

**1999 DRAFTING REQUEST**

**Senate Substitute Amendment (SSA-SB91)**

Received: **11/23/1999**

Received By: **kunkemd**

Wanted: **Soon**

Identical to LRB:

For: **Charles Chvala (608) 266-9170**

By/Representing: **Curt Pawlisch**

This file may be shown to any legislator: **NO**

Drafter: **mlief**

May Contact:

Alt. Drafters: **kunkemd**

Subject: **Public Util. - telco and cable  
Munis - miscellaneous  
Counties**

Extra Copies: **MDK**

**Pre Topic:**

No specific pre topic given

**Topic:**

911 assistance to local governments; telecommunications access rates

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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*1/3 - 1-26-2000 KMG*

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1/26      1/26  
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/?	kunkemd 12/08/1999	1-12-21-99 Kmg	mre 12/22	mre/JF 12/22			
/P1	mlief 12/17/1999 kunkemd						

FE Sent For:



December 9, 1999

1 The people of the state of Wisconsin, represented in senate and assembly, do enact as  
2 follows:

3  
4 SECTION 1. 20.566(1)(v) of the statutes is created to read:

5  
6 20.566(1)(v) 911 Assistance Grants. From the 911 Assistance Fund, a sum sufficient equal  
7 to all monies received under sec. 196.219(2m)(c), for the purpose of making grants under  
8 s. 73.13.

9 STATUTE, AGENCY	SOURCE	1999-00	2000-01
10 AND PURPOSE			
11 20.566(1)			
12 (v) 911 Assistance Grants	SEC S	--0--	--0--

13  
14 SECTION 2. 25.17(1)(ac) is created to read:

15  
16 25.17(1)(ac). 911 Assistance Fund (25.98);

17  
18 SECTION 3. 25.98 of the statutes is created to read:

19  
20 25.98. 911 Assistance Fund. There is established a separate nonlapsible trust fund  
21 designated as the 911 assistance fund, consisting of deposits by the large  
22 telecommunications utilities as provided for in sec. 196.219(2m)(c).

23  
24 SECTION 4. Sec. 73.13 of the statutes is created to read:

25  
26 73.13 911 Assistance.

27

December 9, 1999

1 (1) Definitions:

2 (a) "Department" means "department of revenue."

3 (b) "Eligible local unit of government" means a local unit government  
4 that operates or intends to operate a public safety answering point  
5 within 18 months after the effective date of this section, and that has  
6 a large telecommunications utility that operates within its borders.

7 (c) "Local unit of government" means a town, village, city or county.

8 (d) "Public safety answering point" has the meaning in s. 146.70(1)(gm).

9 (e) "911 assistance fund" means the fund created in s. 25.98.

10

11 (2) The department shall distribute monies from the 911 assistance fund to  
12 eligible local units of government for equipment-related expenses associated with  
13 establishing and upgrading a basic or sophisticated 911 system, as defined in s. 146.70(1).  
14 In determining the amount of money to be distributed to each eligible local unit of  
15 government, the department shall:

16

17 (a) Designate for each county the total amount of 911 assistance monies  
18 available to eligible local units of government within the county. The designation for each  
19 county will be an amount equal to the total monies available in the 911 assistance fund  
20 multiplied by the ratio of the number of access lines owned by large telecommunications  
21 utilities in a county to the total number of access lines owned in the state by large  
22 telecommunications utilities. A county must have a large telecommunications utility  
23 operating within its borders in order to be designated monies from the fund.

24

25 (b) From the designated amounts for each county, and except as provided  
26 in sub. (4), the department shall distribute monies to an eligible local unit of government  
27 in the county in an amount equal to the total amount designated for the county multiplied

December 9, 1999

1 by the ratio of countywide population served by the eligible local unit of government's  
2 basic or sophisticated 911 system to the countywide population.

3  
4 (3) A local unit of government that receives monies under this section shall  
5 deposit in a separate account and shall use such monies exclusively for the expenses  
6 directly related to purchasing or obtaining equipment for establishing or upgrading a basic  
7 or sophisticated 911 system. These expenses may include the costs for telephone systems,  
8 radio communications systems, computer-aided dispatch and records management  
9 systems, voice recording systems, and mobile data network systems, and related debt  
10 service. Costs directly attributable to training personnel for the use of such equipment is  
11 a permitted expense. No local unit of government may use monies received under this  
12 section to pay for or recover expenses for costs incurred prior to the effective date of this  
13 section or for expenses for personnel, squad cars and other materials used directly by an  
14 emergency service provider dispatched in response to an emergency call.

15  
16 (4) Counties having a population of more than 500,000 and operating a public  
17 safety answering point will receive ~~at least~~ 5% of the monies designated for that county for  
18 equipment-related expenses associated with establishing and upgrading a basic or  
19 sophisticated 911 system, as defined in s. 146.70(1). The department shall distribute the  
20 remaining monies designated for such county to other eligible local units of government  
21 in the county based upon the local unit of government's percentage of the population  
22 served in the county.

23  
24 (5) Within one year after receipt of 911 assistance monies, each local unit of  
25 government shall file a report with the department documenting its compliance with sub.

26 3.

Milw  
Co.

December 9, 1999

1 SECTION 5. 196.19(1m)(f) of the statutes is created to read:

2

3 196.19(1m)(f). This subsection does not apply to a tariff specified in s.  
4 196.219(2m)(c)3.

5

6 SECTION 6. 196.196(2)(a) of the statute is amended to read:

7

8 196.196(2)(a). Except as required to enforce this subsection and the requirements of  
9 s. 196.219(2m), the commission may not review or set the rates for intrastate access services  
10 offered by price-regulated telecommunications utilities. This paragraph does not waive  
11 the tariff requirements of s. 196.219(2m).

12

13 SECTION 7. 196.203(1) of the statutes is amended to read:

14

15 196.203(1). Except as provided in this section and s. 196.219(2m), alternative  
16 telecommunications utilities are exempt from all provisions of ch. 200 and this chapter.

17

18 SECTION 8. 196.219(2m) of the statutes is renumbered 196.219(2m)(b).

19

20 SECTION 9. 196.219(2m)(a) of the statutes is created to read:

21

22 196.219(2m)(a) Definitions. In this subsection:

23

24 1. "Access rate" means any rate, fee, price or amount for the provision of an  
25 access service or any basic network function or element that comprises an access service  
26 or any traffic sensitive or non traffic sensitive charge.

27

December 9, 1999

1           2.     "Affiliate of a large telecommunications utility" means any person who  
2 controls, is controlled by or is under common control with a large telecommunications  
3 utility.

4  
5           3.     "Holding company" means a holding company, as defined in s.  
6 196.795(1)(h)1., that owns or controls one or more telecommunications utilities which in the  
7 aggregate have over 200,000 access lines in use in this state.

8  
9           4.     "Large telecommunications utility" means a telecommunications utility with  
10 more than 200,000 access lines in this state.

11  
12          5.     "Unaffiliated telecommunications provider" means a telecommunications  
13 provider, other than a pay phone telephone service provider, that is not an affiliate of a  
14 large telecommunications utility.

15  
16 SECTION 11. 196.219(2m)(b) of the statutes is created to read:

17  
18           196.219(2m)(b) Unaffiliated telecommunications providers.

19  
20           1.     One year after the effective date of this Act, a large telecommunications utility  
21 or a holding company may not charge an access rate to an unaffiliated telecommunications  
22 provider that exceeds the lowest compensation rate or combination of rates that it charges,  
23 whether by tariff or agreement, to itself, an affiliate of the large telecommunications utility  
24 or any other telecommunications provider for the same or similar service, basic network  
25 function or element used for the termination or transport of a local exchange call, including  
26 extended community calling or extended area service calling.

*changed*

*rather than 150k*

*So in 1999,  
It is can  
change what  
they have always  
done.*

December 9, 1999

1           2.     Notwithstanding subd.1., a large telecommunications utility or holding  
2 company may petition the commission for approval to charge an unaffiliated  
3 telecommunications provider an access rate that exceeds an access rate specified in subd.  
4 1. The commission may grant its approval after notice to all interested parties and a  
5 hearing if the commission finds that the large telecommunications utility or holding  
6 company has established by clear and convincing evidence, each of the following:

7  
8           a.     That the large telecommunications utility or holding company has  
9 experienced a substantial change in circumstances that justifies the petitioned access rate.

10  
11           b.     That the petitioned access rate will not have an anticompetitive impact  
12 on any competitor of the large telecommunications utility or holding company.

13  
14           c.     That the petitioned access rate does not exceed the large  
15 telecommunications utility's or holding company's total service long-run incremental costs  
16 in providing access service.

17  
18           d.     That the petitioned access rate is in the public interest.

19  
20           3.     a.     Within 60 days of the effective date of this Act, each large  
21 telecommunications utility shall report to the commission the following:

- 22  
23                   1)     The number of access lines which it owns statewide;  
24                   2)     The number of access lines which it owns in each county;  
25                   3)     The local units of government, as defined in s. 73.13(1)(c), in  
26 each area served by the large telecommunications utility.  
27

Same  
as  
91

December 9, 1999

1           b. Each local unit of government that does not operate a public safety  
2 answering point, as defined in s. 146.70(1)(gm) on the effective date of this Act, but that  
3 intends to do so within 18 months of the effective date of this Act, and that seeks to be  
4 eligible for grants under sec. 73.13 shall notify the commission of its intent to operate a  
5 public safety answering point. The commission shall prepare a list of existing public safety  
6 answering points and public service answering points that are intended to be operational  
7 within ~~one year~~ <sup>18 months</sup> after the effective date of this Act.

8  
9           c. Within 9 months of the effective date of this Act, the commission shall  
10 provide the Department of Revenue the information reported to it or prepared under this  
11 section.

12  
13           d. Thirteen months after the effective date of this Act, the commission  
14 shall assess against each large telecommunications utility an amount that is equal to the  
15 difference between the access rates charged on the date of the enactment and the access  
16 rates charged one year following the effective date of this Act. The amount of money due  
17 from the large telecommunication utilities shall be calculated based upon the number of  
18 access lines in this state owned by the large telecommunication utility as reported under  
19 3.a.

20  
21           e. Thirty days following the assessment under "d," large  
22 telecommunication utilities shall deposit the amount of money due under the assessment  
23 with the Department of Revenue in the 911 assistance fund under s. 25.98.

24  
25           4. Each interexchange telecommunications carrier shall pass on its savings, in  
26 the aggregate, equal to the reductions in intrastate access rates attributable to action taken  
27 pursuant to this section [consistent with competitive market factors]. The Commission may

7 ↓ regulate methodology, not amount

---

December 9, 1999

- 1 review the flow-through methodology chosen by the interexchange carrier to ensure that
- 2 consumers have received such savings.
- 3



Soon

1999 - 2000 LEGISLATURE

To editing 12/20

SO 213/1

LRB 645211

AMK:kmg

MJL & MJK

SSA to 1999 SENATE BILL 91

D-N

March 18, 1999 - Introduced by Senators MOEN and RISSE, cosponsored by Representatives BOCK, MUSSER, TRAVIS, OTT, UNDERHEIM, BLACK, YOUNG and CARPENTER. Referred to Committee on Health, Utilities, Veterans and Military Affairs.

unaffiliated

Gen. Cost.

1 AN ACT to renumber 196.219 (2m); to amend 196.196 (2) (a) and 196.203 (1); and

2 to create 196.19 (1m) (f), 196.219 (2m) (a), 196.219 (2m) (b) (title), 196.219 (2m)

3 (c) and 196.219 (2m) (d) of the statutes; relating to: access service rates

④ charged to <sup>and assessment of</sup> certain telecommunications providers, <sup>creating an assistance fund</sup> and making an appropriation. <sup>for "911"</sup>

Analysis by the Legislative Reference Bureau

This bill imposes restrictions on the rates that large telecommunications utilities may charge for providing access services to pay telephone service providers and unaffiliated telecommunications providers. Under current law, an "access service" is defined as the provision of access to a local exchange network for the purpose of originating or terminating a telecommunications service. Under this bill, a "large telecommunications utility", which the bill defines as a telecommunications utility with more than 150,000 access lines in this state, that provides an access service to a pay telephone service provider may only charge a rate for the service that satisfies the following two criteria:

1. The access rate may not allow the large telecommunications utility to recover more than its direct costs and a reasonable allocation of its overhead costs in providing the service.
2. The access rate must comply with certain regulations and orders issued by the federal communications commission.

Under the bill, a large telecommunications utility must file tariffs with the public service commission (PSC) for providing access services to pay telephone service providers and for modifying access rates and must notify pay telephone

**SENATE BILL 91**

service providers about rate modifications. In addition, a large telecommunications utility that provided an access service to a pay telephone service provider between April 15, 1997, and the effective date of the bill must provide cost support data to the PSC that allows the PSC to determine whether the access rate charged for the service satisfies the two criteria described above. If the PSC determines that the access rate does not satisfy the criteria, the PSC must determine a satisfactory rate and order the large telecommunications utility to provide a refund to the pay telephone service provider for any charge that exceeds the rate determined by the PSC.

In addition, under the bill, a large telecommunications utility or a holding company that operates or controls a large telecommunications utility may not, unless approved by the PSC, charge an access rate to an unaffiliated telecommunications provider that is greater than the lowest compensation rate that the large telecommunications utility or holding company charges to itself, an affiliate or any other telecommunications provider for the same or similar service, basic network function or element used for terminating or transporting a local exchange call.

The PSC may approve an access rate that exceeds the above rate only if the PSC finds, after a hearing, that the large telecommunications utility or holding company has experienced a substantial change in circumstances that justifies the rate and that the rate satisfies each of the following:

1. The access rate will not have an anticompetitive impact on competitors.
2. The access rate does not exceed the large telecommunications utility's or holding company's total service long-run incremental costs in providing the service.
3. The access rate is in the public interest.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

✓  
Inset  
2-1

- 1
- 2
- 3
- 4
- 5
- 6
- 7

~~SECTION 1. 196.19 (1m) (f) of the statutes is created to read:~~

~~196.19 (1m) (f) This subsection does not apply to a tariff specified in s. 196.219~~

~~(2m) (c) 2.~~

SECTION 2. 196.196 (2) (a) of the statutes is amended to read:

196.196 (2) (a) Except as required to enforce this subsection and the requirements of s. 196.219 (2m) of ~~1999 Wisconsin Act 2. (this act) section 2.~~ the

commission may not review or set the rates for intrastate access services offered by

SENATE BILL 91

1 price-regulated telecommunications utilities. This paragraph does not waive the  
2 tariff requirements of s. 196.219 (2m).

3 SECTION 3. 196.203 (1) of the statutes is amended to read:

4 196.203 (1) Except as provided in this section and s. 196.219 (2m), alternative  
5 telecommunications utilities are exempt from all provisions of ch. 200 and this  
6 chapter.

7 SECTION 4. 196.219 (2m) of the statutes is renumbered 196.219 (2m) (b).

8 SECTION 5. 196.219 (2m) (a) of the statutes is created to read:

9 196.219 (2m) (a) *Definitions*. In this subsection:

10 1. "Access rate" means any rate, fee, price or amount for the provision of an  
11 access service or any basic network function or element that comprises an access  
12 service or any traffic sensitive or nontraffic sensitive charge.

13 2. "Affiliate of a large telecommunications utility" means any person who  
14 controls, is controlled by or is under common control with a large telecommunications  
15 utility.

16 3. "Holding company" means a holding company, as defined in s. 196.795 (1) (h)  
17 1., that owns or controls <sup>one or more</sup> a large telecommunications ~~utility~~ utilities

18 4. "Large telecommunications utility" means a telecommunications utility with  
19 more than <sup>200,000</sup> ~~100,000~~ access lines in this state.

20 5. "Unaffiliated telecommunications provider" means a telecommunications  
21 provider ~~other than a pay telephone service provider~~ that is not an affiliate of a large  
22 telecommunications utility.

23 SECTION 6. 196.219 (2m) (b) (title) of the statutes is created to read:

24 196.219 (2m) (b) (title) *Nondiscrimination*.

25 ~~SECTION 7. 196.219 (2m) (c) of the statutes is created to read.~~

SENATE BILL 91

SECTION 7

*Unaffiliated telecommunications providers*  
~~Pay telephone service providers.~~

1 196.219 (2m) (c) 1. A large  
2 telecommunications utility that provides an access service to a pay telephone service  
3 provider may only charge an access rate for the service that satisfies each of the  
4 following:

5 a. The access rate does not allow the large telecommunications utility to recover  
6 more than its direct costs and a reasonable allocation of its overhead costs in  
7 providing the access service to the pay telephone service provider.

8 b. The access rate complies with the regulations promulgated and orders issued  
9 by the federal communications commission under 47 USC 276.

10 2. A large telecommunications utility shall file tariffs with the commission for  
11 the provision of any access service to a pay telephone service provider and for the  
12 modification of any access rates. A filing under this subdivision shall include cost  
13 support data that is consistent with the requirements of 47 CFR 61.49. At the time  
14 of a filing, the large telecommunications utility shall provide written notice of any  
15 modification of an access rate to its customers who are pay telephone service  
16 providers. The commission shall approve or modify a tariff filed under this  
17 subdivision only if the commission determines that the proposed or modified access  
18 rate satisfies the requirements of subd. 1.

*first*  
*beginning on*  
*the 13th day of*  
*the 13th month*  
*after*  
*the effective date*  
*of this*  
*subdivision*  
*[revisor*  
*inserts*  
*date] a*

19 SECTION 8. 196.219 (2m) (c) of the statutes is created to read:

20 196.219 (2m) (c) *Unaffiliated telecommunications providers.* 1. A large  
21 telecommunications utility or a holding company may not charge an access rate to  
22 an unaffiliated telecommunications provider that exceeds the lowest compensation  
23 rate or combination of rates that it charges, whether by tariff or agreement, to itself,  
24 an affiliate of the large telecommunications utility or any other telecommunications  
25 provider for the same or similar service, basic network function or element used for

**SENATE BILL 91**

1 the termination or transport of a local exchange call, including extended community  
2 calling or extended area service calling.

3 2. Notwithstanding subd. 1., a large telecommunications utility or holding  
4 company may petition the commission for approval to charge an unaffiliated  
5 telecommunications provider an access rate that exceeds an access rate specified in  
6 subd. 1. The commission may grant its approval after notice to all interested parties  
7 and a hearing if the commission finds that the large telecommunications utility or  
8 holding company has established, by clear and convincing evidence, each of the  
9 following:

10 a. That the large telecommunications utility or holding company has  
11 experienced a substantial change in circumstances that justifies the petitioned  
12 access rate.

13 b. That the petitioned access rate will not have an anticompetitive impact on  
14 any competitor of the large telecommunications utility or holding company.

15 c. That the petitioned access rate does not exceed the large telecommunications  
16 utility's or holding company's total service long-run incremental costs in providing  
17 the access service.

18 d. That the petitioned access rate is in the public interest.

*Inset  
5-19*

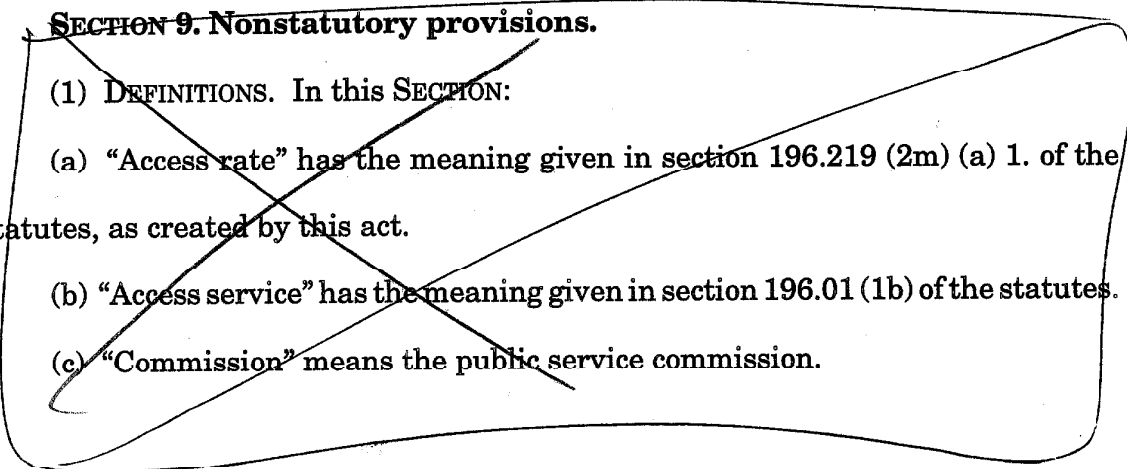
19 **SECTION 9. Nonstatutory provisions.**

20 (1) DEFINITIONS. In this SECTION:

21 (a) "Access rate" has the meaning given in section 196.219 (2m) (a) 1. of the  
22 statutes, as created by this act.

23 (b) "Access service" has the meaning given in section 196.01 (1b) of the statutes.

24 (c) "Commission" means the public service commission.



**SENATE BILL 91****SECTION 9**

1 (d) "Large telecommunications utility" has the meaning given in section  
2 196.219 (2m) (a) 4. of the statutes.

3 (e) "Pay telephone service provider" has the meaning given in section 196.01  
4 (4m) of the statutes.

5 (f) "Telecommunications provider" has the meaning given in section 196.01 (8p)  
6 of the statutes.

7 (2) ESTABLISHMENT OF ACCESS RATES.

8 (a) No later than the first day of the 2nd month beginning after the effective  
9 date of this paragraph, any large telecommunications utility that provided an access  
10 service to a pay telephone service provider at any time during the period beginning  
11 on April 15, 1997, and ending on the effective date of this paragraph shall provide  
12 cost support data regarding the access rate charged for the access service to the  
13 commission that, as determined by the commission, is sufficient for the commission  
14 to make the determination required under paragraph (b) and that is consistent with  
15 the requirements of 47 CFR 61.49.

16 (b) No later than 90 days after the commission receives cost support data from  
17 a large telecommunications utility under paragraph (a), the commission shall  
18 determine whether the access rate satisfies the requirements under section 196.219  
19 (2m) (c) 1. of the statutes, as created by this act. If the commission determines that  
20 an access rate does not satisfy the requirements, the commission shall establish a  
21 rate that satisfies the requirements and shall order the large telecommunications  
22 utility to refund to a pay telephone service provider any access rates charged for the  
23 period beginning on April 15, 1997, and ending on the effective date of the  
24 commission's order under this paragraph that exceed the rate established by the  
25 commission. The commission shall hold a hearing to review a determination made

**SENATE BILL 91**

1 or a rate established under this paragraph if, no later than 45 days after issuing an  
2 order under this paragraph, an interested party requests a hearing.

3 **SECTION 10. Effective date.**

4 (1) This act takes effect on the first day of the 2nd month beginning after  
5 publication.

6 (END)

1999-2000 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBs0213/P1ins  
MJL&MDK.....

1  
2  
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INSERT 2-1: ✓

SECTION 1. 20.566 (2) (v) ✓ of the statutes is created to read:

20.566 (2) (v) *Assistance grants for "911"*. From the assistance fund for "911",  
a sum sufficient for grants made under s. 76.55. ✓

SECTION 2. 25.17 (1) (aj) ✓ of the statutes is created to read:

25.17 (1) (aj) Assistance fund for "911" (25.98). s.

SECTION 3. 25.98 of the statutes is created to read:

**25.98 Assistance fund for "911"**. There is established a separate nonlapsible  
trust fund designated as the assistance fund for "911", consisting of all moneys  
deposited under 1999 Wisconsin Act .... (this act), section 6 (3). *auto ref. "A"*

SECTION 4. 76.55 of the statutes is created to read: *auto ref. "B"*

**76.55 Assistance grants for "911"**. (1) In this section:

(a) "Basic system" has the meaning given in s. 146.70 (1) (c). ✓

(b) "Eligible local unit of government" means a town, village, city or county that  
has a large telecommunications utility operating within its borders and that satisfies  
one of the following:

1. The town, village, city or county operates a public safety answering point on  
the effective date of this subdivision .... [revisor inserts date].

2. The town, village, city or county intends to operate a public safety answering  
point no later than the first day of the 19th month beginning after the effective date  
of this subdivision .... [revisor inserts date].



1 (c) "Fund balance" means the balance in the assistance fund for "911"  
2 immediately after the public service commission has deposited all of the payments  
3 made under 1999 Wisconsin Act .... (this act), section 6 (3). *auto ref. "A"*

4 (d) "Large telecommunications utility" has the meaning given in s. 196.219  
5 (2m) (a) 4. *auto ref. "B"*

6 (e) "Public safety answering point" has the meaning given in s. 146.70 (1) (gm).

7 (f) "Sophisticated system" has the meaning given in s. 146.70 (1) (i).

8 (2) (a) Except as provided ~~under~~ *in* sub. (3), the department shall award a grant  
9 from the appropriation under s. 20.566 (2) (v) <sup>1</sup> equal to the amount determined under  
10 par. (b) to an eligible local unit of government for costs and debt service directly *system*  
11 related to purchasing or leasing equipment for establishing or improving a basic or  
12 <sup>a</sup> sophisticated system, ~~as defined in s. 146.70 (1) (i)~~

13 (b) The department shall determine the amount of a grant under this section  
14 as follows:

15 1. For each county that includes an eligible local unit of government, multiply  
16 the fund balance by a fraction whose numerator is equal to the number of access lines  
17 owned by large telecommunications utilities in the county and whose denominator  
18 is equal to the number of access lines in the state that are owned by large  
19 telecommunications utilities.

20 2. Multiply the result under subd. 1. by a fraction whose numerator is equal  
21 to the number of county residents who are or will be served by the eligible local unit  
22 of government's basic *or sophisticated system* and whose denominator is the number  
23 of county residents who are or will be served by any eligible local unit of government's  
24 basic *or sophisticated system*.

1 (3) The department shall award a county that has a population of more than  
 2 500,000 and that operates a public safety answering point a grant in an amount  
 3 equal to 5% of the result under sub. (2) (b) 1. for costs and debt service directly related  
 4 to purchasing or leasing equipment for establishing or improving a basic or <sup>system</sup>  
 5 sophisticated system. The department shall award grants to each eligible local unit  
 6 of government in the county by prorating 95% of the result under sub. (2) (b) 1. based  
 7 on the number of persons residing in the eligible local unit of government who are  
 8 or will be served by the eligible local unit of government's basic or <sup>system</sup> sophisticated  
 9 system.

10 (4) A grant recipient under this section shall deposit the grant moneys in a <sup>one</sup>  
 11 separate account and shall submit a report to the department within ~~a~~ year <sup>after</sup>  
 12 receiving the grant ~~that~~ documents the <sup>The report shall</sup> use to which the grant money has been put.  
 13 A grant recipient may not use grant moneys for the cost of personnel and equipment  
 14 that an emergency service provider uses (directly) to respond to an emergency call.

**INSERT 5-19**

**SECTION 5.** 196.219 (2r) of the statutes is created to read:

17 196.219 (2r) REDUCTION OF RATES. Each interexchange telecommunications  
 18 carrier shall reduce intrastate service rates to reflect any savings that it realizes due  
 19 to reductions in intrastate access rates under sub. (2m) (c). To ensure compliance  
 20 with this subsection, the commission may review the methodology used to determine  
 21 the reduction of rates that the interexchange telecommunications carrier chooses.

"A"

22 <sup>acts. ref. "A"</sup>  
**SECTION 6. Nonstatutory provisions.**

23 (1) DEFINITIONS. In this section: <sup>CS</sup>

24 (a) "Access rate" has the meaning given in section 196.219 (2m) (a) 1. of the  
 25 statutes, as created by this act.

1 (b) "Commission" means the public service commission.

2 (c) "Large telecommunications utility" has the meaning given in section  
3 196.219 (2m) (a) 4. of the statutes, as created by this act.

4 (d) "Public safety answering point" has the meaning given in section 146.70 (1)  
5 (gm) of the statutes.

6 (2) REPORTING REQUIREMENTS.

7 (a) Each large telecommunications utility shall report to the commission the  
8 number of access lines that <sup>the utility</sup> owns in this state and in each county and the number  
9 and identity of the towns, cities, villages and counties that it serves by the ~~last~~<sup>first</sup> day  
10 of the 3rd month following the effective date of this paragraph. The commission shall  
11 provide the information reported under this paragraph to the department of revenue  
12 for the purpose of administering the requirements of section 76.55 of the statutes,  
13 as created by this act.

14 (b) Each town, city, village or county that is not operating a public safety  
15 answering point on the effective date of this paragraph <sup>that</sup> intends to operate a  
16 public safety answering point by the ~~last~~<sup>first</sup> day of the 19th month following the effective  
17 date of this paragraph and that seeks a grant under section 76.55 of the statutes, as  
18 created by this act, shall notify the commission of <sup>the towns, cities, villages or</sup> its intent to operate a public safety  
19 answering point. The commission shall prepare a list of existing public safety  
20 answering points and <sup>of</sup> public safety answering points that are intended to be  
21 operational by the ~~last~~<sup>first</sup> day of the 19th month following the effective date of this  
22 paragraph and provide the department of revenue with a copy of this list by the ~~last~~<sup>first</sup>  
23 day of the 10<sup>th</sup> month following the effective date of this paragraph.

11 B"

24 (3) ASSESSMENTS. On the ~~last~~<sup>first</sup> day of the 14th month following the effective date  
25 of this subsection, the commission shall assess against each large

1 telecommunications utility an amount equal to the result obtained by multiplying  
2 the number of access lines in this state owned by the large telecommunications  
3 utility by the difference between the large telecommunications utility's access rates  
4 in effect on the effective date of this subsection and the access rates in effect on the  
5 ~~13th~~<sup>first</sup> day of the 13th month following the effective <sup>✓</sup> date of this subsection. A large  
6 telecommunications utility shall pay an assessment within 30 days after the  
7 commission has mailed a bill for the assessment. The bill constitutes notice of the  
8 assessment and demand of payment. The commission shall deposit the payments in  
9 the assistance fund for "911" *under section 25.98 of the statutes,*

*as created by this act*

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB  
99s0213/P1dn  
MJL&MDK:.....  
mmg

Senator Chvala:

Please review this draft carefully to ensure that it complies with your intent. In particular, please note the following:

1. Because this substitute amendment creates an assistance fund for "911" funded with assessments against large telecommunications utilities and because it deletes Section 7 of 1999 SB-91, which concerns the regulation of access rates paid for pay telephone service providers, the amendment may be considered nongermane.

2. We did not enumerate the costs directly related to purchasing equipment to establish or upgrade a basic or sophisticated system because we assumed that those costs enumerated in the draft prepared by Curt Pawlisch are meant to be illustrative, not comprehensive. If we are mistaken, please let us know and we will redraft accordingly.

3. The amendment requires <sup>s</sup> "interexchange telecommunications carriers" to reduce rates to reflect the reduction in access rates charged by large telecommunications carrier, but these carriers are not defined in statute or rule. The statutes make reference to "interexchange telecommunications utilities" without defining them. Do you want to provide a statutory definition or require the PSC to define interexchange telecommunications carriers by rule?

4. Please note that the denominator under proposed s. 76.55 (2) (b) 2. is different from what is specified in the instructions, but we think that it assures that all of money for a particular county is distributed in grants. *will be* the

5. This draft retains the delayed effective date of SB-91 to give large telecommunications utilities time to change their access rates.

6. Is it necessary to require large telecommunications utilities to report the number of their access lines to the PSC? If the PSC already has this information, then the nonstatutory provisions of this draft should be revised.

Mark D. Kunkel  
Legislative Attorney  
Phone: (608) 266-0131  
E-mail: Mark.Kunkel@legis.state.wi.us

Madelon J. Lief  
Legislative Attorney  
Phone: (608) 267-7380

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBs0213/1dn  
MJL&MDK:kmg:mrc

December 22, 1999

Senator Chvala:

Please review this draft carefully to ensure that it complies with your intent. In particular, please note the following:

1. Because this substitute amendment creates an assistance fund for "911" funded with assessments against large telecommunications utilities and because it deletes SECTION 7 of 1999 SB-91, which concerns the regulation of access rates paid for pay telephone service providers, the amendment may be considered nongermane.

2. We did not enumerate the costs directly related to purchasing equipment to establish or upgrade a basic or sophisticated system because we assumed that those costs enumerated in the draft prepared by Curt Pawlisch are meant to be illustrative, not comprehensive. If we are mistaken, please let us know and we will redraft accordingly.

3. The amendment requires "interexchange telecommunications carriers" to reduce rates to reflect the reduction in access rates charged by large telecommunications carriers, but these carriers are not defined in statute or rule. The statutes make reference to "interexchange telecommunications utilities", without defining them. Do you want to provide a statutory definition or require the PSC to define interexchange telecommunications carriers by rule?

4. Please note that the denominator under proposed s. 76.55 (2) (b) 2. is different from what is specified in the instructions, but we think that it assures that all of the money for a particular county will be distributed in grants.

5. This draft retains the delayed effective date of SB-91 to give large telecommunications utilities time to change their access rates.

6. Is it necessary to require large telecommunications utilities to report the number of their access lines to the PSC? If the PSC already has this information, then the nonstatutory provisions of this draft should be revised.

Madelon J. Lief  
Legislative Attorney  
Phone: (608) 267-7380

Mark D. Kunkel  
Legislative Attorney  
Phone: (608) 266-0131  
E-mail: Mark.Kunkel@legis.state.wi.us

1 by the ratio of countywide population served by the eligible local unit of government's  
2 basic or sophisticated 911 system to the countywide population.

3  
4 (3) A local unit of government that receives monies under this section shall  
5 deposit in a separate account and shall use such monies exclusively for the expenses  
6 directly related to purchasing or obtaining equipment for establishing or upgrading a basic  
7 or sophisticated 911 system. These expenses may include the costs for telephone systems,  
8 radio communications systems, computer-aided dispatch and records management  
9 systems, voice recording systems, and mobile data network systems, and related debt  
10 service. Costs directly attributable to training personnel for the use of such equipment is  
11 a permitted expense. ~~No local unit of government may use monies received under this  
12 section to pay for or recover expenses for costs incurred prior to the effective date of this  
13 section or for expenses for personnel, squad cars and other materials used directly by an  
14 emergency service provider dispatched in response to an emergency call.~~

15  
16 (4) Counties having a population of more than 500,000 and operating a public  
17 safety answering point will receive at least 5% of the monies designated for that county for  
18 equipment-related expenses associated with establishing and upgrading a basic or  
19 sophisticated 911 system, as defined in s. 146.70(1). The department shall distribute the  
20 remaining monies designated for such county to other eligible local units of government  
21 in the county based upon the local unit of government's percentage of the population  
22 served in the county.

23  
24 (5) Within one year after receipt of 911 assistance monies, each local unit of  
25 government shall file a report with the department documenting its compliance with sub.  
26 3.



**DEWITT  
ROSS & STEVENS.**  
LAW FIRM

Capitol Square Office  
Two East Main Street  
Suite 600  
Madison, WI 53703-2805  
Fax 608-252-9243  
Tel 608-255-8891

West Office  
Firstar Financial Centre  
9000 Excelsior Drive, Suite 401  
Madison, WI 53717-1914  
Fax 608-831-2106  
Tel 608-431-2100

Please respond to: Capitol Square Office

**FAX TRANSMITTAL**

<b>To:</b> Kurt Pawlisch	<b>Fax Number</b> 251-2883
<b>From:</b> Jim Leonhart	
	<b>Total</b> <u>2</u> (including this page)
<b>Date:</b> January 6, 2000	<b>Time Sent:</b> _____

**Respond To:** Mary Brumm at 525-9200 (tel) / 608-252\*9243 (fax)

**MESSAGE**

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Replace the access reduction savings flow-through language in Section 11 – 196.219(2r) on p. 6 with the original language below because:

- “intrastate service rates” is ambiguous
- limiting the method by which carriers flow-through savings may limit consumer benefits and puts an unnecessary burden on interexchange carriers
- there are numerous methods by which interexchange carriers can flow-through savings; mandating a rate reduction in one particular service covers only one method – a method that is not necessarily the best
- the original language was agreed to by all interexchange carriers
- no one should be concerned about any flow-through methodology chosen by a particular interexchange carrier because all methodologies are subject to Commission review

“Each interexchange telecommunications carrier shall pass on its savings, in the aggregate, <sup>made due to reductions</sup> equal to the reductions in intrastate access rates ~~attributable to action taken pursuant to this~~ <sup>intra-state intrastate access rate reduction (2m)(e)</sup> section consistent with competitive market factors. <sup>as reflected</sup> The Commission may review the ~~flow-through methodology~~ chosen by the interexchange carrier to ensure that consumers have received such savings.”



**DEWITT  
ROSS & STEVENS**  
LAW FIRM

Capital Square Office  
Two East Main Street  
Suite 600  
Madison, WI 53703-2885  
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Tel 608-255-8891

West Office  
First Financial Centre  
8000 Excelsior Drive, Suite 402  
Madison, WI 53717 1914  
Fax 608-831-2106  
Tel 608-431-2100

Please respond to: Capitol Square Office

**FAX TRANSMITTAL**

<b>To:</b> Kurt Pawlisch	<b>Fax Number</b> 251-2883
<b>From:</b> Jim Leonhart	<b>Total</b> <u>2</u> (including this page)
<b>Date:</b> January 5, 2000	<b>Time Sent:</b> _____
<hr/>	
<b>Respond To:</b> Mary Brumm at	252-9200 (tel) / 608-252-9243 (fax)

**MESSAGE**

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**Subject: Definition**

**Date:** Tue, 4 Jan 2000 17:41:31 -0500

**From:** "Dunn, John F - LGA" <jfdunn1@att.com>

**To:** "Jim Leonhart (E-mail)" <jll@dewittross.com>

Jim -- Below is the definition we discussed.

"Interexchange telecommunications carrier" is defined as a telecommunications carrier that provides telecommunications service between points in two or more exchanges.

*J.F.*

*N.K. Com*

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBs0213/1dn  
MJL&MDK:lmj:mrc

December 22, 1999

Senator Chvala:

Please review this draft carefully to ensure that it complies with your intent. In particular, please note the following:

1. Because this substitute amendment creates an assistance fund for "911" funded with assessments against large telecommunications utilities and because it deletes SECTION 7 of 1999 SB-91, which concerns the regulation of access rates paid for pay telephone service providers, the amendment may be considered nongermane.

2. We did not enumerate the costs directly related to purchasing equipment to establish or upgrade a basic or sophisticated system because we assumed that those costs enumerated in the draft prepared by Curt Pawlisch are meant to be illustrative, not comprehensive. If we are mistaken, please let us know and we will redraft accordingly.

3. The amendment requires "interexchange telecommunications carriers" to reduce rates to reflect the reduction in access rates charged by large telecommunications carriers, but these carriers are not defined in statute or rule. The statutes make reference to "interexchange telecommunications utilities", without defining them. Do you want to provide a statutory definition or require the PSC to define interexchange telecommunications carriers by rule?

4. Please note that the denominator under proposed s. 76.55 (2) (b) 2. is different from what is specified in the instructions, but we think that it assures that all of the money for a particular county will be distributed in grants.

5. This draft retains the delayed effective date of SB-91 to give large telecommunications utilities time to change their access rates.

6. Is it necessary to require large telecommunications utilities to report the number of their access lines to the PSC? If the PSC already has this information, then the nonstatutory provisions of this draft should be revised.

*Dec 9  
P 3 line 7-10  
Curt is getting back to you*

*delete delayed eff. date  
(Timeline is otherwise okay)*

*- Curt getting back to us on "methodology"*

Madelon J. Lief  
Legislative Attorney  
Phone: (608) 267-7380

Mark D. Kunkel  
Legislative Attorney  
Phone: (608) 266-0131  
E-mail: Mark.Kunkel@legis.state.wi.us

*- add prohibit on P 4 (see P 3 line 11)  
- div 2 department*

*- reduction of rates*

2

By Tues.  
11/25  
4:00pm

SENATE SUBSTITUTE AMENDMENT,  
TO 1999 SENATE BILL 91

RM  
NOT  
RUN

Gen. Cat.

1 AN ACT *to renumber* 196.219 (2m); *to amend* 196.196 (2) (a) and 196.203 (1); and  
2 *to create* 20.566 (2) (v), 25.17 (1) (aj), 25.98, 76.55, 196.219 (2m) (a), 196.219  
3 (2m) (b) (title), 196.219 (2m) (c) and 196.219 (2r) of the statutes; **relating to:**  
4 access service rates charged to and assessment of unaffiliated  
5 telecommunications providers, creating an assistance fund for "911" and  
6 making an appropriation.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

7 SECTION 1. 20.566 (2) (v) of the statutes is created to read:  
8 20.566 (2) (v) *Assistance grants for "911"*. From the assistance fund for "911",  
9 a sum sufficient for grants made under s. 76.55.

10 SECTION 2. 25.17 (1) (aj) of the statutes is created to read:  
11 25.17 (1) (aj) Assistance fund for "911" (s. 25.98).

12 SECTION 3. 25.98 of the statutes is created to read:

INSERT 2-6

1 **25.98 Assistance fund for "911"**. There is established a separate nonlapsible  
2 trust fund designated as the assistance fund for "911", consisting of all moneys  
3 deposited under 1999 Wisconsin Act .... (this act), section 12 (3).

4 **SECTION 4.** 76.55 of the statutes is created to read:

5 **76.55 Assistance grants for "911"**. (1) In this section:

6 (a) "Basic system" has the meaning given in s. 146.70 (1) (c).

7 <sup>e</sup> (b) "Eligible local unit of government" means a town, village, city or county that  
8 has a large telecommunications utility operating within its borders and that satisfies  
9 one of the following:

10 1. The town, village, city or county operates a public safety answering point on  
11 the effective date of this subdivision .... [revisor inserts date].

12 2. The town, village, city or county intends to operate a public safety answering  
13 point no later than the first day of the 19th month beginning after the effective date  
14 of this subdivision .... [revisor inserts date].

15 <sup>f</sup> (c) "Fund balance" means the balance in the assistance fund for "911"  
16 immediately after the public service commission has deposited all of the payments  
17 made under 1999 Wisconsin Act .... (this act), section 12 (3).

18 <sup>g</sup> (d) "Large telecommunications utility" has the meaning given in s. 196.219  
19 (2m) (a) 4.

20 <sup>h</sup> (e) "Public safety answering point" has the meaning given in s. 146.70 (1) (gm).

21 <sup>i</sup> (f) "Sophisticated system" has the meaning given in s. 146.70 (1) (i).

22 (2) (a) Except as provided in sub. (3), the department shall award a grant from  
23 the appropriation under s. 20.566 (2) (v), equal to the amount determined under par.

24 (b), to an eligible local unit of government for <sup>eligible</sup> costs and debt service <sup>costs</sup> directly related ~~to the project~~

1 to purchasing or leasing equipment for establishing or improving a basic system or  
 2 a sophisticated system  
 3 (b) ~~The department shall determine the amount of a grant under this section~~  
 4 as follows.

INSERT 3-3

5 1. For each county that includes an eligible local unit of government, multiply  
 6 the fund balance by a fraction whose numerator is equal to the number of access lines  
 7 owned by large telecommunications utilities in the county and whose denominator  
 8 is equal to the number of access lines in the state that are owned by large  
 9 telecommunications utilities.

10 2. Multiply the result under subd. 1. by a fraction whose numerator is equal  
 11 to the number of county residents who are or will be served by the eligible local unit  
 12 of government's basic system or sophisticated system and whose denominator is the  
 13 number of county residents who are or will be served by any eligible local unit of  
 14 government's basic system or sophisticated system.

INSERT  
3-15

15 ~~(3) The department shall award a county that has a population of more than~~  
 16 ~~500,000 and that operates a public safety answering point a grant in an amount~~  
 17 ~~equal to 5% of the result under sub. (2) (b) 1. for costs and debt service directly related~~  
 18 ~~to purchasing or leasing equipment for establishing or improving a basic system or~~  
 19 ~~a sophisticated system. The department shall award grants to each eligible local unit~~  
 20 ~~of government in the county by prorating 95% of the result under sub. (2) (b) 1. based~~  
 21 ~~on the number of persons residing in the eligible local unit of government who are~~  
 22 ~~or will be served by the eligible local unit of government's basic system or~~  
 23 ~~sophisticated system.~~

24 (4) A grant recipient under this section shall deposit the grant moneys in a  
 25 separate account and shall submit a report to the department within one year after

1 receiving the grant. The report shall document the uses to which the grant money  
2 has been put. A grant recipient may not use grant moneys for the cost of personnel  
3 and equipment that an emergency service provider uses to respond directly to an  
4 emergency call.

5 **SECTION 5.** 196.196 (2) (a) of the statutes is amended to read:

6 196.196 (2) (a) Except as required to enforce this subsection and the  
7 requirements of s. 196.219 (2m), the commission may not review or set the rates for  
8 intrastate access services offered by price-regulated telecommunications utilities.  
9 This paragraph does not waive the tariff requirements of s. 196.219 (2m).

10 **SECTION 6.** 196.203 (1) of the statutes is amended to read:

11 196.203 (1) Except as provided in this section and s. 196.219 (2m), alternative  
12 telecommunications utilities are exempt from all provisions of ch. 200 and this  
13 chapter. INSEAT 4-13 ✓

14 **SECTION 7.** 196.219 (2m) of the statutes is renumbered 196.219 (2m) (b).

15 **SECTION 8.** 196.219 (2m) (a) of the statutes is created to read:

16 196.219 (2m) (a) *Definitions.* In this subsection:

17 1. "Access rate" means any rate, fee, price or amount for the provision of an  
18 access service or any basic network function or element that comprises an access  
19 service or any traffic sensitive or nontraffic sensitive charge.

20 2. "Affiliate of a large telecommunications utility" means any person who  
21 controls, is controlled by or is under common control with a large telecommunications  
22 utility.

23 3. "Holding company" means a holding company, as defined in s. 196.795 (1) (h)  
24 1., that owns or controls one or more large telecommunications utilities.



1           4. “Large telecommunications utility” means a telecommunications utility with  
2 more than 200,000 access lines in this state.

3           5. “Unaffiliated telecommunications provider” means a telecommunications  
4 provider that is not an affiliate of a large telecommunications utility.

5           **SECTION 9.** 196.219 (2m) (b) (title) of the statutes is created to read:

6           196.219 (2m) (b) (title) *Nondiscrimination.*

7           **SECTION 10.** 196.219 (2m) (c) of the statutes is created to read:

8           196.219 (2m) (c) *Unaffiliated telecommunications providers.* 1. Beginning on  
9 the first day of the 13th month after the effective date of this subdivision .... [revisor  
10 inserts date], a large telecommunications utility or a holding company may not  
11 charge an access rate to an unaffiliated telecommunications provider that exceeds  
12 the lowest compensation rate or combination of rates that it charges, whether by  
13 tariff or agreement, to itself, an affiliate of the large telecommunications utility or  
14 any other telecommunications provider for the same or similar service, basic  
15 network function or element used for the termination or transport of a local exchange  
16 call, including extended community calling or extended area service calling.

17           2. Notwithstanding subd. 1., a large telecommunications utility or holding  
18 company may petition the commission for approval to charge an unaffiliated  
19 telecommunications provider an access rate that exceeds an access rate specified in  
20 subd. 1. The commission may grant its approval after notice to all interested parties  
21 and a hearing if the commission finds that the large telecommunications utility or  
22 holding company has established, by clear and convincing evidence, each of the  
23 following:

1 a. That the large telecommunications utility or holding company has  
2 experienced a substantial change in circumstances that justifies the petitioned  
3 access rate.

4 b. That the petitioned access rate will not have an anticompetitive impact on  
5 any competitor of the large telecommunications utility or holding company.

6 c. That the petitioned access rate does not exceed the large telecommunications  
7 utility's or holding company's total service long-run incremental costs in providing  
8 the access service.

9 d. That the petitioned access rate is in the public interest.

*pass on its savings, in the aggregate,  
in an amount  
equal to the  
reductions*

10 SECTION 11. 196.219 (2r) of the statutes is created to read:

11 196.219 (2r) REDUCTION OF RATES. Each interexchange telecommunications  
12 carrier shall ~~reduce intrastate service rates to reflect any savings that it realizes due~~  
13 ~~to reductions in intrastate access rates under sub. (2m) (c).~~ To ensure compliance  
14 with this subsection, the commission may review the ~~method used to determine~~  
15 ~~the reduction of rates~~ *of passing on savings to customers* that the interexchange telecommunications carrier chooses.

16 SECTION 12. Nonstatutory provisions.

17 (1) DEFINITIONS. In this SECTION:

18 (a) "Access rate" has the meaning given in section 196.219 (2m) (a) 1. of the  
19 statutes, as created by this act.

20 (b) "Commission" means the public service commission.

21 (c) "Large telecommunications utility" has the meaning given in section  
22 196.219 (2m) (a) 4. of the statutes, as created by this act.

23 (d) "Public safety answering point" has the meaning given in section 146.70 (1)  
24 (gm) of the statutes.

25 (2) REPORTING REQUIREMENTS.

1           (a) Each large telecommunications utility shall report to the commission the  
2           number of access lines that the utility owns in this state and in each county and the  
3           number and identity of the towns, cities, villages and counties that it serves by the  
4           first day of the 3rd month following the effective date of this paragraph. The  
5           commission shall provide the information reported under this paragraph to the  
6           department of revenue for the purpose of administering the requirements of section  
7           76.55 of the statutes, as created by this act.

8           (b) Each town, city, village or county that is not operating a public safety  
9           answering point on the effective date of this paragraph, that intends to operate a  
10          public safety answering point by the first day of the 19th month following the  
11          effective date of this paragraph and that seeks a grant under section 76.55 of the  
12          statutes, as created by this act, shall notify the commission of the town's, city's,  
13          village's or county's intent to operate a public safety answering point. The  
14          commission shall prepare a list of existing public safety answering points and of  
15          public safety answering points that are intended to be operational by the first day  
16          of the 19th month following the effective date of this paragraph and provide the  
17          department of revenue with a copy of this list by the first day of the 10th month  
18          following the effective date of this paragraph.

19          (3) ASSESSMENTS. On the first day of the 14th month following the effective date  
20          of this subsection, the commission shall assess against each large  
21          telecommunications utility an amount equal to the result obtained by multiplying  
22          the number of access lines in this state owned by the large telecommunications  
23          utility by the difference between the large telecommunications utility's access rates  
24          in effect on the effective date of this subsection and the access rates in effect on the  
25          first day of the 13th month following the effective date of this subsection. A large

1 telecommunications utility shall pay an assessment within 30 days after the  
2 commission has mailed a bill for the assessment. The bill constitutes notice of the  
3 assessment and demand of payment. The commission shall deposit the payments in  
4 the assistance fund for "911" under section 25.98 of the statutes, as created by this  
5 act.

6 **SECTION 13. Effective date.**

7 (1) This act takes effect on the first day of the 2nd month beginning after  
8 publication.

9 (END)

1 **INSERT 2-6:** ✓

2 (c) "Department" means the department of revenue.

3 (d) "Eligible costs" means costs incurred after the effective date of this  
4 paragraph .... [revisor insert date] (that are directly related to purchasing or leasing  
5 equipment for establishing or improving a basic system or a sophisticated system,  
6 including costs for telephone, radio communications, computer-aided dispatch,  
7 records management, voice recording and mobile data network systems; and costs  
8 for training personnel to use the equipment.

9 (b) "Debt service costs" means principal and interest costs for bonds issued for  
10 the purpose of financing eligible costs.

11 **INSERT 3-3:** ✓

12 An eligible local unit of government may apply to the department for a grant under  
13 this section to cover eligible costs and debt service costs. Except as provided in sub.  
14 (3), the department shall award a grant to each eligible local unit of government  
15 equal to an amount determined as follows:

16 **INSERT 3-15:** ✓

17 (3) For a county that has a population of more than 500,000 and that operates  
18 a public safety answering point, the department shall award a grant in an amount  
19 equal to the lesser of 5% of the amount calculated for the county under sub. (2) (b)  
20 1. or the total eligible costs and debt service costs that are incurred by the county.

21 **INSERT 4-13:** ✓

22 SECTION 1. 196.219 (1) (am) of the statutes is created to read:

1           196.219 (1) (am) "Interexchange telecommunications carrier" means a  
2           telecommunications carrier that provides telecommunications service between  
3           points in 2 or more exchanges.

Today by  
NOON

1999 - 2000 LEGISLATURE

LRBs0213/2  
MJL&MDK:kmg:jf

3

SENATE SUBSTITUTE AMENDMENT,  
TO 1999 SENATE BILL 91

See p. 3

RM NOT  
RUN

Gen. Cat.

1 AN ACT *to renumber* 196.219 (2m); *to amend* 196.196 (2) (a) and 196.203 (1); and  
2 *to create* 20.566 (2) (v), 25.17 (1) (aj), 25.98, 76.55, 196.219 (1) (am), 196.219  
3 (2m) (a), 196.219 (2m) (b) (title), 196.219 (2m) (c) and 196.219 (2r) of the  
4 statutes; **relating to:** access service rates charged to and assessment of  
5 unaffiliated telecommunications providers, creating an assistance fund for  
6 "911" and making an appropriation.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

7 SECTION 1. 20.566 (2) (v) of the statutes is created to read:  
8 20.566 (2) (v) *Assistance grants for "911"*. From the assistance fund for "911",  
9 a sum sufficient for grants made under s. 76.55.

10 SECTION 2. 25.17 (1) (aj) of the statutes is created to read:  
11 25.17 (1) (aj) Assistance fund for "911" (s. 25.98).

12 SECTION 3. 25.98 of the statutes is created to read:

1           **25.98 Assistance fund for “911”.** There is established a separate nonlapsible  
2 trust fund designated as the assistance fund for “911”, consisting of all moneys  
3 deposited under 1999 Wisconsin Act .... (this act), section 13 (3).

4           **SECTION 4.** 76.55 of the statutes is created to read:

5           **76.55 Assistance grants for “911”.** (1) In this section:

6           (a) “Basic system” has the meaning given in s. 146.70 (1) (c).

7           (b) “Debt service costs” means principal and interest costs for bonds issued for  
8 the purpose of financing eligible costs.

9           (c) “Department” means the department of revenue.

10          (d) “Eligible costs” means costs incurred after the effective date of this  
11 paragraph .... [revisor insert date], that are directly related to purchasing or leasing  
12 equipment for establishing or improving a basic system or a sophisticated system,  
13 including costs for telephone, radio communications, computer-aided dispatch,  
14 records management, voice recording and mobile data network systems; and costs  
15 for training personnel to use the equipment.

16          (e) “Eligible local unit of government” means a town, village, city or county that  
17 has a large telecommunications utility operating within its borders and that satisfies  
18 one of the following:

19           1. The town, village, city or county operates a public safety answering point on  
20 the effective date of this subdivision .... [revisor inserts date].

21           2. The town, village, city or county intends to operate a public safety answering  
22 point no later than the first day of the 19th month beginning after the effective date  
23 of this subdivision .... [revisor inserts date].



1 (f) "Fund balance" means the balance in the assistance fund for "911"  
2 immediately after the public service commission has deposited all of the payments  
3 made under 1999 Wisconsin Act .... (this act), section 13 (3).

4 (g) "Large telecommunications utility" has the meaning given in s. 196.219  
5 (2m) (a) 4.

6 (h) "Public safety answering point" has the meaning given in s. 146.70 (1) (gm).

7 (i) "Sophisticated system" has the meaning given in s. 146.70 (1) (i).

8 (2) (a) Except as provided in sub. (3), the department shall award a grant from  
9 the appropriation under s. 20.566 (2) (v), equal to the amount determined under par.

10 (b), to an eligible local unit of government for eligible costs and debt service costs.

11 (b) <sup>+</sup> ~~An eligible local unit of government~~ <sup>shall award</sup> ~~may apply to the department for a grant~~

12 under this section) to cover eligible costs and debt service costs. Except as provided  
13 in sub. (3), the department shall award a grant to each eligible local unit of  
14 government equal to an amount determined as follows:

15 1. For each county that includes an eligible local unit of government, multiply  
16 the fund balance by a fraction whose numerator is equal to the number of access lines  
17 owned by large telecommunications utilities in the county and whose denominator  
18 is equal to the number of access lines in the state that are owned by large  
19 telecommunications utilities.

20 2. Multiply the result under subd. 1. by a fraction whose numerator is equal  
21 to the number of county residents who are or will be served by the eligible local unit  
22 of government's basic system or sophisticated system and whose denominator is the  
23 number of county residents who are or will be served by any eligible local unit of  
24 government's basic system or sophisticated system.

1           (3) For a county that has a population of more than 500,000 and that operates  
2 a public safety answering point, the department shall award a grant in an amount  
3 equal to the lesser of 5% of the amount calculated for the county under sub. (2) (b)  
4 1. or the total eligible costs and debt service costs that are incurred by the county.

5           (4) A grant recipient under this section shall deposit the grant moneys in a  
6 separate account and shall submit a report to the department within one year after  
7 receiving the grant. The report shall document the uses to which the grant money  
8 has been put. A grant recipient may not use grant moneys for the cost of personnel  
9 and equipment that an emergency service provider uses to respond directly to an  
10 emergency call.

11           **SECTION 5.** 196.196 (2) (a) of the statutes is amended to read:

12           196.196 (2) (a) Except as required to enforce this subsection and the  
13 requirements of s. 196.219 (2m), the commission may not review or set the rates for  
14 intrastate access services offered by price-regulated telecommunications utilities.  
15 This paragraph does not waive the tariff requirements of s. 196.219 (2m).

16           **SECTION 6.** 196.203 (1) of the statutes is amended to read:

17           196.203 (1) Except as provided in this section and s. 196.219 (2m), alternative  
18 telecommunications utilities are exempt from all provisions of ch. 200 and this  
19 chapter.

20           **SECTION 7.** 196.219 (1) (am) of the statutes is created to read:

21           196.219 (1) (am) “Interexchange telecommunications carrier” means a  
22 telecommunications carrier that provides telecommunications service between  
23 points in 2 or more exchanges.

24           **SECTION 8.** 196.219 (2m) of the statutes is renumbered 196.219 (2m) (b).

25           **SECTION 9.** 196.219 (2m) (a) of the statutes is created to read:

1           196.219 (2m) (a) *Definitions*. In this subsection:

2           1. “Access rate” means any rate, fee, price or amount for the provision of an  
3 access service or any basic network function or element that comprises an access  
4 service or any traffic sensitive or nontraffic sensitive charge.

5           2. “Affiliate of a large telecommunications utility” means any person who  
6 controls, is controlled by or is under common control with a large telecommunications  
7 utility.

8           3. “Holding company” means a holding company, as defined in s. 196.795 (1) (h)  
9 1., that owns or controls one or more large telecommunications utilities.

10          4. “Large telecommunications utility” means a telecommunications utility with  
11 more than 200,000 access lines in this state.

12          5. “Unaffiliated telecommunications provider” means a telecommunications  
13 provider that is not an affiliate of a large telecommunications utility.

14          **SECTION 10.** 196.219 (2m) (b) (title) of the statutes is created to read:

15          196.219 (2m) (b) (title) *Nondiscrimination*.

16          **SECTION 11.** 196.219 (2m) (c) of the statutes is created to read:

17          196.219 (2m) (c) *Unaffiliated telecommunications providers*. 1. Beginning on  
18 the first day of the 13th month after the effective date of this subdivision .... [revisor  
19 inserts date], a large telecommunications utility or a holding company may not  
20 charge an access rate to an unaffiliated telecommunications provider that exceeds  
21 the lowest compensation rate or combination of rates that it charges, whether by  
22 tariff or agreement, to itself, an affiliate of the large telecommunications utility or  
23 any other telecommunications provider for the same or similar service, basic  
24 network function or element used for the termination or transport of a local exchange  
25 call, including extended community calling or extended area service calling.

1           2. Notwithstanding subd. 1., a large telecommunications utility or holding  
2 company may petition the commission for approval to charge an unaffiliated  
3 telecommunications provider an access rate that exceeds an access rate specified in  
4 subd. 1. The commission may grant its approval after notice to all interested parties  
5 and a hearing if the commission finds that the large telecommunications utility or  
6 holding company has established, by clear and convincing evidence, each of the  
7 following:

8           a. That the large telecommunications utility or holding company has  
9 experienced a substantial change in circumstances that justifies the petitioned  
10 access rate.

11           b. That the petitioned access rate will not have an anticompetitive impact on  
12 any competitor of the large telecommunications utility or holding company.

13           c. That the petitioned access rate does not exceed the large telecommunications  
14 utility's or holding company's total service long-run incremental costs in providing  
15 the access service.

16           d. That the petitioned access rate is in the public interest.

17           **SECTION 12.** 196.219 (2r) of the statutes is created to read:

18           **196.219 (2r) REDUCTION OF RATES.** Each interexchange telecommunications  
19 carrier shall pass on its savings, in the aggregate, in an amount equal to the  
20 reductions in intrastate access rates under sub. (2m) (c). To ensure compliance with  
21 this subsection, the commission may review the method of passing on savings to  
22 customers that the interexchange telecommunications carrier chooses.

23           **SECTION 13. Nonstatutory provisions.**

24           (1) **DEFINITIONS.** In this SECTION:

1 (a) "Access rate" has the meaning given in section 196.219 (2m) (a) 1. of the  
2 statutes, as created by this act.

3 (b) "Commission" means the public service commission.

4 (c) "Large telecommunications utility" has the meaning given in section  
5 196.219 (2m) (a) 4. of the statutes, as created by this act.

6 (d) "Public safety answering point" has the meaning given in section 146.70 (1)  
7 (gm) of the statutes.

8 (2) REPORTING REQUIREMENTS.

9 (a) Each large telecommunications utility shall report to the commission the  
10 number of access lines that the utility owns in this state and in each county and the  
11 number and identity of the towns, cities, villages and counties that it serves by the  
12 first day of the 3rd month following the effective date of this paragraph. The  
13 commission shall provide the information reported under this paragraph to the  
14 department of revenue for the purpose of administering the requirements of section  
15 76.55 of the statutes, as created by this act.

16 (b) Each town, city, village or county that is not operating a public safety  
17 answering point on the effective date of this paragraph, that intends to operate a  
18 public safety answering point by the first day of the 19th month following the  
19 effective date of this paragraph and that seeks a grant under section 76.55 of the  
20 statutes, as created by this act, shall notify the commission of the town's, city's,  
21 village's or county's intent to operate a public safety answering point. The  
22 commission shall prepare a list of existing public safety answering points and of  
23 public safety answering points that are intended to be operational by the first day  
24 of the 19th month following the effective date of this paragraph and provide the

1 department of revenue with a copy of this list by the first day of the 10th month  
2 following the effective date of this paragraph.

3 (3) ASSESSMENTS. On the first day of the 14th month following the effective date  
4 of this subsection, the commission shall assess against each large  
5 telecommunications utility an amount equal to the result obtained by multiplying  
6 the number of access lines in this state owned by the large telecommunications  
7 utility by the difference between the large telecommunications utility's access rates  
8 in effect on the effective date of this subsection and the access rates in effect on the  
9 first day of the 13th month following the effective date of this subsection. A large  
10 telecommunications utility shall pay an assessment within 30 days after the  
11 commission has mailed a bill for the assessment. The bill constitutes notice of the  
12 assessment and demand of payment. The commission shall deposit the payments in  
13 the assistance fund for "911" under section 25.98 of the statutes, as created by this  
14 act.

15 (END)

AS  
TUG  
2/11

1999 - 2000 LEGISLATURE

LRBs0213/2  
MJL&MDK:kmg:kjf

4

SENATE SUBSTITUTE AMENDMENT,  
TO 1999 SENATE BILL 91

RM NOT  
RUN

Jan Act.

1 AN ACT to renumber 196.219 (2m); to amend 196.196 (2) (a) and 196.203 (1); and  
2 to create 20.566 (2) (v), 25.17 (1) (aj), 25.98, 76.55, 196.219 (1) (am), 196.219  
3 (2m) (a), 196.219 (2m) (b) (title), 196.219 (2m) (c) and 196.219 (2r) of the  
4 statutes; relating to: access service rates charged to and assessment of  
5 unaffiliated telecommunications providers, creating an assistance fund for  
6 "911" and making an appropriation.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

7 SECTION 1. 20.566 (2) (v) of the statutes is created to read:  
8 20.566 (2) (v) Assistance grants for "911". From the assistance fund for "911",  
9 a sum sufficient for grants made under s. 76.55.

10 SECTION 2. 25.17 (1) (aj) of the statutes is created to read:  
11 25.17 (1) (aj) Assistance fund for "911" (s. 25.98).

12 SECTION 3. 25.98 of the statutes is created to read:

1           **25.98 Assistance fund for “911”.** There is established a separate nonlapsible  
2 trust fund designated as the assistance fund for “911”, consisting of all moneys  
3 deposited under 1999 Wisconsin Act .... (this act), section 13 (3).

4           **SECTION 4.** 76.55 of the statutes is created to read:

5           **76.55 Assistance grants for “911”.** (1) In this section:

6           (a) “Basic system” has the meaning given in s. 146.70 (1) (c).

7           (b) “Debt service costs” means principal and interest costs for bonds issued for  
8 the purpose of financing eligible costs.

9           (c) “Department” means the department of revenue.

10          (d) “Eligible costs” means costs incurred after the effective date of this  
11 paragraph .... [revisor insert date], that are directly related to purchasing or leasing  
12 equipment for establishing or improving a basic system or a sophisticated system,  
13 including costs for telephone, radio communications, computer-aided dispatch,  
14 records management, voice recording and mobile data network systems; and costs  
15 for training personnel to use the equipment.

16          (e) “Eligible local unit of government” means a town, village, city or county that  
17 has a large telecommunications utility operating within its borders and that satisfies  
18 one of the following:

19           1. The town, village, city or county operates a public safety answering point on  
20 the effective date of this subdivision .... [revisor inserts date].

21           2. The town, village, city or county intends to operate a public safety answering  
22 point no later than the first day of the 19th month beginning after the effective date  
23 of this subdivision .... [revisor inserts date].



1 (f) “Fund balance” means the balance in the assistance fund for “911”  
2 immediately after the public service commission has deposited all of the payments  
3 made under 1999 Wisconsin Act ... (this act), section 13 (3).

4 (g) “Large telecommunications utility” has the meaning given in s. 196.219  
5 (2m) (a) 4.

6 (h) “Public safety answering point” has the meaning given in s. 146.70 (1) (gm).

7 (i) “Sophisticated system” has the meaning given in s. 146.70 (1) (i).

8 (2) (a) Except as provided in sub. (3), the department shall award a grant from  
9 the appropriation under s. 20.566 (2) (v), equal to the amount determined under par.  
10 (b), to an eligible local unit of government for eligible costs and debt service costs.

11 (b) The department shall award a grant under this section to an eligible local  
12 unit of government to cover eligible costs and debt service costs. Except as provided  
13 in sub. (3), the department shall award a grant to each eligible local unit of  
14 government equal to an amount determined as follows:

15 1. For each county that includes an eligible local unit of government, multiply  
16 the fund balance by a fraction whose numerator is equal to the number of access lines  
17 owned by large telecommunications utilities in the county and whose denominator  
18 is equal to the number of access lines in the state that are owned by large  
19 telecommunications utilities.

20 2. Multiply the result under subd. 1. by a fraction whose numerator is equal  
21 to the number of county residents who are or will be served by the eligible local unit  
22 of government’s basic system or sophisticated system and whose denominator is the  
23 number of county residents who are or will be served by any eligible local unit of  
24 government’s basic system or sophisticated system.

*other than the cost of training personnel to use equipment*

1 (3) For a county that has a population of more than 500,000 and that operates  
2 a public safety answering point, the department shall award a grant in an amount  
3 equal to the lesser of 5% of the amount calculated for the county under sub. (2) (b)  
4 1. or the total eligible costs and debt service costs that are incurred by the county.

5 (4) A grant recipient under this section shall deposit the grant moneys in a  
6 separate account and shall submit a report to the department within one year after  
7 receiving the grant. The report shall document the uses to which the grant money  
8 has been put. A grant recipient may not use grant moneys for the cost of ~~personnel~~  
9 ~~and~~ equipment that an emergency service provider uses to respond directly to an  
10 emergency call. *or for the cost of personnel*

11 SECTION 5. 196.196 (2) (a) of the statutes is amended to read:

12 196.196 (2) (a) Except as required to enforce this subsection and the  
13 requirements of s. 196.219 (2m), the commission may not review or set the rates for  
14 intrastate access services offered by price-regulated telecommunications utilities.  
15 This paragraph does not waive the tariff requirements of s. 196.219 (2m).

16 SECTION 6. 196.203 (1) of the statutes is amended to read:

17 196.203 (1) Except as provided in this section and s. 196.219 (2m), alternative  
18 telecommunications utilities are exempt from all provisions of ch. 200 and this  
19 chapter.

20 SECTION 7. 196.219 (1) (am) of the statutes is created to read:

21 196.219 (1) (am) "Interexchange telecommunications carrier" means a  
22 telecommunications carrier that provides telecommunications service between  
23 points in 2 or more exchanges.

24 SECTION 8. 196.219 (2m) of the statutes is renumbered 196.219 (2m) (b).

25 SECTION 9. 196.219 (2m) (a) of the statutes is created to read:

1           196.219 (2m) (a) *Definitions*. In this subsection:

2           1. “Access rate” means any rate, fee, price or amount for the provision of an  
3 access service or any basic network function or element that comprises an access  
4 service or any traffic sensitive or nontraffic sensitive charge.

5           2. “Affiliate of a large telecommunications utility” means any person who  
6 controls, is controlled by or is under common control with a large telecommunications  
7 utility.

8           3. “Holding company” means a holding company, as defined in s. 196.795 (1) (h)  
9 1., that owns or controls one or more large telecommunications utilities.

10           4. “Large telecommunications utility” means a telecommunications utility with  
11 more than 200,000 access lines in this state.

12           5. “Unaffiliated telecommunications provider” means a telecommunications  
13 provider that is not an affiliate of a large telecommunications utility.

14           **SECTION 10.** 196.219 (2m) (b) (title) of the statutes is created to read:

15           196.219 (2m) (b) (title) *Nondiscrimination*.

16           **SECTION 11.** 196.219 (2m) (c) of the statutes is created to read:

17           196.219 (2m) (c) *Unaffiliated telecommunications providers*. 1. Beginning on  
18 the first day of the 13th month after the effective date of this subdivision .... [revisor  
19 inserts date], a large telecommunications utility or a holding company may not  
20 charge an access rate to an unaffiliated telecommunications provider that exceeds  
21 the lowest compensation rate or combination of rates that it charges, whether by  
22 tariff or agreement, to itself, an affiliate of the large telecommunications utility or  
23 any other telecommunications provider for the same or similar service, basic  
24 network function or element used for the termination or transport of a local exchange  
25 call, including extended community calling or extended area service calling.

1           2. Notwithstanding subd. 1., a large telecommunications utility or holding  
 2 company may petition the commission for approval to charge an unaffiliated  
 3 telecommunications provider an access rate that exceeds an access rate specified in  
 4 subd. 1. The commission may grant its approval after notice to all interested parties  
 5 and a hearing if the commission finds that the large telecommunications utility or  
 6 holding company has established, by clear and convincing evidence, each of the  
 7 following:

8           a. That the large telecommunications utility or holding company has  
 9 experienced a substantial change in circumstances that justifies the petitioned  
 10 access rate.

11           b. That the petitioned access rate will not have an anticompetitive impact on  
 12 any competitor of the large telecommunications utility or holding company.

13           c. That the petitioned access rate does not exceed the large telecommunications  
 14 utility's or holding company's total service long-run incremental costs in providing  
 15 the access service.

16           d. That the petitioned access rate is in the public interest.

17           **SECTION 12.** 196.219 (2r) of the statutes is created to read:

18           196.219 (2r) REDUCTION OF RATES. Each ~~interexchange telecommunications~~  
 19 ~~carrier~~ shall pass on its savings, in the aggregate, in an amount equal to the  
 20 reductions in intrastate access rates under sub. (2m) (c). To ensure compliance with  
 21 this subsection, the commission may review the method of passing on savings to  
 22 customers that the ~~interexchange telecommunications carrier~~ chooses.

23           **SECTION 13. Nonstatutory provisions.**

24           (1) DEFINITIONS. In this SECTION:

*unaffiliated telecommunications provider, as defined in sub. (2m) (a) 5-13*

*unaffiliated telecommunications provider*

1 (a) "Access rate" has the meaning given in section 196.219 (2m) (a) 1. of the  
2 statutes, as created by this act.

3 (b) "Commission" means the public service commission.

4 (c) "Large telecommunications utility" has the meaning given in section  
5 196.219 (2m) (a) 4. of the statutes, as created by this act.

6 (d) "Public safety answering point" has the meaning given in section 146.70 (1)  
7 (gm) of the statutes.

8 (2) REPORTING REQUIREMENTS.

9 (a) Each large telecommunications utility shall report to the commission the  
10 number of access lines that the utility owns in this state and in each county and the  
11 number and identity of the towns, cities, villages and counties that it serves by the  
12 first day of the 3rd month following the effective date of this paragraph. The  
13 commission shall provide the information reported under this paragraph to the  
14 department of revenue for the purpose of administering the requirements of section  
15 76.55 of the statutes, as created by this act.

16 (b) Each town, city, village or county that is not operating a public safety  
17 answering point on the effective date of this paragraph, that intends to operate a  
18 public safety answering point by the first day of the 19th month following the  
19 effective date of this paragraph and that seeks a grant under section 76.55 of the  
20 statutes, as created by this act, shall notify the commission of the town's, city's,  
21 village's or county's intent to operate a public safety answering point. The  
22 commission shall prepare a list of existing public safety answering points and of  
23 public safety answering points that are intended to be operational by the first day  
24 of the 19th month following the effective date of this paragraph and provide the

1 department of revenue with a copy of this list by the first day of the 10th month  
2 following the effective date of this paragraph.

3 (3) ASSESSMENTS. On the first day of the 14th month following the effective date  
4 of this subsection, the commission shall assess against each large  
5 telecommunications utility an amount equal to the result obtained by multiplying  
6 the number of access lines in this state owned by the large telecommunications  
7 utility by the difference between the large telecommunications utility's access rates  
8 in effect on the effective date of this subsection and the access rates in effect on the  
9 first day of the 13th month following the effective date of this subsection. A large  
10 telecommunications utility shall pay an assessment within 30 days after the  
11 commission has mailed a bill for the assessment. The bill constitutes notice of the  
12 assessment and demand of payment. The commission shall deposit the payments in  
13 the assistance fund for "911" under section 25.98 of the statutes, as created by this  
14 act.

15 (END)

## **Williams, Landon**

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**To:** McGulre, Paula  
**Subject:** 99s0213/4 per your request



99s0213/4

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