
SUBSTITUTE HOUSE BILL 2601

State of Washington

61st Legislature

2010 Regular Session

By House Technology, Energy & Communications (originally sponsored by Representatives McCoy, Chase, Kenney, and Morris)

READ FIRST TIME 02/02/10.

1 AN ACT Relating to reviewing the telecommunications regulatory
2 structure; and creating new sections.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds that recent changes in
5 technology have fundamentally changed the telecommunications industry.
6 In past decades, telecommunications companies retained monopolies in
7 their service areas and states traditionally regulated them to ensure
8 that their rates were fair, just, and reasonable. In today's
9 marketplace, these same telecommunications companies face increasing
10 competition from cable, wireless, internet, and other companies for the
11 same or functionally equivalent services. In light of increasing
12 competition in an ever-changing telecommunications industry, the
13 legislature intends to review the sufficiency of the current rate-of-
14 return regulation model, the current tax structure for various
15 telecommunications services, and the role the state's utilities and
16 transportation commission should play in regulating telecommunications
17 services in the future.

1 NEW SECTION. **Sec. 2.** (1) The technology law and public policy
2 clinic at the University of Washington school of law shall prepare a
3 comprehensive report identifying and analyzing trends in the
4 telecommunications industry and pathways for telecommunications
5 regulatory reform. The report must include, but not be limited to, a
6 review of the following issues:

7 (a) The taxation treatment of all telecommunications services that
8 provide the same or functionally equivalent services;

9 (b) The character and degree of competition in the
10 telecommunications market;

11 (c) The regulatory, legal, and economic barriers to adequate
12 competition, actual or perceived, that exist;

13 (d) What changes could be made in policy, law, or administrative
14 rule to address any actual or perceived barriers to competition; and

15 (e) The role of the utilities and transportation commission in the
16 oversight and regulation of telecommunications services.

17 (2) The technology law and public policy clinic shall consult with
18 local governments, public utility districts, telecommunications service
19 providers, the utilities and transportation commission, the department
20 of revenue, and other stakeholders in preparing its analysis and
21 report.

22 (3) By December 1, 2011, the technology law and public policy
23 clinic shall issue a report to the legislature with recommendations on
24 legislative action that may be necessary in order to effectuate
25 telecommunications regulatory reform in Washington.

--- END ---