Supplement)

21 ~~BY repealing and reenacting, with amendments,~~

22 ~~Article – Public Utilities~~
23 ~~Section 8–602~~
24 ~~Annotated Code of Maryland~~
25 ~~(2025 Replacement Volume and 2025 Supplement)~~

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

1 Article – Public Utilities

2-110.(a) In this section, “public service company” includes:(1) an electricity supplier and a gas supplier as those terms are defined in § 1-101 of this article;(2) AN INTERNET SERVICE PROVIDER, AS DEFINED IN § 5-107 OF THIS ARTICLE; AND(3) AN ENTITY THAT PROVIDES VOICE OVER INTERNET PROTOCOL SERVICES, AS DEFINED IN § 8-601 OF THIS ARTICLE.(b) (1) The costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of People’s Counsel shall be borne by the public service companies that are subject to the Commission’s jurisdiction.(2) The costs and expenses shall be assessed as provided in this section.(3) The Commission shall pay the money that it collects for the assessment under this section into the Public Utility Regulation Fund in the State Treasury established under § 2-110.1 of this subtitle to reimburse the State for the expenses of the Commission, the Strategic Energy Planning Office, and the Office of People’s Counsel.(c) (1) (i) Before each State fiscal year, the Chairman of the Commission shall estimate the Commission’s total costs and expenses, including:1. the compensation and expenses of the Commission, its officers, agents, and personnel;2. the cost of retirement contributions, Social Security, health insurance, and other benefits required to be paid by the State for the personnel of the Commission;3. all other maintenance and operation expenses of the Commission; and4. all other direct and indirect costs of the Commission.(ii) The estimate shall exclude the expenses associated with services performed by the Commission for which the Commission is reimbursed under this division.(iii) The estimate shall include, as provided by the Strategic Energy Planning Office:1. the compensation and expenses of the Strategic Energy Planning Office, its officers, agents, and personnel;2. the cost of retirement contributions, Social Security, health insurance, and other benefits required to be paid by the State for the personnel of the Strategic Energy Planning Office;3. all other maintenance and operation expenses of the Strategic Energy Planning Office; and4. all other direct and indirect costs of the Strategic Energy Planning Office.(iv) The estimate shall include, as provided by the Office of

People's Counsel:

1. the compensation and expenses of the Office of People's Counsel, its officers, agents, and personnel;

2. the cost of retirement contributions, Social Security, health insurance, and other benefits required to be paid by the State for the personnel of the Office of People's Counsel;

3. all other maintenance and operation expenses of the Office of People's Counsel; and

4. all other direct and indirect costs of the Office of People's Counsel.

(2) Based on the estimate, the Chairman shall determine the amount to be paid by each public service company.

(3) The Commission shall send a bill to each public service company on or before May 1 of each year.

(4) (i) The bill shall equal the product of:

1. the estimated total costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of People's Counsel during the next fiscal year; multiplied by

2. the ratio of the gross operating revenues for the public service company derived from intrastate utility and electricity supplier operations in the preceding calendar year, or other 12-month period as the Chairman determines, to the total of the gross operating revenues derived from intrastate utility and electricity supplier operations for all public service companies that are billed under this section over that period.

(ii) To the extent that the Commission requires an electric company to report the gross operating revenue derived from intrastate utility and electricity supplier operation in order to calculate the bill under subparagraph (i) of this paragraph, a small rural electric cooperative described in § 7-502(a) of this article may satisfy the requirement by submitting to the Commission an estimate made in accordance with a formula approved by the Commission from information that the small rural electric cooperative submits to the rural utilities service.

(5) The minimum bill for a public service company shall be \$10.

(6) The public service company:

(i) shall pay the bill on or before the next July 15; or

(ii) may elect to make partial payments on the 15th days of July, October, January, and April.

(7) A partial payment shall equal 25% of the bill and may not be less than \$10.

(8) During any State fiscal year, the Chairman may change the estimate of costs and expenses of the Commission, the estimate of costs and expenses of the Strategic Energy Planning Office, as changed by the Strategic Energy Planning Office, and the estimate of costs and expenses of the Office of People's Counsel, as changed by the People's Counsel.

(9) (i) If the estimate is changed, the Commission shall send a revised bill to each public service company that has elected to make partial payments.

(ii) The change shall be apportioned equally against the remaining payments for the fiscal year.

(10) (i) On or before September 15 of each year, the Chairman shall compute:

1. the actual costs and expenses of the Commission;
2. the actual costs and expenses of the Strategic Energy Planning Office, as provided by the Strategic Energy Planning Office for the preceding fiscal year; and
3. the actual costs and expenses of the Office of People's Counsel, as provided by the People's Counsel for the preceding fiscal year.

(ii) If the amounts collected are less than the actual costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of the People's Counsel, after deducting the amounts recovered under §§ 2-111(a) and 2-123 of this subtitle, on or before October 15, the Chairman shall send to any public service company that is affected a statement that shows the amount due.

(iii) If the amounts collected exceed the actual costs and expenses of the Commission, the Strategic Energy Planning Office, and the Office of the People's Counsel for the preceding fiscal year, the Commission shall deduct any excess retained funds from the appropriation for the next fiscal year before the Commission determines the amount to be paid by each public service company for the next fiscal year under paragraph (2) of this subsection.

(11) A public service company shall pay an amount due within 30 days after the statement is received.

(12) The total amount that may be charged to a public service company under this section for a State fiscal year may not exceed:

(i) 0.50% of the public service company's gross operating revenues derived from intrastate utility and electricity supplier operations in the preceding calendar year, or other 12-month period that the Chairman determines, for the costs and expenses of the Commission other than that of the Strategic Energy Planning Office and the Office of People's Counsel; plus

(ii) 0.074% of those revenues for the costs and expenses of the Strategic Energy Planning Office; plus

(iii) 0.074% of those revenues for the costs and expenses of the Office of People's Counsel.

(d) (1) Within 30 days after the Commission issues a bill under subsection (c) of this section, the party billed may request a hearing as to the amount of the bill.

(2) Any amount of a bill that is not paid within 30 days after the date of determination on a hearing or, if a hearing is not requested, on the date when payment is due, shall bear annual interest at a rate, not less than 6%, that the Commission sets by regulation.

2 **5-107.**

3 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
4 **INDICATED.**

5 **(2) (I) "BROADBAND SERVICE" MEANS A MASS-MARKET RETAIL**
6 **SERVICE THAT PROVIDES THE CAPABILITY TO TRANSMIT DATA TO AND RECEIVE**
7 **DATA FROM ALL OR SUBSTANTIALLY ALL INTERNET ENDPOINTS, INCLUDING ANY**
8 **CAPABILITIES THAT ARE INCIDENTAL TO AND ENABLE THE OPERATION OF**
9 **COMMUNICATIONS SERVICES PROVIDED BY A WIRELINE, FIXED WIRELESS, MOBILE**
10 **WIRELESS BROADBAND, OR SATELLITE SERVICE PROVIDER.**

11 **(II) "BROADBAND SERVICE" DOES NOT INCLUDE DIAL-UP**
12 **INTERNET SERVICE.**

13 **(3) "INTERNET SERVICE PROVIDER" MEANS AN ENTITY THAT**
14 **PROVIDES BROADBAND SERVICE TO A CUSTOMER IN THE STATE.**

15 **(4) “VOICE OVER INTERNET PROTOCOL SERVICE” OR “VOIP**
16 **SERVICE” HAS THE MEANING STATED IN § 8-601 OF THIS ARTICLE.**

17 **(B) THE COMMISSION MAY EXERCISE OVERSIGHT OF BROADBAND SERVICE**
18 **AND VOIP SERVICE.**

19 **(C) THE COMMISSION SHALL ADOPT REGULATIONS TO IMPLEMENT**
20 **EFFECTIVE OVERSIGHT OF THE QUALITY, RELIABILITY, AND RESILIENCE OF**
21 **BROADBAND SERVICE AND VOIP SERVICE, INCLUDING:**

22 **(1) ESTABLISHING STANDARDS TO ENSURE THE RESILIENCE AND**
23 **RELIABILITY OF BROADBAND INFRASTRUCTURE;**

24 **(2) REQUIRING EACH INTERNET SERVICE PROVIDER TO:**

25 **(i) SUBMIT INFORMATION RELATING TO NETWORK**
26 **RELIABILITY, INCLUDING REPORTING OUTAGES;**

27 **(ii) MAINTAIN NETWORKS SUFFICIENTLY IN ORDER TO ENSURE**
28 **RELIABLE, SAFE, AND ADEQUATE SERVICES;**

29 **(iii) REPORT DATA ON THE AVAILABILITY, DEPLOYMENT,**
30 **PRICING, AND ADOPTION OF BROADBAND SERVICES AND VOIP SERVICES; AND**

1 (IV) SUBMIT TO THE COMMISSION THE PROVIDER'S PLANS FOR
2 EMERGENCY PREPAREDNESS AND POSTEMERGENCY NETWORK RESTORATION;

3 (3) ESTABLISHING A SYSTEM FOR ASSESSING THE ADEQUACY OF
4 INTERNET SERVICE PROVIDERS' PLANS FOR EMERGENCY PREPAREDNESS AND
5 POSTEMERGENCY NETWORK RESTORATION; AND

6 (4) ESTABLISHING MINIMUM REQUIREMENTS FOR BACKUP POWER
7 GENERATION.

8 (D) THE COMMISSION SHALL ASSESS THE ADEQUACY OF EACH INTERNET
9 SERVICE PROVIDER'S PLAN FOR EMERGENCY PREPAREDNESS AND
10 POSTEMERGENCY NETWORK RESTORATION IN ACCORDANCE WITH REGULATIONS
11 ADOPTED UNDER THIS SECTION.

12 (E) (1) ON RECEIPT OF A COMPLAINT FROM A CUSTOMER OR BASED ON
13 DATA COLLECTED FROM PROVIDERS, THE COMMISSION MAY CONDUCT AN
14 EVALUATION OR AUDIT OF AN INTERNET SERVICE PROVIDER'S FACILITIES AND
15 INFRASTRUCTURE TO ASSESS SERVICE QUALITY, PUBLIC SAFETY CONCERNS, OR
16 NETWORK RESILIENCE.

17 (2) THE COMMISSION MAY HOLD A HEARING AS PART OF THE
18 EVALUATION OR AUDIT AUTHORIZED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

19 (3) IF THE COMMISSION DETERMINES THAT THE PRACTICES,
20 FACILITIES, OR SERVICES OF AN INTERNET SERVICE PROVIDER ARE UNJUST,
21 UNREASONABLE, UNSAFE, IMPROPER, OR INADEQUATE TO ENSURE NETWORK
22 RELIABILITY, RESILIENCE, AND PUBLIC SAFETY IN ACCORDANCE WITH THE
23 STANDARDS ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION, THE
24 COMMISSION MAY REQUIRE THE PROVIDER TO UNDERTAKE REMEDIAL ACTIONS.

25 (F) ON OR BEFORE JANUARY 1, 2028, AND EACH JANUARY 1 THEREAFTER,
26 THE COMMISSION SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE
27 WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON PROGRESS MADE
28 TOWARD IMPROVING SERVICE QUALITY, PUBLIC SAFETY, AND NETWORK
29 RESILIENCE.

30 (G) (1) NOTHING IN THIS SECTION MAY BE CONSTRUED TO LIMIT ANY
31 RIGHT OR AUTHORITY GRANTED TO THE OFFICE OF STATEWIDE BROADBAND
32 UNDER TITLE 6.5 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.

4 REPRINT OF SENATE BILL 605 as amended by SB0605/523026/1 02/26/26 at 9:52 AM

1 (2) THE COMMISSION MAY COORDINATE WITH THE OFFICE OF
2 STATEWIDE BROADBAND WHEN COLLECTING DATA TO CARRY OUT THE PROVISIONS
3 OF THIS SECTION.

4 8-601.

5 In this subtitle:

6 (1) "voice over Internet protocol service" or "VoIP service" means any
7 service that:

8 (i) enables real-time two-way voice communications that originate
9 from or terminate to the subscriber end user's location requiring Internet protocol or any
10 successor protocol to Internet protocol; and

11 (ii) requires a broadband connection from the user's location; and

12 (2) "voice over Internet protocol service" or "VoIP service" includes any
13 such service that permits users generally to receive calls that originate on the public
14 switched telephone network and to terminate calls to the public switched telephone
15 network.

16 8-602.

17 (a) [The] EXCEPT AS PROVIDED IN § 5-107 OF THIS ARTICLE, THE
18 Commission does not have jurisdiction over the regulation of VoIP service, including the
19 imposition of regulatory fees, certification requirements, and the filing or approval of
20 tariffs.

21 (b) Nothing in this subtitle may be construed to:

22 (1) require or prohibit the assessment of 9-1-1 fees in accordance with §
23 1-310 of the Public Safety Article on VoIP;

24 (2) require or prohibit the assessment of fees for telecommunications relay
25 service under Title 3, Subtitle 8 of the State Finance and Procurement Article;

26 (3) require or prohibit the payment of any switched network access rates
27 or other intercarrier compensation rates that may be determined to apply;

28 (4) relieve a company that is otherwise subject to § 8-201 of this title of its
29 obligation to provide telephone lifeline service over local exchange access lines that are
30 subject to the Commission's jurisdiction;

31 (5) exempt VoIP service from generally applicable State and federal laws
32 relating to public safety, consumer protection, and unfair and deceptive trade practices, or

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1 to exempt VoIP service from the authority of the Division of Consumer Protection in the
2 Office of the Attorney General; or

3 (6) remove the Commission's jurisdiction over circuit switched local
4 exchange access service.

5 (c) A company that moves a customer from a Commission-approved tariff service
6 to VoIP service shall notify the customer that the Commission does not have jurisdiction
7 over the regulation of VoIP service and that complaints about VoIP service may be filed
8 with the Division of Consumer Protection in the Office of the Attorney General.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2026.