

2/29/96 Referred to W. & M.

FEB 26 1996  
COMMERCE AND REGULATION

HOUSE FILE 2343  
BY LARSON

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the classification of a long distance  
2 telephone company as a competitive long distance telephone  
3 company.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2343

1 Section 1. Section 476.1D, subsection 10, Code Supplement  
2 1995, is amended to read as follows:

3 10. The board, at the request of a long distance telephone  
4 company, shall classify such company as a competitive long  
5 distance telephone company if more than half of the company's  
6 revenues from its Iowa intrastate telecommunications services  
7 and facilities are received ~~from services and facilities that~~  
8 ~~the board has determined to be subject to effective~~  
9 competition from the company's intralata and interlata  
10 telecommunications services. For purposes of this subsection,  
11 "intralata telecommunications services" means those services  
12 that originate and terminate within the same local access  
13 transport area, and "interlata telecommunications services"  
14 means those services that originate and terminate between  
15 local access transport areas.

16 PARAGRAPH DIVIDED. The board shall promptly notify the  
17 director of revenue and finance that a long distance telephone  
18 company has been classified as a competitive long distance  
19 telephone company. Upon such notification by the board, the  
20 director of revenue and finance shall assess the property of  
21 such competitive long distance telephone company, which  
22 property is first assessed for taxation in this state on or  
23 after January 1, 1996, in the same manner as all other  
24 property assessed as commercial property by the local assessor  
25 under chapters 427, 427A, 427B, 428, and 441. As used in this  
26 section, "long distance telephone company" means an entity  
27 that provides telephone service and facilities between local  
28 exchanges, but does not include a cellular service provider or  
29 a local exchange utility holding a certificate issued under  
30 section 476.29, subsection 12.

31 EXPLANATION

32 This bill amends section 476.1D, subsection 10, regarding  
33 the classification of a long distance telephone company as a  
34 competitive long distance telephone company. The bill  
35 requires that the Iowa utilities board, at the request of a

1 long distance telephone company, classify a long distance  
2 telephone company as a competitive long distance telephone  
3 company if more than half of the company's revenues from its  
4 Iowa intrastate telecommunications services and facilities are  
5 received from the company's intralata and interlata  
6 telecommunications services.

7 Currently, such classification may be made if more than  
8 half of the company's revenues from its Iowa intrastate  
9 telecommunications services and facilities are received from  
10 services and facilities that the board has determined to be  
11 subject to effective competition.

12 Upon such classification under current law, the board is to  
13 promptly notify the director of revenue and finance that the  
14 long distance telephone company has been classified as a  
15 competitive long distance telephone company. Upon the  
16 notification by the board, the director of revenue and finance  
17 is to assess the property of the competitive long distance  
18 telephone company which property is first assessed for  
19 taxation in this state on or after January 1, 1996, in the  
20 same manner as all other property assessed as commercial  
21 property by the local assessor under chapters 427, 427A, 427B,  
22 428, and 441.

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