

SENATE BILL REPORT

ESB 5355

AS PASSED SENATE, FEBRUARY 18, 1993

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

SPONSORS: Senators Vognild and McCaslin

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass as amended.

Signed by Senators Sutherland, Chairman; Hochstatter, McCaslin, Roach, A. Smith, Vognild, West, and Williams.

Staff: Phil Moeller (786-7445)

Hearing Dates: February 2, 1993; February 8, 1993

BACKGROUND:

In the telecommunications industry the term "local measured service" defines a service offering in which calls made to local area numbers are charged based on distance and duration, similar to long-distance telecommunications pricing. Most consumers in Washington opt for local flat rate telephone service. Flat rate service allows for unlimited local calling for a flat monthly charge. Some areas of the nation have mandatory local measured service and flat rate service is not available.

In 1984 the Legislature placed a temporary ban on telecommunications company filings of mandatory local measured service. This ban contains an exception for filings made related to extended area service or foreign exchange service if the Utilities and Transportation Commission finds that these filings are in the public interest. This ban was extended by the Legislature in 1989 and is slated to expire June 1, 1993.

SUMMARY:

The ban on mandatory local measured service filings is extended until June 1, 1998.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Mandatory local measured service would have costly impacts on some residential and business users. The public does not support this concept so the ban should become permanent.

TESTIMONY AGAINST:

Although no local telephone companies are planning to offer mandatory local measured service, the Utilities and Transportation Commission could find such an offering as beneficial and should not be constrained by this limitation. Potential competitors to local telephone companies would not fall under this constraint.

TESTIFIED: Mark Greenberg, Tracer (pro); Bill Moore, Tracer (pro); Ian MacGowan, Electric Lightwave (pro); Tony Meinhardt, Independent Business Association (pro); Dale Vincent, US West Communications (con); Bob Bratton, GTE Northwest, Inc. (con); Roger Serwold, United Telephone (con); Tim Sweeney, WUTC; Terry Vann, WITA