

**MICHIGAN TELECOMMUNICATIONS ACT (EXCERPT)**  
**Act 179 of 1991**

A. BASIC LOCAL EXCHANGE

**484.2301 License to provide or resell basic local exchange service; temporary license.**

Sec. 301. (1) A telecommunication provider shall not provide or resell basic local exchange service in this state, without a license issued from the commission under this act.

(2) Pending the determination of an application for a license, the commission without notice and hearing may issue a temporary license for a period not to exceed 1 year.

**History:** 1991, Act 179, Eff. Jan. 1, 1992;—Am. 1995, Act 216, Imd. Eff. Nov. 30, 1995;—Am. 2005, Act 235, Imd. Eff. Nov. 22, 2005.

**484.2301a Repealed. 2011, Act 58, Imd. Eff. June 14, 2011.**

**Compiler's note:** The repealed section pertained to offer of primary basic local exchange service by licensed provider.

**484.2302 Approval of application for license; required findings; retention of license and availability of information.**

Sec. 302. (1) After notice and hearing, the commission shall approve an application for a license if the commission finds both of the following:

(a) The applicant possesses sufficient technical, financial, and managerial resources and abilities to provide basic local exchange service within the geographic area of the license and that the applicant intends to provide service within 1 year from the date the license is granted.

(b) The granting of a license to the applicant would not be contrary to the public interest.

(2) The commission shall retain a copy of all granted licenses and make all information contained in the licenses available to the public.

(3) Each provider granted a license shall retain a copy of the license at its principal place of business and make the license available for review to the public.

**History:** 1991, Act 179, Eff. Jan. 1, 1992;—Am. 2000, Act 295, Imd. Eff. July 17, 2000;—Am. 2005, Act 235, Imd. Eff. Nov. 22, 2005.

**484.2303 Effect of sale or transfer of stock; addition, elimination, or modification of area code; prohibition; bankruptcy.**

Sec. 303. (1) The sale or transfer of shares of stock of a provider of basic local exchange service is not a sale or transfer of a license or a discontinuance of service.

(2) The commission has the authority to approve or deny a proposed addition, elimination, or modification of an area code in this state. The commission shall give public notice and shall conduct a public hearing in the affected geographic area before an addition, elimination, or modification of an area code is made in this state.

(3) A license issued under this act is not transferable to an unlicensed provider.

(4) In case of the bankruptcy of a licensed provider, the commission shall establish the procedures for the transfer of the license to another qualified provider.

**History:** 1991, Act 179, Eff. Jan. 1, 1992;—Am. 1995, Act 216, Imd. Eff. Nov. 30, 1995;—Am. 2000, Act 295, Imd. Eff. July 17, 2000;—Am. 2005, Act 235, Imd. Eff. Nov. 22, 2005;—Am. 2011, Act 58, Imd. Eff. June 14, 2011.

**484.2304 Local call; adjacent area; classification; total service long run incremental cost of provider with less than 10,000 end-users.**

Sec. 304. (1) A call made to a local calling area adjacent to the caller's local calling area is considered a local call and shall be billed as a local call. Effective December 31, 2007, a call made to a called party who is not located within the geographic area of the caller's local calling area or an adjacent local calling area as defined by the commission's order in case numbers U-12515 and U-12528, dated February 5, 2001, is not a local call if the tariff, service guide, or similar document containing the terms and conditions of the provider originating the call does not classify the call as a local call.

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

**History:** 1991, Act 179, Eff. Jan. 1, 1992;—Am. 1995, Act 216, Imd. Eff. Nov. 30, 1995;—Am. 2000, Act 295, Imd. Eff. July 17, 2000;—Am. 2005, Act 235, Imd. Eff. Nov. 22, 2005;—Am. 2011, Act 58, Imd. Eff. June 14, 2011;—Am. 2014, Act 52, Imd. Eff. Mar. 25, 2014.

**484.2304a, 484.2304b Repealed. 2005, Act 235, Imd. Eff. Nov. 22, 2005.**

**Compiler's note:** The repealed sections pertained to requirements for rate restructure and options for basic local exchange, toll, and access services.

**484.2305 Provider of basic local exchange service; prohibited conduct.**

Sec. 305. A provider of basic local exchange service shall not do any of the following:

- (a) Discriminate against another provider by refusing or delaying access service to the local exchange.
- (b) Refuse or delay interconnections or provide inferior connections to another provider.
- (c) Degrade the quality of access service provided to another provider.
- (d) Impair the speed, quality, or efficiency of lines used by another provider.
- (e) Develop new services to take advantage of planned but not publicly known changes in the underlying network.
- (f) Refuse or delay a request of another provider for information regarding the technical design, equipment capabilities and features, geographic coverage, and traffic patterns of the local exchange network.
- (g) Refuse or delay access service or be unreasonable in connecting another provider to the local exchange whose product or service requires novel or specialized access service requirements.
- (h) Upon a request, fail to fully disclose in a timely manner all available information necessary for the design of equipment that will meet the specifications of the local exchange network.
- (i) Discriminate against any provider or any party who requests the information for commercial purposes in the dissemination of customer proprietary information. A provider shall provide without unreasonable discrimination or delay telephone directory listing information and related services to persons purchasing telephone directory listing information to the same extent and in the same quality as provided to the provider, affiliates of the provider, or any other listing information purchaser.
- (j) Refuse or delay access service by any person to another provider.
- (k) Bundle unwanted services or products for sale or lease to another provider.
- (l) Perform any act that has been prohibited by this act or an order of the commission.
- (m) Sell services or products, extend credit, or offer other terms and conditions on more favorable terms to an affiliate of the provider than the provider offers to other providers.

**History:** 1991, Act 179, Eff. Jan. 1, 1992;—Am. 1995, Act 216, Imd. Eff. Nov. 30, 1995;—Am. 2005, Act 235, Imd. Eff. Nov. 22, 2005;—Am. 2011, Act 58, Imd. Eff. June 14, 2011.

**484.2305a Originating, forwarding, or terminating intrastate traffic; duties of provider; dispute resolution; violation; payment; fine; establishment of reciprocal compensation arrangement; payment of tariffed rate; authority of commission to resolve disputes.**

Sec. 305a. (1) Except as otherwise provided by federal law, where technically feasible, a provider originating or forwarding an intrastate call that is terminated on the network of another provider shall do all of the following:

(a) For originated calls, transmit the telephone number of the party originating the call. The telephone number shall be transmitted without alteration in the network signaling information.

(b) For forwarded calls, transmit the telephone number of the party originating the call to the extent that information has been provided by the originating carrier. The telephone number shall be transmitted without alteration in the network signaling information.

(2) The commission shall investigate complaints alleging violations of this section and may initiate proceedings under section 203 to resolve disputes between providers regarding identification of traffic and disputes regarding compensation rights and obligations between providers who originate, forward, or terminate intrastate traffic.

(3) If the commission determines that the telephone number has not been transmitted as required by this section, the provider against whom the complaint was filed shall demonstrate that it was not technically feasible to transmit the information, or that it had a legitimate business or other good faith reason for not transmitting the telephone number.

(4) If the commission determines that a provider violated this section, the commission shall determine if the violation resulted in a nonpayment or underpayment of compensation to the complaining provider under the terms of the parties' compensation agreement or its intrastate access tariff. The commission shall determine the amount of the nonpayment or underpayment and order the violating provider to make payment. The commission shall assess a fine against the violating provider in an amount equal to 2 times the payment amount, and may take any other action authorized by Michigan law that it considers necessary.

(5) A provider that originates an intrastate call subject to section 251(b)(5) of the telecommunications act of 1996, 47 USC 251, shall agree to establish a reciprocal compensation arrangement for the termination of

those calls. Originating and terminating providers shall agree to begin negotiations no more than 30 days after the originating provider receives a request from a terminating provider to establish an arrangement. During the negotiation period, reciprocal compensation rates shall be assessed by the terminating carrier under an interim arrangement with the originating carrier. Originating and terminating providers shall use good faith efforts to conclude negotiations and finalize an agreement within a reasonable time period.

(6) A provider that originates an intrastate intra-LATA call subject to a terminating carrier's intrastate access tariffs shall pay the tariffed rate for termination of the call.

(7) The commission may resolve disputes under this section between originating and terminating providers related to negotiation of the reciprocal compensation agreement and the payment of the tariffed rates.

**History:** Add. 2005, Act 235, Imd. Eff. Nov. 22, 2005;—Am. 2011, Act 58, Imd. Eff. June 14, 2011.

#### **484.2305b Duties.**

Sec. 305b. A provider of any telecommunication service shall do all of the following:

(a) Upon request, provide each customer a clear and simple explanation of the terms and conditions of the services purchased by the customer including, but not limited to, a statement of all fees, charges, and taxes that will be included in the customer's monthly bill.

(b) The statement required under subdivision (a) shall include a good faith estimate by the provider of the actual monthly cost that the customer will be required to pay if the service is purchased.

(c) Comply with all federal and state requirements regarding truth in billing, E 9-1-1 services, and basic local exchange service.

(d) If E 9-1-1 service is not available to the customer, ensure that the customer has an alternative means to reach emergency service responders.

**History:** Add. 2005, Act 235, Imd. Eff. Nov. 22, 2005;—Am. 2011, Act 58, Imd. Eff. June 14, 2011.

#### **484.2305c Emergency power requirements; compliance.**

Sec. 305c. A provider of basic local exchange service shall comply with the following emergency power requirements:

(a) A facilities-based provider shall equip each central office, remote switch, remote line unit, and interexchange toll switching office or access tandem with a minimum of 3 hours of peak load battery reserve, if permanent auxiliary power is installed, and 5 hours of battery reserve, if permanent emergency power is not installed, or 8 hours of battery reserve if the central office is in a remote location. A facilities-based provider shall have available a mobile power unit to be delivered and connected to central offices, remote switches, and remote line units within 8 hours.

(b) An E 9-1-1 service supplier shall provide 24-hour, 7-day-a-week database access to permit information to be acquired or corrected.

(c) A provider, E 9-1-1 service supplier, public safety answering point, or any entity providing or maintaining E 9-1-1 database information shall correct each error in the 9-1-1 system or database within 1 business day.

**History:** Add. 2011, Act 58, Imd. Eff. June 14, 2011.

#### **484.2306 Repealed. 2011, Act 58, Imd. Eff. June 14, 2011.**

**Compiler's note:** The repealed section pertained to offer of toll services by telecommunication provider of basic local exchange service.

#### **484.2307 Educational institutions generally.**

Sec. 307. (1) Educational institutions shall have the authority to own, construct, and operate a telecommunication system or to purchase telecommunication services or facilities from an entity capable of providing the service or facility.

(2) Educational institutions that provide telecommunication services offered in subsection (3) shall not be subject to regulation under this act or by any other governmental unit.

(3) Educational institutions may only sell telecommunication services required for, or useful in, the instruction and training, including worker training, of students and other people utilizing the institution's educational services, the conducting of research, or the operation of the institution. The services shall not be considered basic local exchange services as long as they are used for the instruction and training of students and other people utilizing the institution's education services, the conducting of research, or the operation of the institution. Educational institutions may initiate and maintain cooperative arrangements with telecommunication providers without the institutions being subject to this act.

(4) Upon the request of an educational institution, telecommunication providers may provide to an

educational institution services for the transmission of interactive data, voice and video communications between the institution's facilities or to the homes of students or employees of the institution, regardless of whether the exchanges are in the same or different LATAs.

(5) The rates for services provided to an educational institution by a provider under this section shall be determined by an open bid process.

(6) Except for a state institution of higher education, if an educational institution has excess capacity, it may sell the excess capacity subject to subsection (3) and to all of the following:

(a) The amount of capacity sold shall not exceed 25% of the institution's total capacity.

(b) The capacity shall not be sold below the total service long run incremental cost of the provider of basic local exchange service in the service area of the educational institution. If there is more than 1 provider in the service area, the educational institution shall use the lowest total service long run incremental cost.

(c) The educational institution has held not less than 1 public hearing on the proposed plan to sell the excess capacity. The educational institution shall give notice of the time and place of the public hearing not less than 15 days before the hearing by 1 publication in a newspaper of general circulation in the geographic area in which the excess capacity is to be sold. Notice shall also be provided on the educational institution's website.

**History:** 1991, Act 179, Eff. Jan. 1, 1992;—Am. 1995, Act 216, Imd. Eff. Nov. 30, 1995;—Am. 2005, Act 235, Imd. Eff. Nov. 22, 2005.

#### **484.2307a Repealed. 1995, Act 216, Imd. Eff. Nov. 30, 1995.**

**Compiler's note:** The repealed section pertained to educational institutions services for transmission of interactive data and video communications.

#### **484.2308 Repealed. 2011, Act 58, Imd. Eff. June 14, 2011.**

**Compiler's note:** The repealed section pertained to use of basic local exchange or access rates or proceeds from sale, lease, or transfer of rate acquired assets.

#### **484.2309 Local directory assistance; 900 prefix services.**

Sec. 309. (1) A provider of basic local exchange service shall provide to each customer local directory assistance.

(2) A provider of basic local exchange service shall provide each customer at no additional charge the option of having access to 900 prefix services blocked through the customer's exchange service.

**History:** 1991, Act 179, Eff. Jan. 1, 1992;—Am. 2005, Act 235, Imd. Eff. Nov. 22, 2005;—Am. 2011, Act 58, Imd. Eff. June 14, 2011;—Am. 2021, Act 69, Imd. Eff. July 29, 2021.

#### **484.2309a, 484.2309b Repealed. 2011, Act 58, Imd. Eff. June 14, 2011.**

**Compiler's note:** The repealed sections pertained to cable service by provider of telecommunication service and collective bargaining activities undertaken by employees of provider of inter-LATA toll service.