

AN ACT

ENTITLED, An Act to revise certain provisions regarding telecommunications services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 49-31-1 be amended to read as follows:

49-31-1. Terms used in this chapter mean:

- (1) "Addressable," enabling users to connect and communicate with a specific party easily and securely on a dial-up, addressable basis;
- (2) "Available," ensuring that network services are available if the user requires them, even at times of peak usage; designed to be a non-blocking network, minimizing network contention;
- (3) "Broadband network," the broadband network extends the range of fully switched, addressable, robust transport services over the fiber network which increase in multiples of OC-1 (51.84 Mbps), including OC-3 (155.52 Mbps) and OC-12 (622.08 Mbps).
- (4) "Centron and centron-like services," services which provide custom switching features which include distributive dial tone, select number screening, toll restriction and screening, nonattendant busy out, nonattend and call transfer, and select trunk hunting and screening;
- (5) "Commission," the Public Utilities Commission;
- (6) "Common carrier," anyone who offers telecommunications services to the public;
- (7) "Eligible telecommunications carrier," a local exchange carrier designated by the commission pursuant to 47 U.S.C. § 214(e) as of January 1, 1998, as eligible to receive universal service support funding;
- (8) "Feature rich," providing the specific features and functionality required by users' voice, data, video, graphics, imaging, and multimedia applications; functionally beyond mere transport;
- (9) "Incumbent local exchange carrier," a local exchange carrier, including successors and

assigns, which was providing local exchange service within a defined service area in this state on or before February 8, 1996;

- (10) "Interexchange telecommunications service," telecommunications service between points in two or more exchanges;
- (11) "LATA," a local access and transport area;
- (12) "Local exchange area," a geographic area established by a local exchange carrier as filed with or approved by the commission for the administration of local telecommunications service which may consist of one or more central offices or wire centers together with associated facilities used in furnishing telecommunications service in that area;
- (13) "Local exchange service," the access to and transmission of two-way switched telecommunications service within a local exchange area;
- (14) "Narrowband network," a fully switched digital network covering the transport range from 0 to 144,000 bits per second (144 Kbps), offering two 64 Kbps information B (Bearer) channels and a 16 Kbps signaling D (Delta) channel;
- (15) "New products and services," any new product or service introduced after July 1, 1988, which is not functionally required to provide local exchange service. Repackaging of any product or service which is fully competitive with any service regulated as emerging competitive or noncompetitive is not considered a new product or service;
- (16) "Optional service," a limited or discretionary service offered by a telecommunications company which is not functionally required for the provision of noncompetitive services and which the customer has the option to purchase;
- (17) "Private," ensuring confidentiality and integrity of network transport of messages without dependency on specialized customer premise security devices;
- (18) "Rate of return regulation," the procedure used by the commission to approve the charge for a service which gives due consideration to the public need for adequate, efficient, and

reasonable service and to the need of the public utility for revenues sufficient to enable it to meet its total current cost of furnishing such service, including taxes and interest, and including adequate provision for depreciation of its utility property used and necessary in rendering service to the public, and to earn a fair and reasonable return upon the value of its property;

- (19) "Robust," easily and economically sustaining the rigors of growth and extensive public use;
- (20) "Rural telephone company," a local exchange company as defined in 47 U.S.C. § 153(37) as of January 1, 1998;
- (21) "Secure," physically precluding unwanted access to network and information;
- (22) "Service area," a geographic area established by the commission for the purpose of determining universal service obligations and support mechanisms. For a rural telephone company, the service area is the company's study area or any other area designated jointly by the commission and the Federal Communications Commission pursuant to 47 U.S.C. § 214(e) (5) as of January 1, 1998;
- (23) "Standard," supporting universal interfaces and networking standards and protocols of generally accepted standards setting bodies;
- (24) "Switched," providing circuit, packet, or channel type switching, each suited to specific application requirements;
- (25) "Switched access," an exchange access service purchased for the origination and termination of interexchange telecommunications services which includes central office switching and signaling, local loop facility, or local transport.
- (26) "Telecommunications company," any person or municipal corporation owning, operating, reselling, managing, or controlling in whole or in part, any telecommunications line, system or exchange in this state, directly or indirectly, for public use. For purposes of this definition the term, for public use, means for the use of the public in general or for a

specific segment of the public, or which connects to the public in general or for a specific segment of the public, or which connects to the public switched network for access to any telecommunications service;

(27) "Telecommunications service," the transmission of signs, signals, writings, images, sounds, messages, data or other information of any nature by wire, radio, lightwaves, electromagnetic means, or other similar means. It does not include the provision of terminal equipment used to originate or terminate such service, broadcast transmissions by radio, television and satellite stations regulated by the federal communications commission and one-way cable television service;

(28) "Wideband network," the wideband network extends the range of fully switched, digital, addressable information transport from the 144 Kbps to the DS3 rate of 44.736 Mbps, including the DS1 and DS2 rates of 1.544 Mbps and 6.312 Mbps, respectively.

Section 2. That § 49-31-60 be amended to read as follows:

49-31-60. It is the intent of the Legislature that South Dakota have a telecommunications infrastructure that meets the advanced communication needs of the state's individual citizens and its communities of interest, including our schools, medical facilities, businesses, and all levels of government. To achieve this intent, it is anticipated that three networks, accessible by all South Dakotans, will be established: a narrowband network, a wideband network, and a broadband network. Together, these three networks will form South Dakota's Public Communications Network Infrastructure. This infrastructure will enable any-to-any voice, data, videoconferencing, graphics, imaging, and multimedia communications. These three networks will fully support the following capability requirements: ubiquitous, feature rich, standard, secure, private, survivable, robust, addressable, switched, affordable, and available. Communications services will be reasonably and affordably priced. Classes of service will be created for network services in order to establish a service-based and value-based pricing model. The new narrowband, wideband, and broadband

communications networks will be established in a manner ensuring that all the citizens of South Dakota realize the advantages of the forthcoming information age, including economic development, educational opportunities, a heightened level of medical care, and better, more efficient service from all levels of government.

It is the intent of the Legislature, that:

- (1) The Public Communications Network Infrastructure will grow and enhance with expanding user needs and advancements in technologies' bandwidth and feature capabilities;
- (2) This layered network hierarchy, based upon a fully integrated backbone of interconnected switched survivable rings, will carry independent and fully integrated voice, data, and video communications; and
- (3) The network architecture will enable access and interconnection points for public-to-public, public-to-private, and wireline-to-wireless inter-networking.

Section 3. That § 49-31-62 be repealed.

Section 4. That § 49-31-63 be repealed.

Section 5. That § 49-31-64 be repealed.

Section 6. That § 49-31-65 be repealed.

Section 7. That § 49-31-66 be repealed.

Section 8. That § 49-31-67 be repealed.

Section 9. That § 49-31-68 be repealed.

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I certify that the attached Act
originated in the

SENATE as Bill No. 239

Secretary of the Senate

President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 239

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

19____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 19____

Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 19____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State