

The Committee on Technology and Energy offered the following substitute:

January 30, 2003

**SUBSTITUTE FOR  
SENATE BILL NO. 1**

A bill to amend 1991 PA 179, entitled  
"Michigan telecommunications act,"  
by amending section 310 (MCL 484.2310), as amended by 2000  
PA 295.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 310. (1) Except as provided by this act, the  
2 commission shall not review or set the rates for toll access  
3 services.  
4       (2) Except as otherwise provided under subsection (7), a  
5 provider of toll access services shall set the rates for toll  
6 access services. Access service rates and charges set by a  
7 provider that exceed the rates allowed for the same interstate  
8 services by the federal government are not just and reasonable.  
9 In no event may end-user or subscriber line charges exceed the  
10 rates allowed for the same interstate services by the federal

1 government as of May 1, 2000. Providers may agree to a rate that  
2 is less than the rate allowed by the federal government. If the  
3 providers cannot agree on a rate, a provider may apply to the  
4 commission under section 204.

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

8 (4) A provider of toll access services shall make available  
9 for intrastate access services any technical interconnection  
10 arrangements, including colocation required by the federal  
11 government for the identical interstate access services.

12 (5) A provider of toll access service, whether under tariff  
13 or contract, shall offer the services under the same rates, terms  
14 and conditions, without unreasonable discrimination, to all  
15 providers. All pricing of special toll access services and  
16 switched access services, including volume discounts, shall be  
17 offered to all providers under the same rates, terms, and  
18 conditions. Until allowed by the federal communications  
19 commission, volume discounts on switched access are prohibited  
20 under this subsection.

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

25 (7) ~~—A~~ **Except upon a filing and commission approval under**  
26 **section 304,** a provider of basic local exchange service shall not  
27 assess or impose on end-users an intrastate subscriber line

1 charge or end-user line charge. A provider is considered to have  
2 complied with this subsection and subsection (8) if the  
3 provider's rates and charges have been reviewed and approved by  
4 the commission within 3 years of the effective date of the  
5 amendatory act that added subsection (8).

6 (8) If a provider is assessing or imposing an intrastate  
7 subscriber line charge or end-user line charge on the effective  
8 date of the amendatory act that added this subsection, the  
9 provider may continue to assess or impose the line charge if the  
10 provider complies with all of the following:

11 (a) Within 210 days of the effective date of the amendatory  
12 act that added this subsection, the provider makes a filing under  
13 subsection (7).

14 (b) The line charge is not greater than the amount of the  
15 line charge assessed or imposed as of the effective date of the  
16 amendatory act that added this subsection.

17 (c) The provider makes any necessary adjustments to the line  
18 charge after the commission issues its decision on a filing made  
19 under subsection (7) relating to that line charge.

20 (9) ~~—(8)—~~ This section shall not apply to basic local  
21 exchange providers that have 250,000 or fewer customers in this  
22 state.