



# HOUSE BILL No. 4631

March 21, 1995, Introduced by Rep. Gustafson and referred to the Committee on Public Utilities.

A bill to amend section 102 of Act No. 179 of the Public Acts of 1991, entitled "Michigan telecommunications act," being section 484.2102 of the Michigan Compiled Laws; and to add section 317.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 102 of Act No. 179 of the Public Acts of  
2 1991, being section 484.2102 of the Michigan Compiled Laws, is  
3 amended and section 317 is added to read as follows:

4 Sec. 102. As used in this act:

5 (a) "Access" means the provision of access to a local  
6 exchange network for the purpose of enabling a provider to origi-  
7 nate or terminate telecommunications service within the  
8 exchange.

1 (B) "ALTERNATIVE OPERATOR SERVICE" OR "AOS" MEANS AN  
2 OPERATOR SERVICE THAT IS SEPARATE FROM THE OPERATOR SERVICE  
3 PROVIDED BY A REGULATED LOCAL EXCHANGE OR TOLL CARRIER.

4 (C) ~~(b)~~ "Basic local exchange service" means the provision  
5 of an access line and usage within a local calling area for the  
6 transmission of high-quality 2-way interactive switched voice or  
7 data communication.

8 (D) ~~(c)~~ "Commission" means the Michigan public service  
9 commission.

10 (E) ~~(d)~~ "Contested case" or "case" means a proceeding as  
11 defined in section 3 of the administrative procedures act of  
12 1969, Act No. 306 of the Public Acts of 1969, being section  
13 24.203 of the Michigan Compiled Laws.

14 (F) ~~(e)~~ "Educational institution" means a public educa-  
15 tional institution or a private non-profit educational institu-  
16 tion approved by the department of education in this state autho-  
17 rized to provide a program of primary, secondary, or higher edu-  
18 cation or a nonprofit association or consortium whose primary  
19 purpose is education. A nonprofit association or consortium  
20 under this subdivision shall consist of 2 or more of the  
21 following:

22 (i) Public educational institutions.

23 (ii) Nonprofit educational institutions approved by the  
24 department of education.

25 (iii) The state board of education.

26 (iv) Telecommunication providers.

1 (v) A nonprofit association of educational institutions or  
2 consortium of educational institutions.

3 (G) ~~(f)~~ "Exchange" means 1 or more contiguous central  
4 offices and all associated facilities within a geographical area  
5 in which local exchange telecommunications services are offered  
6 by a provider.

7 (H) ~~(g)~~ "Handicapper" means a person who has 1 or more of  
8 the following physical characteristics:

9 (i) Blindness.

10 (ii) Inability to ambulate more than 200 feet without having  
11 to stop and rest during any time of the year.

12 (iii) Loss of use of 1 or both legs or feet.

13 (iv) Inability to ambulate without the prolonged use of a  
14 wheelchair, walker, crutches, braces, or other device required to  
15 aid mobility.

16 (v) A lung disease from which the person's expiratory volume  
17 for 1 second, when measured by spirometry, is less than 1 liter,  
18 or from which the person's arterial oxygen tension is less than  
19 60 mm/hg of room air at rest.

20 (vi) A cardiovascular disease from which the person measures  
21 between 3 and 4 on the New York heart classification scale, or  
22 from which a marked limitation of physical activity causes  
23 fatigue, palpitation, dyspnea, or anginal pain.

24 (vii) Other diagnosed disease or disorder including, but not  
25 limited to, severe arthritis or a neurological or orthopedic  
26 impairment that creates a severe mobility limitation.

1 (I) ~~(h)~~ "Information services" or "enhanced services"  
2 means the offering of a capability for generating, acquiring,  
3 storing, transforming, processing, retrieving, utilizing, or  
4 making available information that is conveyed by  
5 telecommunications. Information or enhanced services does not  
6 include the use of such capability for the management, control,  
7 or operation of a telecommunications system or the management of  
8 a telecommunications service.

9 (J) ~~(i)~~ "LATA" means the local access and transport area  
10 as defined in United States v American Telephone and Telegraph  
11 Co., 569 F. Supp. 990 (D.D.C. 1983).

12 (K) ~~(j)~~ "License" means a license issued pursuant to this  
13 act or a certificate of convenience and necessity issued, or  
14 other authority granted, to a provider before January 1, 1992.

15 (L) ~~(k)~~ "Line" or "access line" means the medium over  
16 which a telecommunication user connects into the local exchange.

17 (M) ~~(l)~~ "Local calling area" means a geographic area  
18 encompassing 1 or more local communities as described in maps,  
19 tariffs, or rate schedules filed with and approved by the  
20 commission.

21 (N) ~~(m)~~ "Local directory assistance" means the provision  
22 by telephone of a listed telephone number within the caller's  
23 area code.

24 (O) ~~(n)~~ "Local exchange rate" means the monthly rate,  
25 including all necessary and attendant charges, imposed for basic  
26 local exchange service to customers.

1 (P) "OPERATOR SERVICE" MEANS A TELECOMMUNICATION SERVICE  
2 THAT INCLUDES ANY AUTOMATIC OR LIVE ASSISTANCE TO A CONSUMER TO  
3 ARRANGE FOR BILLING OR COMPLETION OF A TELEPHONE CALL BETWEEN  
4 POINTS WITHIN THIS STATE THAT ARE SPECIFIED BY THE USER THROUGH A  
5 METHOD OTHER THAN 1 OF THE FOLLOWING:

6 (i) AUTOMATIC COMPLETION WITH BILLING TO THE TELEPHONE FROM  
7 WHICH THE CALL ORIGINATED.

8 (ii) COMPLETION THROUGH AN ACCESS CODE OR A PROPRIETARY  
9 ACCOUNT NUMBER USED BY THE CONSUMER, WITH BILLING TO AN ACCOUNT  
10 PREVIOUSLY ESTABLISHED WITH THE CARRIER BY THE CONSUMER.

11 (iii) COMPLETION IN ASSOCIATION WITH DIRECTORY ASSISTANCE  
12 SERVICES.

13 (Q) ~~(o)~~ "Person" means an individual, corporation, part-  
14 nership, association, governmental entity, or any other legal  
15 entity.

16 (R) ~~(p)~~ "Reasonable rate" or "just and reasonable rate"  
17 means a rate that is not inadequate, excessive, or discriminatory  
18 as determined by the commission.

19 (S) ~~(q)~~ "Residential customer" means a person to whom  
20 telecommunication services are furnished predominantly for per-  
21 sonal or domestic purposes at the person's dwelling.

22 (T) ~~(r)~~ "Special access" means the provision of access,  
23 other than switched access, to a local exchange network for the  
24 purpose of enabling a provider to originate or terminate telecom-  
25 munication service within the exchange, including the use of  
26 local private lines.

1 (U) ~~(s)~~ "Telecommunication provider" or "provider" means a  
2 person who for compensation provides telecommunication services,  
3 or 1 or more of the unregulated services described in section  
4 401.

5 (V) ~~(t)~~ "Telecommunication services" includes regulated  
6 and unregulated services offered to customers for the transmis-  
7 sion of 2-way interactive communication and associated usage.

8 (W) ~~(u)~~ "Toll service" means the transmission of 2-way  
9 interactive switched communication between local calling areas.  
10 Toll service does not include individually negotiated contracts  
11 for similar telecommunication services or wide area telecommuni-  
12 cations service.

13 (X) ~~(v)~~ "Wide area telecommunications service" or "WATS"  
14 means the transmission of 2-way interactive switched communica-  
15 tion over a dedicated access line.

16 G. ALTERNATIVE OPERATOR SERVICES

17 SEC. 317. (1) THE COMMISSION SHALL ADOPT AND ENFORCE OPER-  
18 ATING REQUIREMENTS FOR THE PROVISION OF ALTERNATIVE OPERATOR  
19 SERVICES. THESE REQUIREMENTS SHALL INCLUDE, BUT ARE NOT LIMITED  
20 TO, THE FOLLOWING:

21 (A) FURNISH EACH ENTITY WITH WHICH THE AOS CONTRACTS TO PRO-  
22 VIDE OPERATOR SERVICE A STICKER, CARD, OR OTHER FORM OF INFORMA-  
23 TION FOR EACH TELEPHONE THAT HAS ACCESS TO THE OPERATOR SERVICE  
24 AND IS INTENDED TO BE USED BY THE PUBLIC. THE INFORMATION SHALL  
25 INCLUDE THE NAME OF THE ALTERNATIVE OPERATOR SERVICE PROVIDER, A  
26 TOLL-FREE CUSTOMER SERVICE TELEPHONE NUMBER, AND A STATEMENT THAT  
27 CHARGES IMPOSED BY THE ALTERNATIVE OPERATOR SERVICE AND

1 ADDITIONAL INFORMATION MAY BE OBTAINED BY CALLING THE TOLL-FREE  
2 TELEPHONE NUMBER. THE ALTERNATIVE OPERATOR SERVICE PROVIDER  
3 SHALL REQUIRE BY CONTRACT THAT THE ENTITY RECEIVING THE INFORMA-  
4 TION DISPLAY IT ON OR NEAR EACH OF THE TELEPHONES THAT HAS ACCESS  
5 TO THE SERVICE AND IS INTENDED FOR USE BY THE PUBLIC. THIS  
6 INFORMATION SHALL BE DISPLAYED PRIOR TO IMPLEMENTING THE  
7 CONTRACT. IF THE OPERATOR SERVICE PROVIDER OWNS TELEPHONES  
8 THROUGH WHICH IT PROVIDES OPERATOR SERVICES, THE INFORMATION  
9 SHALL ALSO BE DISPLAYED ON OR NEAR THOSE TELEPHONES.

10 (B) PRIOR TO THE CONNECTION OF EACH ALTERNATIVE OPERATOR  
11 SERVICE CALL, DO ALL OF THE FOLLOWING:

12 (i) ANNOUNCE THE ALTERNATIVE OPERATOR SERVICE PROVIDER'S  
13 NAME.

14 (ii) QUOTE, AT THE CALLER'S REQUEST AND WITHOUT CHARGE, THE  
15 RATE AND ANY OTHER FEES OR SURCHARGES APPLICABLE TO THE CALL  
16 CHARGED BY THE ALTERNATIVE OPERATOR SERVICE.

17 (C) ALLOW A CALLER TO THE ALTERNATIVE OPERATOR SERVICE TO  
18 CHOOSE THE CARRIER OF HIS OR HER CHOICE BY DOING EITHER OF THE  
19 FOLLOWING:

20 (i) AFTER INFORMING THE CALLER THAT THE RATES FOR THE CALL  
21 MAY NOT REFLECT THE RATES FOR A CALL FROM THE LOCATION OF THE  
22 CALLER AND RECEIVING THE CALLER'S CONSENT, TRANSFER THE CALLER TO  
23 THE CARRIER OF HIS OR HER CHOICE WITHOUT CHARGE.

24 (ii) INSTRUCT THE CALLER HOW TO REACH HIS OR HER CARRIER OF  
25 CHOICE BY DIALING THE CARRIER'S 950, 1-800, OR 10-XXX ACCESS  
26 METHOD.

1 (D) ALLOW CALLERS TO THE ALTERNATIVE OPERATOR SERVICE TO  
2 REACH EMERGENCY SERVICES WITHOUT CHARGE.

3 (2) A PERSON SHALL NOT PROVIDE ALTERNATIVE OPERATOR SERVICES  
4 IN THIS STATE WITHOUT FIRST REGISTERING WITH THE COMMISSION. THE  
5 REGISTRATION SHALL INCLUDE THE FOLLOWING INFORMATION:

6 (A) THE NAME OF THE PROVIDER.

7 (B) THE ADDRESS OF THE PROVIDER'S PRINCIPAL OFFICE.

8 (C) IF THE PROVIDER IS NOT LOCATED IN THIS STATE, THE  
9 ADDRESS OF THE REGISTERED OFFICE AND THE NAME OF THE REGISTERED  
10 AGENT AUTHORIZED TO RECEIVE SERVICE OF PROCESS IN THIS STATE.

11 (D) ANY OTHER INFORMATION THAT THE COMMISSION MAY REQUIRE.

12 (3) THE REGISTRATION SHALL BE ACCOMPANIED WITH A REGISTRA-  
13 TION FEE OF \$100.00.

14 (4) THE REGISTRATION IS EFFECTIVE IMMEDIATELY UPON FILING  
15 WITH THE COMMISSION AND THE PAYMENT OF THE REGISTRATION FEE AND  
16 SHALL REMAIN IN EFFECT FOR 1 YEAR FROM ITS EFFECTIVE DATE.

17 (5) A REGISTRATION MAY BE RENEWED FOR 1 YEAR BY FILING WITH  
18 THE COMMISSION A RENEWAL REGISTRATION ON A FORM PROVIDED BY THE  
19 COMMISSION AND THE PAYMENT OF A RENEWAL FEE OF \$100.00.

20 (6) EXCEPT AS OTHERWISE AUTHORIZED BY THE COMMISSION, A PRO-  
21 VIDER SHALL NOT CHARGE A RATE FOR ALTERNATIVE OPERATOR SERVICES  
22 THAT IS GREATER THAN 2 TIMES THE STATE AVERAGE RATE FOR SIMILAR  
23 OPERATOR SERVICES.

24 (7) ALL ORDERS ISSUED BY THE COMMISSION UNDER THIS SECTION  
25 SHALL BE NONDISCRIMINATORY AND DESIGNED TO PROMOTE COMPETITION  
26 WHICH FACILITATES CONSUMER CHOICE.



1       (8) IN ADDITION TO ANY OTHER PENALTY PROVIDED FOR IN THIS  
2 ACT, A PERSON WHO IS CHARGED FOR THE USE OF AN ALTERNATIVE  
3 OPERATOR SERVICE OR IS DENIED ACCESS TO EMERGENCY SERVICES IN  
4 VIOLATION OF THIS SECTION MAY BRING AN ACTION IN A COURT OF COM-  
5 PETENT JURISDICTION TO RECOVER ACTUAL DAMAGES OR \$250.00, WHICH-  
6 EVER IS GREATER, ALONG WITH REASONABLE ATTORNEY FEES.