

**SUBSTITUTE FOR
SENATE BILL NO. 636**

A bill to amend 1991 PA 179, entitled
"Michigan telecommunications act,"
by amending sections 103, 304, 310, 313, 317, 320, and 502 (MCL
484.2103, 484.2304, 484.2310, 484.2313, 484.2317, 484.2320, and
484.2502), sections 103, 304, 313, and 502 as amended by 2011 PA
58, section 310 as amended by 2009 PA 182, section 317 as amended
by 2005 PA 235, and section 320 as added by 1995 PA 216.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 103. (1) Except as otherwise provided in this act, this
2 act shall not be construed to prevent any person from providing
3 telecommunication services in competition with another
4 telecommunication provider.

5 (2) The commission shall ~~submit an annual report describing~~

1 ~~the status of competition in telecommunication services in this~~
2 ~~state, including, but not limited to, the~~ **MAINTAIN A PUBLICLY**
3 **AVAILABLE DATABASE OF PROVIDERS IN EACH EXCHANGE THAT ARE LICENSED**
4 **TO OR OTHERWISE PROVIDE** toll and local exchange service markets in
5 this state. ~~The report required under this section shall be~~
6 ~~submitted to the governor and the house and senate standing~~
7 ~~committees with oversight of telecommunication issues.~~

8 (3) A provider shall submit to the commission all information
9 requested by the commission necessary for the preparation **AND**
10 **MAINTENANCE** of the ~~annual report~~ **DATABASE** under this section.

11 ~~—— (4) Subsections (2) and (3) do not apply after the commission~~
12 ~~issues its annual report under subsection (2) in 2013.~~

13 Sec. 304. (1) A call made to a local calling area adjacent to
14 the caller's local calling area is considered a local call and
15 shall be billed as a local call. Effective December 31, 2007, a
16 call made to a called party who is not located within the
17 geographic area of the caller's local calling area or an adjacent
18 local calling area as defined by the commission's order in case
19 numbers U-12515 and U-12528, dated February 5, 2001, is not a local
20 call if the tariff, **SERVICE GUIDE, OR SIMILAR DOCUMENT CONTAINING**
21 **THE TERMS AND CONDITIONS** of the provider originating the call does
22 not classify the call as a local call.

23 (2) A provider of basic local exchange service with less than
24 10,000 end-users in this state may determine that their total
25 service long run incremental cost is the same as that of a provider
26 with more than 250,000 end-users.

27 Sec. 310. (1) Except as provided by this section, the

1 commission shall not review or set the rates for toll access
2 services.

3 (2) A provider of toll access services shall set the rates for
4 intrastate switched toll access services at rates that do not
5 exceed the rates allowed for the same interstate services by the
6 federal government and shall use the access rate elements for
7 intrastate switched toll access services that are in effect for
8 that provider and are allowed for the same interstate services by
9 the federal government. Eligible providers shall comply with this
10 subsection as of the date established for the commencement of the
11 operation of the restructuring mechanism under subsection (9).
12 Providers other than eligible providers shall not charge intrastate
13 toll access service rates in excess of those rates in effect as of
14 July 1, 2009 and shall reduce the differential, if any, between
15 intrastate and interstate switched toll access service rates in
16 effect as of July 1, 2009 in no more than 5 steps of at least 20%
17 each of the differential on the following dates: January 1, 2011;
18 January 1, 2012; January 1, 2013; January 1, 2014; and January 1,
19 2015. Providers may agree to a rate that is less than the rate
20 allowed by the federal government.

21 (3) Two or more providers that each have less than 250,000
22 access lines may agree to joint toll access service rates and
23 pooling of intrastate toll access service revenues.

24 (4) A provider of toll access services shall make available
25 for intrastate access services any technical interconnection
26 arrangements, including colocation required by the federal
27 government for the identical interstate access services.

1 (5) A provider of toll access service, whether under tariff or
2 contract, shall offer the services under the same rates, terms, and
3 conditions, without unreasonable discrimination, to all providers.
4 All pricing of special toll access services and switched access
5 services, including volume discounts, shall be offered to all
6 providers under the same rates, terms, and conditions.

7 (6) If a toll access service rate is reduced, then the
8 provider receiving the reduced rate shall reduce its rate to its
9 customers by an equal amount. The commission may investigate and
10 ensure that the provider has complied with this subsection.

11 (7) In order to restructure intrastate switched toll access
12 service rates, there is hereby established in the department of
13 ~~energy, labor, and economic growth~~ **LICENSING AND REGULATORY AFFAIRS**
14 an intrastate switched toll access rate restructuring mechanism as
15 a separate interest-bearing fund. The state treasurer shall direct
16 the investment of the restructuring mechanism. Money in the
17 restructuring mechanism shall remain in the restructuring mechanism
18 at the close of the fiscal year and shall not revert to the general
19 fund.

20 (8) An eligible provider is entitled to receive monthly
21 disbursements from the restructuring mechanism as provided in
22 subsection (11) in order to recover the lost intrastate switched
23 toll access service revenues resulting from rate reductions under
24 subsection (2).

25 (9) The restructuring mechanism shall be administered by the
26 commission. The restructuring mechanism shall be established and
27 shall begin operation ~~within 270 days after the effective date of~~

1 ~~the amendatory act that added this subsection.~~ **BY SEPTEMBER 13,**
2 **2010.** Subject to the preceding sentence, the commission shall
3 establish the date for commencing the operation of the
4 restructuring mechanism and shall notify the participants in the
5 restructuring mechanism at least 30 days in advance of that date.
6 The commission shall recover its actual costs of administering the
7 restructuring mechanism from assessments collected for the
8 operation of the restructuring mechanism.

9 (10) The commission shall establish the procedures and
10 timelines for organizing, funding, and administering the
11 restructuring mechanism. The commission shall report to the
12 legislature and the governor annually regarding the administration
13 of the restructuring mechanism. The report shall include the total
14 amount of money collected from contributing providers, the total
15 amount of money disbursed from the restructuring mechanism annually
16 to each eligible provider, the costs of administration, and any
17 other information considered relevant by the commission. **THE REPORT**
18 **SHALL ALSO IDENTIFY ANY DUPLICATIVE COSTS OR REVENUES THAT ARE**
19 **ALREADY BEING RECOVERED BY ELIGIBLE PROVIDERS THROUGH FEDERAL**
20 **ACCESS RECOVERY CHARGES OR THE CONNECT AMERICA FUND. IF THE**
21 **COMMISSION IDENTIFIES DUPLICATIVE RECOVERY, THE COMMISSION SHALL**
22 **NOTIFY THE FEDERAL COMMUNICATIONS COMMISSION AND ALL CONTRIBUTING**
23 **PROVIDERS. ANY DUPLICATIVE RECOVERY IDENTIFIED BY THE COMMISSION IS**
24 **NOT EXEMPT FROM PUBLIC DISCLOSURE UNDER SECTION 210.**

25 Any company-specific information pertaining to access lines,
26 switched toll access services minutes of use, switched toll access
27 demand quantities, contributions, and intrastate telecommunications

1 **TELECOMMUNICATION** services revenues submitted to the commission
2 under this subsection are confidential commercial or financial
3 information and exempt from public disclosure ~~pursuant to~~ **UNDER**
4 section 210.

5 (11) The initial size of the restructuring mechanism shall be
6 calculated as follows:

7 (a) ~~Within 60 days of the effective date of the amendatory act~~
8 ~~that added this subsection~~ **BY FEBRUARY 15, 2010** each eligible
9 provider shall submit to the commission information and all the
10 supporting documentation that establishes the amount of the
11 reduction in annual intrastate switched toll access revenues ~~which~~
12 **THAT** will result from the reduction in rates required in subsection
13 (2). The reduction shall be calculated for each eligible provider
14 as the difference between intrastate and interstate switched toll
15 access service rates in effect as of July 1, 2009, multiplied by
16 the intrastate switched access minutes of use and other switched
17 access demand quantities for the calendar year 2008.

18 (b) The commission shall compute the size of the initial
19 restructuring mechanism disbursements for each eligible provider
20 and shall inform each eligible provider of that computation within
21 60 days after receiving the information and supporting
22 documentation from the eligible providers under subdivision (a).

23 (12) The restructuring mechanism shall be created and
24 supported by a mandatory monthly contribution by all providers of
25 retail intrastate ~~telecommunications~~ **TELECOMMUNICATION** services and
26 all providers of commercial mobile service. Interconnected voice
27 over internet protocol services shall not be considered an

1 intrastate ~~telecommunications~~ **TELECOMMUNICATION** service for the
2 purposes of this section and interconnected voice over internet
3 protocol service providers shall not be required to pay, directly
4 or indirectly, the mandatory monthly contributions established in
5 this subsection. A provider of ~~telecommunications~~ **TELECOMMUNICATION**
6 services to a provider of interconnected voice over internet
7 protocol services shall not pay a mandatory monthly contribution
8 related to those interconnected voice over internet protocol
9 services or attempt to pass through any mandatory monthly
10 contributions, directly or indirectly, to a provider of
11 interconnected voice over internet protocol services. Nothing in
12 this act grants the commission authority over commercial mobile
13 service providers or voice over internet protocol service providers
14 except as is strictly necessary for administration of the
15 restructuring mechanism.

16 (13) ~~Within 60 days of the effective date of the amendatory~~
17 ~~act that added this subsection, BY FEBRUARY 15, 2010,~~ each
18 contributing provider shall report its 2008 intrastate retail
19 ~~telecommunications~~ **TELECOMMUNICATION** services revenues to the
20 commission. Notwithstanding anything in subsection (12), if the
21 federal communications commission determines that interconnected
22 voice over internet protocol services may be subject to state
23 regulation for universal services purposes, the commission may open
24 a proceeding to determine who is required to participate in a
25 universal service fund.

26 (14) The initial contribution assessment percentage shall be a
27 uniform percentage of retail intrastate ~~telecommunications~~

1 **TELECOMMUNICATION** services revenues determined by projecting the
2 total amount necessary to cover the initial intrastate switched
3 toll access rate restructuring mechanism disbursement levels for 12
4 months, including projected cash reserve requirements, actual and
5 projected administrative costs, and projected uncollectible
6 contribution assessments, divided by the 2008 calendar year total
7 retail intrastate ~~telecommunications~~ **TELECOMMUNICATION** services
8 revenues in this state, less projected uncollectible revenues,
9 reported to the commission. The commission shall issue an order
10 establishing the initial calculation of the contribution assessment
11 percentage ~~within 150 days of the effective date of the amendatory~~
12 ~~act that added this subsection.~~ **BY MAY 16, 2010.** The commission may
13 increase or decrease the contribution assessment on a quarterly or
14 other basis as necessary to maintain sufficient funds for
15 disbursements.

16 (15) Each contributing provider shall remit to the commission
17 on a monthly basis an amount equal to its intrastate retail
18 ~~telecommunications~~ **TELECOMMUNICATION** services revenues, less
19 uncollectible revenues, multiplied by the contribution assessment
20 percentage determined under subsection (14), according to a time
21 frame established by the commission. These contributions shall
22 continue until the end of the period for which eligible providers
23 are entitled to receive monthly disbursements from the
24 restructuring mechanism under subsections (11) and (16).

25 (16) The commission shall recalculate the size of the
26 restructuring mechanism for each eligible provider ~~4 years from the~~
27 ~~date the initial restructuring mechanism becomes operational~~

1 ~~pursuant to subsection (9) and again 4 years thereafter.~~ **ON MARCH**
2 **13, 2018.** The recalculation process shall be as follows:

3 (a) The restructuring mechanism shall be recalculated ~~each~~
4 ~~time~~ as the difference between the intrastate switched toll access
5 rates in effect as of July 1, 2009 and the interstate switched toll
6 access rates in effect at the time of the recalculation, multiplied
7 by the intrastate switched toll access minutes of use and other
8 switched access demand quantities for the calendar year 2008.

9 (b) The recalculated restructuring mechanism shall be further
10 adjusted during the ~~first~~ recalculation by the percentage change,
11 if any, in the number of access lines in service for each eligible
12 provider from December 31, 2008 to December 31 of the year
13 immediately preceding the year in which the adjustment is made.

14 ~~— (c) The recalculated restructuring mechanism shall be adjusted~~
15 ~~during the second recalculation by the percentage change, if any,~~
16 ~~in the number of access lines in service for each eligible provider~~
17 ~~from December 31 of the year of the first recalculation to December~~
18 ~~31 of the year immediately preceding the second recalculation.~~

19 (C) ~~(d)~~ Each eligible provider is entitled to receive monthly
20 disbursements from the restructuring mechanism for a period of no
21 more than 12 years from the date the restructuring mechanism is
22 established under subsection (9), at which time the restructuring
23 mechanism shall cease to exist.

24 (D) **THE COMMISSION SHALL REDUCE THE AMOUNT OF THE MONTHLY**
25 **DISBURSEMENT TO AN ELIGIBLE PROVIDER FROM THE RESTRUCTURING**
26 **MECHANISM ON A PRO RATA BASIS FOR EACH EXCHANGE IN WHICH THE**
27 **PROVIDER DISCONTINUES BASIC LOCAL EXCHANGE SERVICE UNDER SECTION**

1 313. A REDUCTION UNDER THIS SUBSECTION IS EFFECTIVE ON THE DATE OF
2 THE DISCONTINUANCE OF SERVICE.

3 (17) The money received and administered by the commission for
4 the support and operation of the restructuring mechanism created by
5 ~~the amendatory act that created this subsection~~ 2009 PA 182 shall
6 not be used by the commission or any department, agency, or branch
7 of the government of this state for any other purpose, and that
8 money is not subject to appropriation, allocation, assignment,
9 expenditure, or other use by any department, agency, or branch of
10 the government of this state.

11 (18) If the federal government adopts intercarrier
12 compensation reforms or takes any action that causes or requires a
13 significant change in interstate switched toll access service
14 rates, the commission may initiate, or any interested party may
15 file an application for, a proceeding ~~pursuant to~~ UNDER section 203
16 within 60 days of that action to determine whether any
17 modifications to the size, operation, or composition of the
18 restructuring mechanism are warranted. During the pendency of that
19 proceeding, the requirement in subsection (2) for eligible
20 providers to set intrastate switched toll access service rates
21 equal to interstate switched toll access service shall be
22 temporarily suspended by those providers. Intrastate access rates
23 may not be increased above the levels that exist at the time of the
24 suspension. Following notice and hearing, upon a showing of good
25 cause, the commission may stop or place certain conditions on the
26 temporary suspension.

27 (19) If the federal government changes the federal universal

1 service contribution methodology so that it is not based on a
2 percentage of total interstate ~~telecommunications~~ **TELECOMMUNICATION**
3 services revenues, the commission shall modify the contribution
4 methodology for the restructuring mechanism to be consistent with
5 the federal methodology. The commission shall initiate a proceeding
6 to modify the contribution methodology for the restructuring
7 mechanism and to establish a reasonable time period for transition
8 to the new contribution methodology.

9 (20) Disputes arising under this section may be submitted to
10 the commission for resolution ~~pursuant to~~ **UNDER** sections 203 and
11 204.

12 (21) If any contributing provider subject to this section
13 fails to make the required contributions or fails to provide
14 required information to the commission, the commission shall
15 initiate an enforcement proceeding under section 203. If the
16 commission finds that a contributing provider has failed to make
17 contributions or to perform any act required under this section, a
18 contributing provider ~~shall be~~ **IS** subject to the remedies and
19 penalties under section 601.

20 (22) Eligible providers and contributing providers shall
21 provide information to the commission that is required for the
22 administration of the restructuring mechanism. Company-specific
23 information pertaining to access lines, switched toll access
24 services minutes of use, switched toll access demand quantities,
25 contributions, and intrastate ~~telecommunications~~ **TELECOMMUNICATION**
26 services revenues submitted to the commission under this subsection
27 is confidential commercial or financial information and exempt from

1 public disclosure ~~pursuant to~~ **UNDER** section 210.

2 (23) As used in this section:

3 (a) "Commercial mobile service" means that term as defined in
4 section 332(d)(1) of the telecommunications act of 1996, 47 USC
5 332.

6 (b) "Contributing provider" means an entity required to pay
7 into the restructuring mechanism.

8 (c) "Eligible provider" means an incumbent local exchange
9 carrier as defined in section ~~251~~ **251(H)** of the telecommunications
10 act of 1996, 47 USC 251, that as of January 1, 2009 had rates for
11 intrastate switched toll access services higher than its rates for
12 the same interstate switched toll access services, and that
13 provides the services and functionalities identified by rules of
14 the federal communications commission described at 47 CFR
15 54.101(a).

16 (d) "Interconnected voice over internet protocol service"
17 means that term as defined in 47 CFR 9.3.

18 (e) "Restructuring mechanism" means the intrastate switched
19 toll access rate restructuring mechanism established in this
20 section.

21 Sec. 313. (1) A telecommunication provider that provides
22 either basic local exchange or toll service, or both, shall not
23 discontinue either service to an exchange unless 1 or more
24 alternative providers for toll service, or 2 or more alternative
25 providers for basic local exchange service, are furnishing a
26 comparable voice service to the customers in the exchange. A
27 comparable voice service includes any 2-way voice service offered

1 through any form of technology that is capable of placing and
2 receiving calls from a provider of basic local exchange service,
3 including voice over internet protocol services and wireless
4 services.

5 (2) A telecommunication provider proposing to discontinue a
6 regulated service to an exchange shall file a notice of the
7 discontinuance of service with the commission, publish the notice
8 in a newspaper of general circulation within the exchange, provide
9 notice to each of its customers within the exchange by first-class
10 mail or within customer bills, and provide other reasonable notice
11 as required by the commission.

12 (3) Within 60 days after the date of publication or receipt of
13 the notice required by subsection (2), a person or other
14 telecommunication provider affected by a discontinuance of services
15 by a telecommunication provider may apply to the commission to
16 determine if the discontinuance of service is authorized under this
17 act. Within 90 days after the date of publication of the notice
18 required by subsection (2), the commission may, in response to a
19 request or on its own initiative, commence a proceeding to
20 determine if the discontinuance of service is authorized under this
21 act. The commission has 180 days from the date any proceeding is
22 initiated under this subsection to issue its final order. A
23 provider shall not discontinue service unless it has provided at
24 least 60 days' notice to each customer after a commission order has
25 been issued under this subsection or after the last day for
26 initiating a proceeding under this subsection.

27 (4) Discontinuance of basic local exchange service under this

1 section by an incumbent local exchange carrier does not affect the
2 requirements of that incumbent local exchange carrier under federal
3 law **AND THIS ACT**. As used in this subdivision, "incumbent local
4 exchange carrier" means that term as defined in section 251(h) of
5 the telecommunications act of 1996, 47 USC 251. **THIS SECTION DOES**
6 **NOT CREATE, RESTRICT, OR EXPAND THE COMMISSION'S JURISDICTION AND**
7 **AUTHORITY FOR ANY OF THE FOLLOWING:**

8 (A) THE JURISDICTION AND AUTHORITY ESTABLISHED UNDER SECTION
9 201.

10 (B) THE JURISDICTION AND AUTHORITY TO CARRY OUT THE
11 COMMISSION'S OBLIGATIONS TO ENFORCE THE RIGHTS, DUTIES, AND
12 OBLIGATIONS OF AN ENTITY THAT ARE ESTABLISHED IN SECTIONS 251 AND
13 252 OF THE TELECOMMUNICATIONS ACT OF 1996, 47 USC 251 AND 252, ANY
14 APPLICABLE AGREEMENT OR WHOLESALE TARIFF OR STATE LAW, RULE,
15 REGULATION, OR ORDER RELATED TO WHOLESALE RIGHTS, DUTIES, AND
16 OBLIGATIONS, INCLUDING, BUT NOT LIMITED TO, INTERCONNECTION AND
17 EXCHANGE VOICE TRAFFIC.

18 (C) THE JURISDICTION AND AUTHORITY TO REGULATE SWITCHED ACCESS
19 RATES, TERMS, AND CONDITIONS, INCLUDING THE IMPLEMENTATION OF
20 FEDERAL OR STATE LAW CONCERNING INTERCARRIER COMPENSATION.

21 (5) SUBSECTIONS (1) TO (3) DO NOT APPLY AFTER DECEMBER 31,
22 2016. BEGINNING JANUARY 1, 2017, A TELECOMMUNICATION PROVIDER THAT
23 PROVIDES BASIC LOCAL EXCHANGE OR TOLL SERVICE MAY DISCONTINUE THAT
24 SERVICE IN AN EXCHANGE BY DOING EACH OF THE FOLLOWING:

25 (A) AT THE SAME TIME AS FILING A PETITION UNDER SECTION 214 OF
26 THE TELECOMMUNICATIONS ACT OF 1996, 47 USC 214, ALL OF THE
27 FOLLOWING:

1 (i) FILE A NOTICE OF THE PROPOSED DISCONTINUANCE OF SERVICE
2 WITH THE COMMISSION.

3 (ii) PUBLISH A NOTICE OF THE PROPOSED DISCONTINUANCE OF SERVICE
4 IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN THE EXCHANGE.

5 (iii) PROVIDE NOTICE OF THE PROPOSED DISCONTINUANCE OF SERVICE
6 TO EACH OF THE TELECOMMUNICATION PROVIDER'S CUSTOMERS WITHIN THE
7 EXCHANGE BY FIRST-CLASS MAIL OR WITHIN CUSTOMER BILLS.

8 (iv) PROVIDE NOTICE OF THE PROPOSED DISCONTINUANCE OF SERVICE
9 TO ANY INTERCONNECTING TELECOMMUNICATION PROVIDERS BY FIRST-CLASS
10 MAIL OR OTHER NOTICE PERMITTED UNDER THE TERMS OF THE
11 INTERCONNECTION AGREEMENT BETWEEN THE PROVIDERS.

12 (B) UPON APPROVAL OF THE FEDERAL COMMUNICATIONS COMMISSION TO
13 DISCONTINUE SERVICE, AT LEAST 90 DAYS BEFORE DISCONTINUING SERVICE,
14 ALL OF THE FOLLOWING:

15 (i) FILE A NOTICE OF THE DISCONTINUANCE OF SERVICE WITH THE
16 COMMISSION.

17 (ii) PUBLISH A NOTICE OF THE DISCONTINUANCE OF SERVICE IN A
18 NEWSPAPER OF GENERAL CIRCULATION WITHIN THE EXCHANGE.

19 (iii) PROVIDE NOTICE OF THE DISCONTINUANCE OF SERVICE TO EACH OF
20 THE TELECOMMUNICATION PROVIDER'S CUSTOMERS WITHIN THE EXCHANGE BY
21 FIRST-CLASS MAIL OR WITHIN CUSTOMER BILLS.

22 (iv) PROVIDE NOTICE TO ANY INTERCONNECTING TELECOMMUNICATION
23 PROVIDERS BY FIRST-CLASS MAIL OR OTHER NOTICE PERMITTED UNDER THE
24 TERMS OF THE INTERCONNECTION AGREEMENT BETWEEN THE PROVIDERS.

25 (6) AFTER JANUARY 1, 2017, AND ONLY IN AN AREA IN WHICH A
26 TELECOMMUNICATION PROVIDER EITHER HAS GIVEN NOTICE OF A PROPOSED
27 DISCONTINUANCE OF SERVICE UNDER SUBSECTION (5) OR HAS DISCONTINUED

1 SERVICE WITHIN THE PREVIOUS 90 DAYS, A CUSTOMER OF THAT PROVIDER OR
2 ANY INTERCONNECTING TELECOMMUNICATION PROVIDER MAY REQUEST THE
3 COMMISSION TO INVESTIGATE THE AVAILABILITY OF COMPARABLE VOICE
4 SERVICE WITH RELIABLE ACCESS TO 9-1-1 AND EMERGENCY SERVICES TO
5 THAT CUSTOMER OR A CUSTOMER OF AN INTERCONNECTING TELECOMMUNICATION
6 PROVIDER. IF THE COMMISSION, AFTER CONDUCTING AN INVESTIGATION TO
7 LAST NO LONGER THAN 180 DAYS REGARDING THE AVAILABILITY OF
8 COMPARABLE VOICE SERVICE WITH RELIABLE ACCESS TO 9-1-1 AND
9 EMERGENCY SERVICES, DETERMINES THAT THE FEDERAL COMMUNICATIONS
10 COMMISSION FAILED TO MAKE A FINDING THAT THE PRESENT AND FUTURE
11 PUBLIC CONVENIENCE AND NECESSITY IS NOT ADVERSELY AFFECTED OR HAS
12 NOT ADEQUATELY ADDRESSED THE ISSUE, THE COMMISSION SHALL DECLARE BY
13 ORDER THAT AN EMERGENCY EXISTS IN AN AREA IN THIS STATE THAT IS NOT
14 SERVED BY AT LEAST 1 VOICE SERVICE PROVIDER OFFERING COMPARABLE
15 VOICE SERVICE WITH RELIABLE ACCESS TO 9-1-1 AND EMERGENCY SERVICES
16 THROUGH ANY TECHNOLOGY OR MEDIUM AND SHALL CONDUCT A REQUEST FOR
17 SERVICE PROCESS TO IDENTIFY A WILLING PROVIDER OF COMPARABLE VOICE
18 SERVICE WITH RELIABLE ACCESS TO 9-1-1 AND EMERGENCY SERVICES IN
19 THAT AREA, INCLUDING THE CURRENT PROVIDER. A PROVIDER SHALL NOT BE
20 REQUIRED TO PARTICIPATE IN THE REQUEST FOR SERVICE PROCESS. THE
21 WILLING PROVIDER MAY UTILIZE ANY FORM OF TECHNOLOGY THAT IS CAPABLE
22 OF PROVIDING COMPARABLE VOICE SERVICE WITH RELIABLE ACCESS TO 9-1-1
23 AND EMERGENCY SERVICES, INCLUDING VOICE OVER INTERNET PROTOCOL
24 SERVICES AND WIRELESS SERVICES. IF THE COMMISSION DETERMINES THAT
25 ANOTHER PROVIDER IS NOT CAPABLE OF PROVIDING COMPARABLE VOICE
26 SERVICE WITH RELIABLE ACCESS TO 9-1-1 AND EMERGENCY SERVICES IN
27 THAT AREA, THE COMMISSION SHALL ISSUE AN ORDER REQUIRING THE

1 CURRENT TELECOMMUNICATION PROVIDER TO PROVIDE COMPARABLE VOICE
2 SERVICE WITH RELIABLE ACCESS TO 9-1-1 AND EMERGENCY SERVICES IN
3 THAT AREA UTILIZING ANY FORM OF TECHNOLOGY THAT THE COMMISSION
4 DETERMINES IS CAPABLE OF PROVIDING COMPARABLE VOICE SERVICE WITH
5 RELIABLE ACCESS TO 9-1-1 AND EMERGENCY SERVICES, INCLUDING VOICE
6 OVER INTERNET PROTOCOL SERVICES AND WIRELESS SERVICES, UNTIL
7 ANOTHER WILLING PROVIDER IS AVAILABLE. AN INTRASTATE UNIVERSAL
8 SERVICE FUND UNDER SECTION 316A SHALL NOT BE CREATED OR USED TO
9 COMPENSATE OR FUND A WILLING PROVIDER OR CURRENT TELECOMMUNICATION
10 PROVIDER TO PROVIDE SERVICE UNDER THIS SECTION. AS USED IN THIS
11 SUBSECTION:

12 (A) "COMPARABLE VOICE SERVICE" INCLUDES ANY 2-WAY VOICE
13 SERVICE OFFERED THROUGH ANY FORM OF TECHNOLOGY, INCLUDING VOICE
14 OVER INTERNET PROTOCOL SERVICES AND WIRELESS SERVICES, THAT IS
15 CAPABLE OF PLACING CALLS TO AND RECEIVING CALLS FROM A PROVIDER OF
16 BASIC LOCAL EXCHANGE SERVICE.

17 (B) "RELIABLE ACCESS TO 9-1-1" MEANS ACCESS TO 9-1-1 WHICH IS
18 PROVIDED IN COMPLIANCE WITH THE EMERGENCY 9-1-1 SERVICE ENABLING
19 ACT, 1986 PA 32, MCL 484.1101 TO 484.1717, AND THE REQUIREMENTS OF
20 THE FEDERAL COMMUNICATIONS COMMISSION.

21 (C) "WILLING PROVIDER" MEANS A PROVIDER THAT VOLUNTARILY
22 PARTICIPATES IN THE REQUEST FOR SERVICE PROCESS.

23 Sec. 317. (1) An operator service provider shall not provide
24 operator services in this state without first registering with the
25 commission. The registration shall include the following
26 information:

27 (a) The name of the provider.

1 (b) The address of the provider's principal office.

2 (c) If the provider is not located in this state, the address
3 of the registered office and the name of the registered agent
4 authorized to receive service of process in this state.

5 (d) Any other information that the commission may require.

6 (2) The registration shall be accompanied with a registration
7 fee of \$100.00.

8 (3) The registration is effective immediately upon filing with
9 the commission and the payment of the registration fee. ~~and shall~~
10 ~~remain in effect for 1 year from its effective date.~~

11 ~~—— (4) A registration may be renewed for 1 year by filing with~~
12 ~~the commission a renewal registration on a form provided by the~~
13 ~~commission and the payment of a renewal fee of \$100.00.~~

14 (4) ~~(5)~~ At no charge, an operator service provider shall
15 immediately connect a person making an emergency call to an
16 emergency responder service.

17 Sec. 320. (1) A person shall not provide payphone service in
18 this state without first registering with the commission. The
19 registration shall include all of the following information:

20 (a) The name of the provider.

21 (b) The address and telephone number of the provider's
22 principal office.

23 (c) If the provider is not located in this state, the address
24 and telephone number of the registered office and the name and
25 telephone number of the registered agent authorized to receive
26 service of process in this state.

27 (d) The specific location of each payphone in this state owned

1 or operated by the provider. Information required under this
2 subdivision shall be made available to the local unit of government
3 solely for the enforcement of the reporting, repairing, and
4 replacement standards under subsection (8). The information
5 required to be provided under this subsection ~~shall be~~ **IS**
6 considered commercial information under section 210, and the
7 information submitted ~~shall be~~ **IS** exempt from the freedom of
8 information act, ~~Act No. 442 of the Public Acts of 1976, being~~
9 ~~sections 15.231 to 15.246 of the Michigan Compiled Laws.~~ **1976 PA**
10 **442, MCL 15.231 TO 15.246.**

11 (2) The registration shall be accompanied by a registration
12 fee of \$100.00.

13 (3) The registration is effective immediately upon filing with
14 the commission and the payment of the registration fee. ~~and shall~~
15 ~~remain in effect for 1 year from its effective date.~~

16 ~~(4) A registration may be renewed for 1 year by filing with~~
17 ~~the commission a renewal registration on a form provided by the~~
18 ~~commission and the payment of a renewal fee of \$100.00.~~

19 (4) ~~(5)~~ The commission shall establish a toll-free number that
20 can be dialed to report to the commission a payphone that is
21 inoperative. The toll-free number shall be conspicuously displayed
22 by the provider on or near each payphone.

23 (5) ~~(6)~~ If the commission receives a report ~~pursuant to~~ **UNDER**
24 subsection ~~(5)~~, **(4)**, it shall immediately notify the provider of
25 the inoperative payphone.

26 (6) ~~(7)~~ After consulting with providers of payphone service,
27 local units of government, and other interested parties, the

1 commission shall promulgate rules or issue orders under section 213
2 to establish and enforce quality standards in the providing of
3 payphone service.

4 (7) ~~(8)~~—Except as provided in subsection ~~(9)~~, ~~(8)~~, a local
5 unit of government shall not regulate payphone service.

6 (8) ~~(9)~~—A local unit of government may enforce the reporting,
7 repairing, and replacement of inoperative payphones within its
8 jurisdiction by adopting an ordinance that conforms to the
9 standards established by the commission under subsection ~~(7)~~. ~~(6)~~.
10 A local unit of government shall not impose standards greater than
11 ~~these~~ **THOSE** established by the commission.

12 Sec. 502. (1) A provider of a basic local exchange service
13 shall not do any of the following:

14 (a) Make a statement or representation, including the omission
15 of material information, regarding the rates, terms, or conditions
16 of providing a service that is intentionally false, misleading, or
17 deceptive. As used in this subdivision, "material information"
18 includes, but is not limited to, a good faith estimate of all
19 applicable fees, taxes, and charges that will be billed to the end-
20 user, regardless of whether the fees, taxes, or charges are
21 authorized by state or federal law.

22 (b) Charge an end-user for a subscribed service for which the
23 end-user did not make an initial affirmative order. Failure to
24 refuse an offered or proposed subscribed service is not an
25 affirmative order for the service.

26 (c) If an end-user has canceled a service, charge the end-user
27 for service provided after the effective date the service was

1 canceled.

2 (d) Cause a probability of confusion or a misunderstanding as
3 to the legal rights, obligations, or remedies of a party to a
4 transaction by making an intentionally false, deceptive, or
5 misleading statement or by failing to inform the customer of a
6 material fact, the omission of which is deceptive or misleading.

7 (e) Represent or imply that the subject of a transaction will
8 be provided promptly, or at a specified time, or within a
9 reasonable time, if the provider knows or has reason to know it
10 will not be so provided.

11 (f) Require the purchase of a regulated service of the
12 provider as a condition of purchasing an unregulated service.

13 (g) If a bona fide dispute exists between a customer and the
14 provider, disconnect the service to the customer ~~before the~~
15 ~~resolution of that dispute.~~ **FOR NONPAYMENT OF THAT DISPUTED AMOUNT.**

16 (2) When the commission has authority to bring a proceeding
17 for a violation of this section, the commission may accept an
18 assurance of discontinuance of a method, act, or practice that is
19 alleged to be unlawful under this section from the person who is
20 alleged to have engaged, be engaging, or be about to engage in the
21 method, act, or practice. The assurance of discontinuance is not an
22 admission of guilt and shall not be introduced in any other
23 proceeding. Unless rescinded by the parties or voided by the court
24 for good cause, the parties to the assurance of discontinuance may
25 enforce the assurance in circuit court. The assurance of
26 discontinuance may include a stipulation for any of the following:

27 (a) The voluntary payment by the person for the cost of

1 investigation.

2 (b) An amount to be held in escrow pending the outcome of an
3 action.

4 (c) An amount for restitution to an aggrieved person.