

HOUSE BILL REPORT

ESB 5355

As Reported By House Committee On:
Energy & Utilities

Title: An act relating to extending the prohibition on mandatory local measured service.

Brief Description: Extending the prohibition on mandatory local measured service.

Sponsors: Senators Vognild and McCaslin.

Brief History:

Reported by House Committee on:
Energy & Utilities, April 1, 1993, DPA.

HOUSE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass as amended. Signed by 9 members: Representatives Grant, Chair; Finkbeiner, Vice Chair; Casada, Ranking Minority Member; Miller, Assistant Ranking Minority Member; Johanson; Kessler; Kremen; Long; and Ludwig.

Staff: Harry Reinert (786-7110).

Background: Most telephone customers in Washington pay a flat monthly rate for local telephone service. Many of the local exchange companies do offer their customers the option to pay for local calls on a per call basis. This is commonly known as local measured service. Under this option, the telephone customer pays a lower monthly rate and then pays for the calls actually made, based on the time of day, length of call, and in some cases, the distance of the call.

In 1985, the Legislature prohibited the Utilities and Transportation Commission from approving telecommunications tariffs which include mandatory local measured service. The prohibition has been extended twice since then and is currently set to expire June 1, 1993. The prohibition does not apply to mobile services, pay telephone services, or to any other service which has traditionally been offered on a measured basis.

Summary of Amended Bill: The prohibition on Utilities and Transportation Commission approval of a telecommunications

tariff for mandatory local measured service is extended to June 1, 1998.

Amended Bill Compared to Engrossed Bill: The amended bill adds an emergency clause.

Fiscal Note: Not requested.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: Mandatory local measured service does not make economical sense for the local exchange companies. The cost of measuring and billing for services is too great. Mandatory measured service does not make sense in today's telecommunications climate because there is no longer the concern about a lack of capacity there was 10 years ago. Mandatory measured service would be very difficult for state agencies to implement due to problems of accounting for each phone call made.

Testimony Against: None.

Witnesses: Mark Greenberg, TRACER (pro); Dale Vincent, U.S. West (pro); and Tony Meinhardt, Independent Business Association (pro).