## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL No. 1000 Session of 2007

INTRODUCED BY WONDERLING, C. WILLIAMS, CORMAN, ORIE, GREENLEAF, ERICKSON, RAFFERTY, FUMO, PICCOLA, FOLMER, KITCHEN, BROWNE, MELLOW, O'PAKE, FONTANA, WASHINGTON, MADIGAN, MCILHINNEY, COSTA AND HUGHES, AUGUST 6, 2007

AS REPORTED FROM COMMITTEE ON CONSUMER AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 23, 2008

## AN ACT

- Prohibiting the regulation of voice-over-Internet protocol and 2 other Internet protocol-enabled products and services; and providing for preservation of consumer protection, for fees 3 4 and rates and for preservation of cable franchise authority. 5 The General Assembly of the Commonwealth of Pennsylvania 6 hereby enacts as follows: 7 Section 1. Short title. 8 This act shall be known and may be cited as the Voice-Over-Internet Protocol Freedom Act of 2007. 10 Section 2. Legislative findings. 11 The General Assembly finds and declares as follows: Growth and enhancement of services using Internet 12
- 16 (2) The proliferation of new technologies and
  17 applications and a growing number of providers developing and

protocol technology provide Pennsylvania consumers more

choice in voice, data and video service than at any other

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time.

- 1 offering innovative services using Internet protocol is due
- in large part to little regulation, including freedom from
- 3 regulations governing traditional telephone service, that
- 4 these new technologies and the companies that offer them have
- 5 enjoyed in this Commonwealth. The economic benefits,
- 6 including consumer choice, new jobs and significant capital
- 7 investment, will be jeopardized and competition minimized by
- 8 the imposition of traditional State entry and rate regulation
- 9 on voice-over-Internet protocol and Internet protocol-enabled
- 10 services.
- 11 Section 3. Definitions.
- 12 The following words and phrases when used in this act shall
- 13 have the meanings given to them in this section unless the
- 14 context clearly indicates otherwise:
- 15 "IP." Internet protocol.
- "Internet protocol-enabled service" or "IP-enabled service."
- 17 Except as provided in the definition herein of "Voice-over-
- 18 Internet protocol service, " a service, capability, functionality
- 19 or application provided using Internet protocol or any successor
- 20 protocol that enables an end user to send or receive a
- 21 communication in Internet protocol format or any successor
- 22 format, regardless of whether the communication is voice, data
- 23 or video.
- "Voice-over-Internet protocol service" or "VoIP service." A
- 25 service that:
- 26 (1) enables real-time, two-way voice communications that
- 27 originate or terminate from the user's location in Internet
- 28 protocol or any successor protocol;
- 29 (2) uses a broadband connection from the user's
- 30 location; and

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- 1 (3) permits users generally to receive calls that
- 2 originate on the public switched telephone network and to
- 3 terminate calls to the public switched telephone network.
- 4 Section 4. Prohibition on IP services regulation.
- 5 Notwithstanding EXCEPT AS SET FORTH IN SECTIONS 5 AND 6,
- 6 NOTWITHSTANDING any other provision of law, no department,
- 7 agency, commission or political subdivision of the Commonwealth
- 8 may enact or enforce, either directly or indirectly, any law,
- 9 rule, regulation, standard, order or other provision having the
- 10 force or effect of law that regulates, or has the effect of
- 11 regulating, the rates, terms and conditions of VoIP service or
- 12 IP-enabled service.
- 13 Section 5. Preservation of consumer protection.
- 14 Nothing in this act shall be construed to affect the OFFICE
- 15 OF ATTORNEY GENERAL'S application or enforcement of laws or
- 16 regulations that apply generally to consumer protection or
- 17 unfair or deceptive trade practices.
- 18 Section 6. Fees and rates.
- 19 Nothing in this act shall be construed to either mandate or

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- 20 prohibit the assessment of nondiscriminatory enhanced 911 fees,
- 21 telecommunications relay service fees or Federal or State
- 22 Universal Service Fund fees on VoIP service, or to mandate or
- 23 prohibit the payment of any switched network access rates or
- 24 other intercarrier compensation rates that may be determined to
- 25 <del>apply.</del>
- 26 Section 7. Preservation of cable franchise authority.
- 27 Nothing in this act shall be construed to affect the
- 28 authority of the Commonwealth or its political subdivisions,
- 29 including municipalities, to require a cable operator to obtain
- 30 franchises to provide cable service within such political

- 1 subdivisions pursuant to section 541(b)(1) of the Cable
- 2 Communications Policy Act of 1984 (Public Law 98 549, 98 Stat.
- $3 \frac{2779}{.}$
- 4 SECTION 6. POWERS AND DUTIES RETAINED.

5 NOTHING IN THIS ACT SHALL BE CONSTRUED TO MODIFY ANY OF THE

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- 6 FOLLOWING:
- 7 (1) THE AUTHORITY OF A COMMONWEALTH DEPARTMENT, AGENCY
- 8 OR COMMISSION TO ENFORCE APPLICABLE FEDERAL OR STATE STATUTES
- 9 OR REGULATIONS RELATING TO ANY OF THE FOLLOWING:
- 10 (I) THE PROVISION AND ADMINISTRATION OF ENHANCED 911
- 11 SERVICE AND NONDISCRIMINATORY ENHANCED 911 FEES.
- 12 (II) TELECOMMUNICATIONS RELAY SERVICE FEES.
- 13 (III) UNIVERSAL SERVICE FUND FEES.
- 14 (IV) SWITCHED NETWORK ACCESS RATES OR OTHER
- 15 INTERCARRIER COMPENSATION RATES FOR INTEREXCHANGE
- 16 SERVICES PROVIDED BY A LOCAL EXCHANGE TELECOMMUNICATIONS
- 17 COMPANY.
- 18 (V) RATES, TERMS OR CONDITIONS OF PROTECTED SERVICES
- 19 PROVIDED UNDER TARIFFS WHICH ARE SUBJECT TO APPROVAL BY
- 20 THE PENNSYLVANIA PUBLIC UTILITY COMMISSION.
- 21 (2) THE AUTHORITY OF THE COMMONWEALTH OR A POLITICAL
- 22 SUBDIVISION TO REQUIRE A CABLE OPERATOR TO OBTAIN A FRANCHISE
- 23 AGREEMENT TO PROVIDE CABLE SERVICE WITHIN A POLITICAL
- 24 SUBDIVISION UNDER SECTION 621(B)(1) OF THE COMMUNICATIONS ACT
- 25 OF 1934 (48 STAT. 1064, 47 U.S.C. § 541(B)(1)).
- 26 Section 8 30. Effective date.
- 27 This act shall take effect immediately.