Modernizing the Michigan Telecommunications Act

House Bill 4314

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Modernizing the Michigan Telecommunications Act

Being competitive means rethinking the way we do business in Michigan and keeping up with the latest technologies in communications.

Modernizing the Michigan Telecommunications Act

- In 2005, the Michigan Legislature updated portions of the Michigan Telecommunications Act (MTA), sending the signal to the rest of the nation that we were serious about creating jobs and luring investment dollars.

- The update made Michigan a national leader in telecommunications growth and created significant telecommunications investment.

Modernizing the Michigan Telecommunications Act

Six years later…

- Technology has changed.
- The way small business communicates has changed.
- The way our families communicate has changed.
- Michigan's rules on traditional telephone service need to change, as well.

Modernizing the Michigan Telecommunications Act

- With technology moving forward at lightening speed, Michigan is beginning to lag slightly behind other states.
- Indiana, Ohio and Illinois – are assuming the leadership role we once held and are reaping the rewards, through investment and economic growth.
- For this committee to play its part in Michigan's economic turn-around, and to regain our leadership role, it is critical to modernize the MTA; particularly as Michigan strives to expand Broadband capability.

HB 4314:
A 21ST CENTURY TELECOMMUNICATIONS ACT

This crucial reform ***maintains important consumer protections:***

- Protects 9-1-1 service.
- Provides shut-off protection for active duty members of our military.
- Provides shut-off protection for the deaf, hard of hearing and speech-impaired.
- Provides for a state-administered program giving substantial discounts to low-income customers.

HB 4314:
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In addition to the previous protections, HB 4314 continues these services:

- 2-1-1 dialing to reach community resource and other information.
- Strict consequences for practices known as "slamming" and "cramming".
- MPSC maintains authority to penalize frivolous litigation.
- Maintains the Commission's authority to license carriers.
- Maintains access reforms adopted in 2009.

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This crucial reform ***eliminates outdated regulations:***

- Cleans regulatory "underbrush" by removing regulations that are duplicative or inconsistent with federal requirements or other state statutes.
- Gives Michigan consumers the option to receive a white pages directory if they want it and ends the costly, wasteful requirement to automatically deliver a copy to all customers.
- Ends the government mandate to offer a price-controlled plan called Primary Basic Local Exchange Service.
- Updating a provider's ability to no longer offer basic local exchange or toll services when newer technologies and other services are available.
- Applies a sunset to current Service Quality Rulemaking Regulations by 6-30-2011; as supported by a recent Attorney General's opinion.
- This bill also makes updates to the Act correcting simple technical errors in the current law.

HB 4314:
A 21ST CENTURY TELECOMMUNICATIONS ACT

Six years ago, our colleagues looked forward and updated the MTA.

It's time to update the law again.

House Bill 4314

- **Reforms** our government by eliminating and updating outdated regulations;
- **Protects** consumers;
- **Serves** customers by fostering innovation and invention;
- **Attracts** investment to our state;
- **Makes** Michigan competitive with our neighboring states.