

CHAPTER 1060

LOCAL EXCHANGE CARRIER REGULATION — RATE CHANGES

S.F. 429

AN ACT relating to price regulation for local exchange carriers, including the modification or adjustment of certain rates, making an appropriation, and providing an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 476.97, subsection 11, paragraph e, subparagraph (1), Code 2001, is amended by striking the subparagraph and inserting in lieu thereof the following:

(1) A price-regulated local exchange carrier shall not increase its rates for basic communications services, for a period of twelve months after electing to become price regulated. To the extent necessary, rates for basic services may be increased to carry out the purpose of any rules that may be adopted by the board relating to the terms and conditions of unbundled services and interconnection. A price-regulated local exchange carrier may increase its rates for basic communications services following the initial twelve-month period, to the extent that the change in its aggregate revenue weighted prices does not exceed the most recent annual change in the gross domestic product price index, as published by the federal government. If application of that formula achieves a negative result, prices shall be reduced so that the cumulative price change for basic services, including prior price reductions in these services, achieves the negative result. The board by rule may adopt different measures of inflation if they are found to be more reflective of the individual price-regulated carriers.

Sec. 2. Section 476.97, subsection 11, paragraph g, subparagraph (4), Code 2001, is amended by striking the subparagraph and inserting in lieu thereof the following:

(4) Rates may be adjusted by the board to reflect any changes in revenues, expenses, and investment due to exogenous factors beyond the control of the local exchange carrier, including, but not limited to, the effects of local competition. The board shall have ninety days to consider rate changes proposed under this subparagraph, but for good cause may grant one or more extensions in thirty-day increments, not to exceed a total of one hundred eighty days.²

Sec. 3. Section 476.97, subsection 11, paragraph h, Code 2001, is amended to read as follows:

h. The board may review a local exchange carrier's operation under this subsection, with notice and an opportunity for hearing, after four years of the carrier's election to be price-regulated. The local exchange carrier, consumer advocate, or any person may propose, and the board may approve, any reasonable modifications to the price-regulation requirements in this subsection as a result of the specific carrier review, ~~except that such~~ with the following limitations:

(1) Such modifications shall not require a reduction in the rates for any basic communications service or a return to rate-base, rate-of-return regulation.

(2) Such proposals for modifications under this paragraph "h" are limited to no more than one every three years.

The board shall approve, or approve subject to modification, a proposal for modification within one hundred eighty days of filing, but for good cause may grant one extension of sixty days, not to exceed a total of two hundred forty days. Reasonable modifications may include increases without offsetting decreases in any rate for basic and nonbasic communications service of the carrier. In reviewing the carrier's proposal, the board shall consider, but not be limited to, potential rate consolidations, the impact of competition or other external factors since election of price regulation, the impact of the proposal on the carrier's ability to attract capital, and the impact of the proposal on the ability of the carrier to deploy advanced telecommunications services.

² See chapter 1175, §36 herein

Sec. 4. Section 476.97, subsection 11, Code 2001, is amended by adding the following new paragraphs:

NEW PARAGRAPH. j. Upon the request of a local exchange carrier, the board shall, when required by this subsection, grant the carrier temporary authority to place in effect seventy-five percent, or such lesser amount as the carrier may request, of the requested increases in rates, charges, schedules, or regulations by filing with the board a bond conditioned upon the refund in a manner to be prescribed by the board of any amounts collected from any customer class in excess of the amounts which would have been collected under rates, charges, schedules, or regulations finally approved by the board. The board shall approve a request for temporary authority within thirty days after the date of filing of the request. The decision shall be effective immediately.

The board shall determine the rate of interest to be paid by a public utility to persons receiving refunds. The interest rate to be applied to refunds of moneys collected subject to refund under this subsection is one percent per annum plus the average quarterly interest rate at commercial banks for twenty-four-month loans for personal expenditures, as determined by the board, compounded annually. The board shall consider federal reserve statistical release G.19 or its equivalent when determining interest to be paid under this subsection.

NEW PARAGRAPH. k. The board and the consumer advocate may employ additional temporary staff, or may contract for professional services with persons who are not state employees, as the board and consumer advocate deem necessary to review a local exchange carrier's operations, proposal for modifications, rate change proposal, or proposed changes in aggregate revenue weighted prices pursuant to this subsection. Beginning July 1, 2002, there is appropriated out of any funds in the state treasury not otherwise appropriated, such sums as may be necessary to enable the board to hire additional staff and contract for services under this subsection. The costs of the additional staff and services shall be assessed to the local exchange carrier pursuant to the procedures in sections 475A.6 and 476.10.

Sec. 5. **EFFECTIVE DATE.** This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 4, 2002

CHAPTER 1061

LIFE-SUSTAINING PROCEDURES — OUT-OF-HOSPITAL DO-NOT-RESUSCITATE ORDERS

S.F. 2155

AN ACT providing for the issuance of out-of-hospital do-not-resuscitate orders and making penalties applicable.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 144A.2, Code 2001, is amended to read as follows:
144A.2 DEFINITIONS.

Except as otherwise provided, as used in this chapter:

1. "Adult" means an individual eighteen years of age or older.
2. "Attending physician" means the physician selected by, or assigned to, the patient who has primary responsibility for the treatment and care of the patient.