
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION

No. 269

Session of
1976

INTRODUCED BY ARTHURS, W. W. WILT, E. H. SMITH, MANDERINO,
O'KEEFE, GILLESPIE, O'CONNELL, GEESEY AND GREEN, MAY 25, 1976

REFERRED TO COMMITTEE ON RULES, MAY 25, 1976

In the House of Representatives, May 25, 1976

1 WHEREAS, The objective of the Federal Communications Act of
2 1934 is to assure the widest possible availability of basic
3 telephone service at the lowest practicable cost to the
4 consumer; and

5 WHEREAS, The near-universality of telephone service in the
6 United States attests to the wisdom of this national policy of
7 promoting an integrated switched communications network with
8 end-to-end service responsibility; and

9 WHEREAS, In recent years the Federal Communications
10 Commission, which was created by the 1934 act, made several
11 decisions which have upset the traditional service
12 responsibility of the telephone industry; and

13 WHEREAS, The Federal Communications Commission policy may
14 permit the direct connection of non-utility-provided telephone
15 instruments, PBXs, and other types of terminal equipment to the
16 telephone network; and

17 WHEREAS, The Federal Communications Commission also permits

1 "specialized common carriers" to provide intercity private-line
2 telephone service over selected routes carrying extremely heavy
3 traffic which is highly profitable; and

4 WHEREAS, These decisions were adopted without analyzing the
5 long term economic effect of such "competition" on the telephone
6 industry; and

7 WHEREAS, These policies have begun to erode the revenues of
8 telephone companies and an acceleration of this process will
9 force the companies to seek new rates, causing residential and
10 small business customers to pay higher rates or do without
11 telephone service; and

12 WHEREAS, The net effect of the Federal Communications
13 Commission policies reduces the subsidies provided to basic
14 telephone service by revenues from long distance calling,
15 business communications service and various optional services;
16 and

17 WHEREAS, These subsidies have kept the rates for basic
18 telephone service lower than they otherwise would be, reflecting
19 the stated objectives of the Federal Communications Act of 1934
20 to assure the widest possible availability of basic telephone
21 services; and

22 WHEREAS, A recent research study sponsored by the United
23 States Independent Telephone Association indicates that the two
24 types of so-called "competition" authorized by the Federal
25 Communications Commission would result in rate increases of as
26 much as 60% to residential customers and 56% to business users
27 of basic telephone service within 10 years, exclusive of
28 inflation; therefore be it

29 RESOLVED (the Senate concurring), That the General Assembly
30 of the Commonwealth of Pennsylvania memorialize Congress of the

1 United States to reaffirm the stated national communications
2 policy of "universal service," the provision of high-quality,
3 low-cost telephone service to the maximum number of people; and
4 be it further

5 RESOLVED, That Congress is requested to reaffirm the
6 authority of the State Public Utilities Commissions to regulate
7 the interconnection to the communications network of non-utility
8 provided equipment utilized in local telephone service; and be
9 it further

10 RESOLVED, That copies of this resolution be transmitted to
11 the presiding officers of each House of the Congress of the
12 United States and to each Senator and Representative from
13 Pennsylvania in the Congress of the United States.