

SENATE BILL REPORT

SB 5370

As Passed Senate, March 14, 1997

Title: An act relating to reducing the time required for public notice of telecommunications rate reductions.

Brief Description: Allowing a telecommunications company to reduce a rate or charge in a more streamlined manner.

Sponsors: Senators Finkbeiner, Brown, Hochstatter, Strannigan, Rossi, Sheldon, Patterson and Winsley; by request of Utilities & Transportation Commission.

Brief History:

Committee Activity: Energy & Utilities: 2/3/97, 2/13/97 [DP].
Passed Senate, 3/14/97, 47-0.

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: Do pass.

Signed by Senators Finkbeiner, Chair; Hochstatter, Vice Chair; Brown, Jacobsen, Rossi and Swanson.

Staff: Phil Moeller (786-7445)

Background: Every telecommunications company providing service in Washington is required to file its tariffed schedule of rates with the Washington Utilities and Transportation Commission (WUTC). If a telecommunications company proposes to change a rate, it is required to file the change with the WUTC, with a 30-day notice period. The WUTC may then approve or suspend the proposed change.

Summary of Bill: A telecommunications company may file a tariff that decreases its rates with ten days' notice to the WUTC if the filing does not contain an offsetting increase to another rate and the filing company agrees not to file, for a period of one year, an increase to another rate to recover the revenue deficit that results from the decrease.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This legislation allows regulated telecommunications companies additional downward pricing flexibility, which should help in meeting market pressures.

Testimony Against: The practical effect of this bill is small and it does not provide enough regulatory relief.

Testified: Teresa Osinski, WUTC (pro); Rosemary Williams, GTE (con); Rachael Myers, WA Citizens Action; Terry Vann, WITA; Carolyn Logue, NFIB (pro).