

AN ACT

ENTITLED, An Act to revise the authority of the Public Utilities Commission to approve the sale or transfer of telecommunications exchanges and to revise the provisions concerning the obligation of telecommunications companies to report consolidations, mergers, and changes to control.

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

Section 1. That § 49-31-20 be amended to read as follows:

49-31-20. Any telecommunications company that holds a certificate of authority to operate in this state shall notify the commission of any consolidation or merger or transfer of stock or other ownership interests that will result in a different person then owning more than fifty percent of the company's stock or ownership interests.

Section 2. That § 49-31-59 be amended to read as follows:

49-31-59. Any sale of a telecommunications exchange shall be approved by the commission. Within twenty days following receipt of a telecommunications company's application to sell an exchange, the commission shall publish notice of the proposed sale in a newspaper of general circulation in each county in which an exchange to be sold provides service. The applicant shall reimburse the commission for the cost of the publication. The notice shall inform the public of their right to file a petition of intervention in the proceeding or to submit comment within fifteen days following publication of the notice. The commission shall consider the protection of the public interest, and to the extent applicable, the adequacy of local telephone service, the reasonableness of rates for local service, the provision of 911, enhanced 911, and other public safety services, the payment of taxes, and the ability and commitment of the local exchange company to provide modern, state-of-the-art telecommunications services. If no hearing is held on the application, the commission shall issue its order pursuant to this section within forty-five days following the publication of the

notice. If a hearing is held on the application, the commission shall issue its order pursuant to this section within one hundred twenty days following the publication of the notice. The commission's order may include conditions that the commission finds necessary to ensure compliance with the criteria set forth in this section. For the purposes of this section, the term, sale, means the passing, for consideration, of title to the assets comprising a telecommunications exchange, but does not include nonasset sale transactions such as mergers, consolidations, stock sales, or financing transactions. For the purposes of this section, the term, exchange, means the switching, transmission, other equipment and facilities and associated permits, authorizations, service rights, customer contracts, and related assets by which a telecommunications company provides local exchange service throughout a local exchange area utilizing its own facilities.

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I certify that the attached Act
originated in the

SENATE as Bill No. 121

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 121
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,
20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State