

**Senate Bill No. 396**

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Passed the Senate May 9, 2005

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*Secretary of the Senate*

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Passed the Assembly July 7, 2005

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2005, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act relating to telecommunications.

## LEGISLATIVE COUNSEL'S DIGEST

SB 396, Battin. Telecommunications: toll call pricing.

Existing law authorizes the Public Utilities Commission to regulate telephone corporations.

This bill would require the commission to examine the impact of toll call pricing in the Coachella Valley and to consider whether additional options are needed to serve that area. The bill would require the commission to consider whether any additional steps are necessary to encourage innovative pricing plans by incumbent and competitive carriers and would authorize the commission to consider whether customer education efforts or other measures that are in the public interest are necessary. The bill would require the commission to prepare and submit a report to the Legislature on or before July 1, 2007, regarding these issues.

The bill would provide that its provisions would be repealed on January 1, 2008.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares all of the following:

(a) Population and economic growth in the Coachella Valley have outpaced many other areas of the state as residents and businesses have migrated to the area to establish homes, employment, and other community infrastructure.

(b) The local interests of residents and businesses in the early communities in the Coachella Valley have expanded beyond those early communities to include community links throughout the valley.

(c) Historically, extended area service (EAS) plans were available, before the enactment of the federal Telecommunications Act of 1996, for customers located in some established communities of interest to mitigate toll call pricing. However, in Public Utilities Commission Decision 98-06-075,

the commission determined that with the advent of competition for toll service, the public interest would be served by allowing the market to offer customers choices for toll call pricing.

(d) There have been concerns in the Coachella Valley about the impact of toll call pricing upon the greater community of interest and commerce in the valley.

(e) The commission should investigate the effectiveness of the competitive marketplace and consumer awareness in the Coachella Valley and consider options to address these concerns. The commission should consider what additional steps might be necessary to encourage the availability of innovative pricing options by incumbent and competitive carriers for customers concerned about toll call pricing in the Coachella Valley.

SEC. 2. The Public Utilities Commission shall examine the impact of toll call pricing in the Coachella Valley and shall consider whether additional options are needed to serve that area. The commission shall consider whether any additional steps are necessary to encourage innovative pricing plans by incumbent and competitive carriers. The commission may also consider whether customer education efforts or other measures that are in the public interest are necessary. The commission shall prepare and submit a report to the Legislature on or before July 1, 2007, regarding these issues.

SEC. 3. The Legislature finds and declares that due to unique circumstances relating to the Coachella Valley, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 4. This act shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2008, deletes or extends that date.

Approved \_\_\_\_\_, 2005

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*Governor*