

SS SB 1066 -- TELECOMMUNICATIONS COMPANIES

SPONSOR: Klindt (Rector)

COMMITTEE ACTION: Voted "do pass" by the Committee on Utilities by a vote of 15 to 0.

This substitute allows telecommunications companies, subject to price cap regulations, to request a waiver from the Missouri Public Service Commission for rate reductions that are currently mandated based on decreases in the telecommunications Consumer Price Index. When the federal Consumer Price Index over the previous 12 months is negative, companies may request that the current mandatory rate reduction be waived and that the resulting savings be used for new projects such as the expansion of calling scopes in rural areas.

FISCAL NOTE: No impact on state funds in FY 2007, FY 2008, and FY 2009.

PROPONENTS: Supporters say that the bill will allow for the necessary expansion of local calling scopes in rural areas and that the overall effect on the price of communications services to consumers is negligible.

Testifying for the bill were Senator Klindt; Missouri Public Service Commission; Sprint Nextel; and Missouri Telecommunications Industry Association.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that it could be useful for expanding local calling scopes.

Others testifying on the bill was AARP.

Jason Glahn, Legislative Analyst