AN ACT

To amend sections 128.01, 128.32, 4905.402, 4905.61, 4927.02, 4927.101, 4927.12, 4927.17, and 4927.19 and to enact sections 4927.121, 4927.122, 4927.123, 4927.124, and 4927.125 of the Revised Code to revise state regulation of telephone companies.

Be it enacted by the General Assembly of the State of Ohio:

Section 1. That sections 128.01, 128.32, 4905.402, 4905.61, 4927.02, 4927.101, 4927.12, 4927.17, and 4927.19 be amended and sections 4927.121, 4927.122, 4927.123, 4927.124, and 4927.125 of the Revised Code be enacted to read as follows:

Sec. 128.01. As used in this chapter:

- (A) "9-1-1 system" means a system through which individuals can request emergency service using the telephone number 9-1-1.
- (B) "Basic 9-1-1" means a 9-1-1 system in which a caller provides information on the nature of and the location of an emergency, and the personnel receiving the call must determine the appropriate emergency service provider to respond at that location.
- (C) "Enhanced 9-1-1" means a 9-1-1 system capable of providing both enhanced wireline 9-1-1 and wireless enhanced 9-1-1.
- (D) "Enhanced wireline 9-1-1" means a 9-1-1 system in which the wireline telephone network, in providing wireline 9-1-1, automatically does either of the following:
- (1) Automatically routes the call to emergency service providers that serve the location from which the call is made and immediately provides to personnel answering the 9-1-1 call information on the location and the telephone number from which the call is being made;
- (2) Receives, develops, collects, or processes requests for emergency assistance and relays, transfers, operates, maintains, or provides emergency notification services or system capabilities.
- (E) "Wireless enhanced 9-1-1" means a 9-1-1 system that, in providing wireless 9-1-1, has the capabilities of phase I and, to the extent available, phase II enhanced 9-1-1 services as described in 47 C.F.R. 20.18 (d) to (h).
- (F)(1) "Wireless service" means federally licensed commercial mobile service as defined in 47 U.S.C. 332(d) and further defined as commercial mobile radio service in 47 C.F.R. 20.3, and includes service provided by any wireless, two-way communications device, including a radio-telephone communications line used in cellular telephone service or personal communications service, a network radio access line, or any functional or competitive equivalent of such a radio-telephone communications or network radio access line.
 - (2) Nothing in this chapter applies to paging or any service that cannot be used to call 9-1-1.
 - (G) "Wireless service provider" means a facilities-based provider of wireless service to one or

more end users in this state.

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(H) "Wireless 9-1-1" means the emergency calling service provided by a 9-1-1 system pursuant to a call originating in the network of a wireless service provider.

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- (I) "Wireline 9-1-1" means the emergency calling service provided by a 9-1-1 system pursuant to a call originating in the network of a wireline service provider.
- (J) "Wireline service provider" means a facilities-based provider of wireline service to one or more end-users in this state.
- (K) "Wireline service" means basic local exchange service, as defined in section 4927.01 of the Revised Code, that is transmitted by means of interconnected wires or cables by a wireline service provider authorized by the public utilities commission.
- (L) "Wireline telephone network" means the selective router and data base processing systems, trunking and data wiring cross connection points at the public safety answering point, and all other voice and data components of the 9-1-1 system.
- (M) "Subdivision" means a county, municipal corporation, township, township fire district, joint fire district, township police district, joint police district, joint ambulance district, or joint emergency medical services district that provides emergency service within its territory, or that contracts with another municipal corporation, township, or district or with a private entity to provide such service; and a state college or university, port authority, or park district of any kind that employs law enforcement officers that act as the primary police force on the grounds of the college or university or port authority or in the parks operated by the district.
- (N) "Emergency service" means emergency law enforcement, firefighting, ambulance, rescue, and medical service.
- (O) "Emergency service provider" means the state highway patrol and an emergency service department or unit of a subdivision or that provides emergency service to a subdivision under contract with the subdivision.
- (P) "Public safety answering point" means a facility to which 9-1-1 system calls for a specific territory are initially routed for response and where personnel respond to specific requests for emergency service by directly dispatching the appropriate emergency service provider, relaying a message to the appropriate provider, or transferring the call to the appropriate provider.
- (Q) "Customer premises equipment" means telecommunications equipment, including telephone instruments, on the premises of a public safety answering point that is used in answering and responding to 9-1-1 system calls.
- (R) "Municipal corporation in the county" includes any municipal corporation that is wholly contained in the county and each municipal corporation located in more than one county that has a greater proportion of its territory in the county to which the term refers than in any other county.
- (S) "Board of county commissioners" includes the legislative authority of a county established under Section 3 of Article X, Ohio Constitution, or Chapter 302. of the Revised Code.
- (T) "Final plan" means a final plan adopted under division (B) of section 128.08 of the Revised Code and, except as otherwise expressly provided, an amended final plan adopted under section 128.12 of the Revised Code.
- (U) "Subdivision served by a public safety answering point" means a subdivision that provides emergency service for any part of its territory that is located within the territory of a public

safety answering point whether the subdivision provides the emergency service with its own employees or pursuant to a contract.

- (V) A township's population includes only population of the unincorporated portion of the township.
- (W) "Telephone company" means a company engaged in the business of providing local exchange telephone service by making available or furnishing access and a dial tone to persons within a local calling area for use in originating and receiving voice grade communications over a switched network operated by the provider of the service within the area and gaining access to other telecommunications services. "Telephone Unless otherwise specified, "telephone company" includes a wireline service provider and any entity that is a covered 9-1-1 service provider under 47 C.F.R. 12.4. For purposes of sections 128.25 and 128.26 of the Revised Code, "telephone company" means a wireline service provider.
- (X) "Prepaid wireless calling service" has the same meaning as in division (AA)(5) of section 5739.01 of the Revised Code.
- (Y) "Provider of a prepaid wireless calling service" means a wireless service provider that provides a prepaid wireless calling service.
 - (Z) "Retail sale" has the same meaning as in section 5739.01 of the Revised Code.
- (AA) "Seller" means a person that sells a prepaid wireless calling service to another person by retail sale.
- (BB) "Consumer" means the person for whom the prepaid wireless calling service is provided, to whom the transfer effected or license given by a sale is or is to be made or given, to whom the prepaid wireless calling service is charged, or to whom the admission is granted.
- (CC) "Reseller" means a nonfacilities-based provider of wireless service that provides wireless service under its own name to one or more end users in this state using the network of a wireless service provider.
- (DD) "Steering committee" means the statewide emergency services internet protocol network steering committee established by division (A)(1) of section 128.02 of the Revised Code.
- Sec. 128.32. (A)(1) The state, the state highway patrol, a subdivision, or a regional council of governments participating in a 9-1-1 system established under this chapter and any officer, agent, employee, or independent contractor of the state, the state highway patrol, or such a participating subdivision or regional council of governments is not liable in damages in a civil action for injuries, death, or loss to persons or property arising from any act or omission, except willful or wanton misconduct, in connection with developing, adopting, or approving any final plan or any agreement made under section 128.09 of the Revised Code or otherwise bringing into operation the 9-1-1 system pursuant to this chapter.
- (2) The steering committee and any member of the steering committee are not liable in damages in a civil action for injuries, death, or loss to persons or property arising from any act or omission, except willful or wanton misconduct, in connection with the development or operation of a 9-1-1 system established under this chapter.
- (B) Except as otherwise provided in this section, an individual who gives emergency instructions through a 9-1-1 system established under this chapter, and the principals for whom the person acts, including both employers and independent contractors, public and private, and an

individual who follows emergency instructions and the principals for whom that person acts, including both employers and independent contractors, public and private, are not liable in damages in a civil action for injuries, death, or loss to persons or property arising from the issuance or following of emergency instructions, except where the issuance or following of the instructions constitutes willful or wanton misconduct.

- (C) Except for willful or wanton misconduct, a telephone company, and any other installer, maintainer, or provider, through the sale or otherwise, of customer premises equipment, or service used for or with a 9-1-1 system, and their respective officers, directors, employees, agents, and suppliers, corporate parents, and affiliates are not liable in damages in a civil action for injuries, death, or loss to persons or property incurred by any person resulting from any of the following:
- (1) Such an entity's or its officers', directors', employees', agents', or suppliers' participation in or acts or omissions in connection with participating in or developing, maintaining, or operating a 9-1-1 system;
- (2) Such an entity's or its officers', directors', employees', agents', or suppliers' provision of assistance to a public utility, municipal utility, or state or local government as authorized by divisions (G)(4) and (5) of this section.
- (D) Except for willful or wanton misconduct, a provider of and a seller of a prepaid wireless calling service and their respective officers, directors, employees, agents, and suppliers are not liable in damages in a civil action for injuries, death, or loss to persons or property incurred by any person resulting from anything described in division (C) of this section.
- (E) No person shall knowingly use the telephone number of a 9-1-1 system established under this chapter to report an emergency if the person knows that no emergency exists.
- (F) No person shall knowingly use a 9-1-1 system for a purpose other than obtaining emergency service.
- (G) No person shall disclose or use any information concerning telephone numbers, addresses, or names obtained from the data base that serves the public safety answering point of a 9-1-1 system established under this chapter, except for any of the following purposes or under any of the following circumstances:
 - (1) For the purpose of the 9-1-1 system;
 - (2) For the purpose of responding to an emergency call to an emergency service provider;
- (3) In the circumstance of the inadvertent disclosure of such information due solely to technology of the wireline telephone network portion of the 9-1-1 system not allowing access to the data base to be restricted to 9-1-1 specific answering lines at a public safety answering point;
- (4) In the circumstance of access to a data base being given by a telephone company that is a wireline service provider to a public utility or municipal utility in handling customer calls in times of public emergency or service outages. The charge, terms, and conditions for the disclosure or use of such information for the purpose of such access to a data base shall be subject to the jurisdiction of the steering committee.
- (5) In the circumstance of access to a data base given by a telephone company that is a wireline service provider to a state and local government in warning of a public emergency, as determined by the steering committee. The charge, terms, and conditions for the disclosure or use of that information for the purpose of access to a data base is subject to the jurisdiction of the steering

committee.

Sec. 4905.402. (A) As used in this section:

- (1) "Control" means the possession of the power to direct the management and policies of a domestic telephone company or a holding company of a domestic telephone company, or the management and policies of a domestic electric utility or a holding company of a domestic electric utility, through the ownership of voting securities, by contract, or otherwise, but does not include the power that results from holding an official position or the possession of corporate office with the domestic company or utility or the holding company. Control is presumed to exist if any person, directly or indirectly, owns, controls, holds the power to vote, or holds with the power to vote proxies that constitute, twenty per cent or more of the total voting power of the domestic company or utility or the holding company.
 - (2) "Electric utility" has the same meaning as in section 4928.07 of the Revised Code.
- (3) "Holding company" excludes any securities broker performing the usual and customary broker's function.
- (4) "Telephone company" means any company described in division (A) of section 4905.03 of the Revised Code that is a public utility under section 4905.02 of the Revised Code and provides basic local exchange service, as defined in section 4927.01 of the Revised Code.
 - (B) No Except as provided in division (H)(1) of this section:
- (1) No person shall acquire control, directly or indirectly, of a domestic telephone company or a holding company controlling a domestic telephone company or of a domestic electric utility or a holding company controlling a domestic electric utility unless that person obtains the prior approval of the public utilities commission under this section. To
- (2) To obtain approval required under division (B)(1) of this section, the person seeking the approval shall file an application with the public utilities commission demonstrating that the acquisition will promote public convenience and result in the provision of adequate service for a reasonable rate, rental, toll, or charge. The application shall contain such information as the public utilities commission may require. If the public utilities commission considers a hearing necessary, it may fix a time and place for hearing. If, after review of the application and after any necessary hearing, the public utilities commission is satisfied that approval of the application will promote public convenience and result in the provision of adequate service for a reasonable rate, rental, toll, or charge, the public utilities commission shall approve the application and make such order as it considers proper. If the public utilities commission fails to issue an order within thirty days of the filing of the application under this division, or within twenty days of the conclusion of a hearing, if one is held, the application shall be deemed approved by operation of law.
 - (C) No Except as provided in division (H)(2) of this section:
- (1) No domestic telephone company shall merge with another domestic telephone company unless the merging companies obtain the prior approval of the <u>public utilities</u> commission. An
- (2) An application seeking such approval required under division (C)(1) of this section shall be filed, processed, and decided in the manner provided for an application under division (B)(2) of this section.
- (D) The <u>public utilities</u> commission shall adopt such rules as it finds necessary to carry out the provisions of this section. <u>The rules shall specify the time and manner in which a company must</u>

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file the notice required under division (G) of this section.

- (E) If it appears to the <u>public utilities</u> commission or to any person that may be adversely affected that any person is engaged in or about to engage in any acts or practices that would violate division (B) or (C) of this section or any provision of a rule adopted under this section, the attorney general, when directed to do so by the <u>public utilities</u> commission, or the person claiming to be adversely affected may bring an action in any court of common pleas that has jurisdiction and venue to enjoin such acts or practices and enforce compliance. Upon a proper showing, the court shall grant, without bond, a restraining order or temporary or permanent injunction.
- (F) The courts of this state have jurisdiction over every person not a resident of or domiciled or authorized to do business in this state that files, or is prohibited from acting without first filing, an application under division (B) or (C) of this section, and over all actions involving such person arising out of violations of any provision of this section or of a rule adopted under this section. The secretary of state shall be the agent for service of process for any such person in any action, suit, or proceeding arising out of such violations. Copies of all such lawful process shall be served upon the secretary of state and transmitted by certified mail, with return receipt requested, by the secretary of state to such person at the person's last known address.
- (G) A domestic telephone company or a holding company controlling a domestic telephone company that files an application with the federal communications commission seeking authority for a merger or transfer of control shall file notice of the application with the public utilities commission. The notice shall include an internet link to the application.
- (H)(1) Divisions (B)(1) and (2) of this section do not apply to the acquisition of control of a domestic telephone company or a holding company controlling a domestic telephone company if there is a pending application with the federal communications commission regarding the acquisition. If the federal communications commission waives the exercise of its authority regarding the acquisition or otherwise chooses not to exercise its authority regarding the acquisition, then divisions (B)(1) and (2) of this section apply.
- (2) Divisions (C)(1) and (2) of this section do not apply if there is a pending application with the federal communications commission regarding a merger of domestic telephone companies. If the federal communications commission waives the exercise of its authority regarding the merger or otherwise chooses not to exercise its authority regarding the merger, then divisions (C)(1) and (2) of this section apply.
- (I) Nothing in division (G) or (H) of this section shall affect the obligations and rights described in division (A) of section 4927.101 of the Revised Code.
- Sec. 4905.61. If any public utility or railroad does, or causes to be done, any act or thing prohibited by Chapters 4901., 4903., 4905., 4907., 4909., 4921., 4923., and 4927. of the Revised Code, or declared to be unlawful, or omits to do any act or thing required by the provisions of those chapters, or by order of the public utilities commission, the public utility or railroad is liable to the person, firm, or corporation injured thereby in treble the amount of damages sustained in consequence of the violation, failure, or omission. Any recovery under this section does not affect a recovery by the state for any penalty provided for in the chapters. This section does not apply to a telephone company.

Sec. 4927.02. (A) It is the policy of this state to:

- (1) Ensure the availability adequacy and reliability of adequate basic local exchange service or consistent with sections 4927.07, 4927.10, and 4927.11 of the Revised Code, and the adequacy and reliability of voice service to eitizens throughout the state;
- (2) Provide incentives for competing providers of telecommunications service to provide advanced, high-quality telecommunications service to citizens throughout the state;
- (3) Rely primarily on market forces, where they exist, to maintain reasonable service levels for telecommunications services at reasonable rates;
- (4) Encourage innovation in the telecommunications industry and the deployment of advanced telecommunications services;
- (5) Create a regulatory climate that provides incentives to create and maintain high technology jobs for Ohioans;
- (6) Promote diversity and options in the supply of telecommunications services and equipment throughout the state;
- (7) Recognize the continuing emergence of a competitive telecommunications environment through flexible regulatory treatment of telecommunications services where appropriate;
- (8) Consider the regulatory treatment of competing and functionally equivalent services and, to the extent practicable, provide for equivalent regulation of all telephone companies and services;
- (9) Not unduly favor or advantage any provider and not unduly disadvantage providers of competing and functionally equivalent services; and
- (10) Protect the affordability of telephone service for low-income subscribers through the continuation of federal lifeline assistance programs; and
- (11) Allow and encourage competition and market forces to determine the availability, prices, terms, and other conditions of providing telecommunications services.
- (B) The public utilities commission shall consider the policy set forth in this section in carrying out this chapter.
- Sec. 4927.101. (A) Section 4927.10 of the Revised Code and the amendments to sections 4927.01, 4927.02, 4927.07, and 4927.11 of the Revised Code made by H.B. 64 of the 131st general assembly shall not affect any of the following:
- (1) Any contractual obligation, including agreements under the "Telecommunications Act of 1996," 110 Stat. 56, 47 U.S.C. 251 and 252, as amended;
 - (2) Any right or obligation under federal law or rules;
 - (3) The carrier-access requirements under section 4927.15 of the Revised Code;
 - (4) Any right or obligation under section 4905.71 of the Revised Code;
 - (5) Any state law or rule adopted under this title related to wholesale rights or obligations.
- (B) The amendments to section 4927.15 of the Revised Code made by H.B. 64 of the 131st general assembly shall not affect the obligations and rights described in divisions (A)(1), (2), (4), and (5) of this section.
- (C) The amendments to sections 128.01, 128.32, 4905.402, 4905.61, 4927.02, 4927.101, 4927.12, 4927.17, and 4927.19 of the Revised Code and the enactment of sections 4927.121, 4927.122, 4927.123, 4927.124, and 4927.125 of the Revised Code made by H.B. 402 of the 132nd general assembly shall not affect the obligations and rights described in division (A) of this section.

Sec. 4927.12. (A) As used in this section, "exchange:

<u>"Exchange</u> area" means a geographical service area established by an incumbent local exchange carrier and approved by the public utilities commission.

"Incremental cost" has the meaning as defined by the commission.

- (B) Subject to <u>divisions division (C)</u>, (D), and (E) of this section, and <u>upon not less than</u> thirty days' notice to the <u>public utilities commission</u> and to affected customers, an incumbent local exchange carrier may alter its rates for basic local exchange service.
- (C) In addition to the requirements of division (B) of this section, all of the following apply to any upward alteration of rates for basic local exchange service made under that division (A) of section 4927.124 of the Revised Code, and except as provided in sections 4927.121, 4927.122, and 4927.123 of the Revised Code:
- (1) If the <u>an</u> incumbent local exchange carrier, within <u>the</u> twelve months prior to the <u>effective</u> date of this section <u>September 13, 2010</u>, increased the carrier's rates for basic local exchange service for an exchange area, both of the following apply:
- (a) The incumbent local exchange carrier may not alter the earrier's rates for basic local exchange service for the exchange area upward by any amount during the period that ends twelve months after the date of the last increase of the rates for basic local exchange service.
- (b) In no event may the incumbent local exchange carrier, during the twelve-month period that begins immediately after the end date of the period described in division (C)(1)(a) of this section, and during any subsequent twelve-month period, may alter the carrier's rates for basic local exchange service upward—for the exchange area downward by any amount, but not below the carrier's incremental cost, or upward by not more than—the amount authorized for an annual increase in the rate for basic local exchange service by division (A) of rule 4901:1-4-11 of the Ohio Administrative Code as that rule existed on the effective date of this section two dollars.
- (2) If the <u>an</u> incumbent local exchange carrier did not, within <u>the</u> twelve months prior to the effective date of this section September 13, 2010, increase the carrier's rates for basic local exchange service for an exchange area, and if the commission has made a prior determination that the exchange area qualified for alternative regulation of basic local exchange service under Chapter 4901:1-4 of the Ohio Administrative Code as that chapter existed on the effective date of this section September 13, 2010, in no event may the incumbent local exchange carrier, during the twelve-month period that begins on the effective date of this section, and during any subsequent twelve-month period, may alter the carrier's rates for basic local exchange service upward for the exchange area downward by any amount, but not below the carrier's incremental cost, or upward by not more than the amount described in division (C)(1)(b) of this section two dollars.
- (3)(a) If the commission has not made a prior determination that the an exchange area qualified for alternative regulation of basic local exchange service under Chapter 4901:1-4 of the Ohio Administrative Code as that chapter existed on the effective date of this section September 13, 2010, an incumbent local exchange carrier may, at any time, alter the carrier's rates for basic local exchange service for that exchange area downward by any amount, but not below the carrier's incremental cost. But the carrier may not alter its rates for basic local exchange service upward for that exchange area unless the carrier first applies to the commission and the commission determines that the application demonstrates that two or more alternative providers offer, in the exchange area, competing service to the basic local exchange service offered by an incumbent local exchange carrier

in the exchange area, regardless of the technology and facilities used by the alternative provider, the alternative provider's location, and the extent of the alternative provider's service area within the exchange area. An alternative provider includes a telephone company, including a wireless service provider, a telecommunications carrier, and a provider of internet protocol-enabled services, including voice over internet protocol.

- (b) Upon On the thirty-first day after the filing of an application under division (C)(B)(3)(a) of this section, the commission shall be deemed to have found that the application meets the requirements of that division unless the commission, within thirty days after the filing of the application, issues does either of the following:
- (i) <u>Issues</u> an order finding that the requirements <u>of division (B)(3)(a) of this section</u> have not been met:
- (ii) Suspends the automatic approval for good cause shown. The commission shall then act to approve or deny the application not later than ninety days after the date of the suspension.
- (c) In no event may If an incumbent local exchange carrier that applies to the commission under division (C)(B)(3)(a) of this section and the application is approved or deemed approved under division (B)(3)(b) of this section, the incumbent local exchange carrier, (i) during the twelve-month period that (I) begins on the thirty-first day after the company files the application, if the application is deemed approved, or (II) begins on the date that the application is approved, and (ii) during any subsequent twelve-month period, may alter the carrier's rates for basic local exchange service upward for the exchange area to which the application applies upward by not more than the amount described in division (C)(1)(b) of this section two dollars.
- (4) In no event may an incumbent local exchange earrier, before January 1, 2012, alter the earrier's rates for basic local exchange service upward for a customer receiving lifeline service under section 4927.13 of the Revised Code.
- (D) Except as provided in division (E) of this section, no (C) No banking of upward rate alterations made under division (B) of this section is permitted.
- (E) At any time and upon not less than thirty days' notice to the commission and to affected eustomers, an incumbent local exchange carrier owned and operated exclusively by and solely for its eustomers may alter its rates for basic local exchange service by any amount.
- (F) The rates, terms, and conditions for basic local exchange service and for installation and reconnection fees for basic local exchange service shall be tariffed in the manner prescribed by rule adopted by the commission.
- Sec. 4927.121. Subject to section 4927.124 of the Revised Code, an incumbent local exchange carrier owned and operated exclusively by and solely for its customers may alter its rates for basic local exchange service upward by any amount and at any time.
- Sec. 4927.122. Subject to section 4927.124 of the Revised Code, the public utilities commission shall allow upward alterations to the rate for basic local exchange service by an incumbent local exchange carrier by any amount necessary in order to comply with the eligibility requirements prescribed by the federal communications commission for the federal universal service high-cost program. Upward alterations may be ordered to be phased in over a period not to exceed three years if the commission determines that a phase-in is necessary to protect the public interest.

Sec. 4927.123. (A) As used in this section:

- "Exchange area" has the same meaning as in section 4927.12 of the Revised Code.
- "Line loss" refers to the number of access lines, whether residential or commercial, for which a customer of an incumbent local exchange carrier has terminated local exchange service.
- (B) Not earlier than the date that is exactly four years after the effective date of this section, an incumbent local exchange carrier may apply to the public utilities commission for an exemption from the requirements of section 4927.12 of the Revised Code for an exchange area, subject to division (E) of this section.
- (C) The commission shall approve an application under division (B) of this section if the carrier demonstrates that both of the following apply:
- (1) The carrier has experienced at least fifty per cent line loss in the exchange area since January 1, 2002.
 - (2) One of the following applies:
- (a) The carrier increased the carrier's rates for basic local exchange service for the exchange area within the twelve months prior to September 13, 2010.
- (b) The commission made a determination that the exchange area qualified for alternative regulation of basic local exchange service under Chapter 4901:1-4 of the Ohio Administrative Code as that chapter existed on September 13, 2010.
- (c) The carrier filed an application for the exchange area that was approved or deemed approved under division (B)(3)(b) of section 4927.12 of the Revised Code.
- (D) On the thirty-first day after the filing of an application under division (B) of this section, the commission shall be deemed to have found that the application meets the requirements of division (C) of this section unless the commission, within thirty days after the filing of the application, issues an order finding that the requirements have not been met.
- (E) If an application for an exchange area is approved or deemed approved under this section, the incumbent local exchange carrier that filed the application shall be exempt from the requirements of section 4927.12 of the Revised Code for the exchange area to which the application applies, except that the carrier may not alter the carrier's rates for basic local exchange service below the carrier's incremental cost. "Incremental cost" has the same meaning as in section 4927.12 of the Revised Code.
- (F) Nothing in this section shall be construed to impair the rights of any person to file a complaint with the commission under section 4927.21 of the Revised Code, or the rights of the commission to initiate such a complaint, against an incumbent local exchange carrier who has been granted an exemption under this section.
- Sec. 4927.124. (A) An incumbent local exchange carrier altering its rates for basic local exchange service under section 4927.12, 4927.121, or 4927.122 of the Revised Code shall provide not less than thirty days' notice to the public utilities commission and to affected customers.
- (B) Division (A) of this section also applies to an incumbent local exchange carrier altering its rates for basic local exchange service in an exchange area for which the carrier has been granted an exemption under section 4927.123 of the Revised Code.
- Sec. 4927.125. The rates, terms, and conditions for basic local exchange service and for installation and reconnection fees for basic local exchange service shall be tariffed in the manner prescribed by rule adopted by the public utilities commission.

- Sec. 4927.17. (A) Except as provided in sections 4927.07 and 4927.12 4927.124 of the Revised Code, a telephone company shall provide at least fifteen days' advance notice to its affected customers of any material change in the rates, terms, and conditions of any retail service required to be tariffed by the public utilities commission or the federal communications commission, any wholesale service as to which there is no other applicable notice requirement, and any change in the company's operations that are not transparent to customers and may impact service.
- (B) A telephone company shall inform its customers of the commission's toll-free number and e-mail address on all bills and disconnection notices and any residential customers of the office of the consumers' counsel's toll-free number and e-mail address on all residential bills and disconnection notices.
- Sec. 4927.19. (A) The public utilities commission may investigate or examine the books, records, or practices of any telephone company, but only to the extent of the commission's jurisdiction over the company under sections 4927.01 to 4927.21 of the Revised Code. Subject to that limitation, the commission may do any of the following:
- (A) (1) Through its commissioners or by inspectors or employees authorized by it, examine the books, records, contracts, documents, and papers of any such company for any purpose incidental to the commission's authority under those sections;
- (B) (2) By subpoena duces tecum, compel the production of such books, records, contracts, documents, and papers;
- (C) (3) Compel the attendance of such witnesses as it requires to give evidence in connection with such an investigation.
- (B) The commission may investigate or inspect the plant and facility of any telephone company, subject to the following limitations:
- (1) To the extent of the commission's jurisdiction over the company under sections 4927.01 to 4927.21 of the Revised Code;
- (2) Only in response to a complaint that implicates the plant or facility to be inspected and that is made by a consumer concerning basic local exchange service or another entity concerning wholesale service.
- Section 2. That existing sections 128.01, 128.32, 4905.402, 4905.61, 4927.02, 4927.101, 4927.12, 4927.17, and 4927.19 of the Revised Code are hereby repealed.
- Section 3. Not later than one hundred twenty days following the effective date of H.B. 402 of the 132nd General Assembly, the Public Utilities Commission shall amend its rules to the extent necessary to bring them into conformity with this act and shall amend its rule implementing section 4927.13 of the Revised Code to ensure consistency with the federal Lifeline program.

Section 4. (A) As used in this section:

"Basic local exchange service" and "incumbent local exchange carrier" have the same meanings as in section 4927.01 of the Revised Code.

"Exchange area" has the same meaning as in section 4927.12 of the Revised Code.

"Line loss" has the same meaning as in section 4927.123 of the Revised Code.

- (B) Not later than the date that is exactly three years after the effective date of this section, the staff of the Public Utilities Commission shall produce and docket at the Commission a report that includes all of the following:
 - (1) The number of basic local exchange lines in service in this state at the time of the report;
 - (2) The aggregate amount of line loss in this state since the effective date of this section;
- (3) The change in the price of basic local exchange service in each exchange area in this state over the three years since the effective date of this section.
 - (C) The Commission shall allow three months for public comment on the report.
- (D) Not later than a date that is exactly three months after the report is docketed under division (B) of this section, the Commission shall submit a report to the standing committees in the House of Representatives and the Senate primarily dealing with telecommunications issues, the President of the Senate, and the Speaker of the House of Representatives. The report shall include the Commission's assessment of the information described in divisions (B)(1) to (3) of this section.
- (E) Nothing in this section prevents a party from arguing that information subject to being reported under this section is a trade secret and should be kept confidential.

Speaker		of the House of Representatives.	
	President	of t	he Senate
Passed	, 2)	
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The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.				
	Director, Legislative Service Commission.			
	ce of the Secretary of State at Columbus, Ohio, on the, A. D. 20			
	Secretary of State.			
File No	Effective Date			