

**2017 HOUSE INDUSTRY, BUSINESS AND LABOR**

**HB 1373**

# 2017 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee  
Peace Garden Room, State Capitol

HB 1373  
1/24/2017  
27322

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature

*Eileen LeTang*

## Explanation or reason for introduction of bill/resolution:

Essential telecommunications services.

## Minutes:

Attachment 1, 2

**Chairman Keiser:** Opens the hearing of HB 1373.

**Rep Rosco Streyle~District 3-Minot:** Attachment 1.

**Kent Blickensderfer~Legislative & Regulatory Director for CenturyLink in ND & SD:**  
Attachment 2.

**4:15**

**Chairman Keiser:** Anyone else here to testify in support of HB 1373, opposition, neutral.  
Closes the hearing. What are the wishes of the committee?

**Rep Louser:** Move to Do Pass on HB 1373.

**Rep Ruby:** Second.

**Chairman Keiser:** Further discussion?

**Roll call was taken on 1373 for a Do Pass on HB 1373 with 12 yes, 0 no, 2 absent &  
Rep Beadle is the carrier.**

Date: Jan 24, 2017Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE**  
**ROLL CALL VOTES**  
**BILL/RESOLUTION NO. HB 1373**

House \_\_\_\_\_ Industry, Business and Labor \_\_\_\_\_ Committee

☐ SubcommitteeAmendment LC# or  
Description: \_\_\_\_\_

## Recommendation

☐ Adopt Amendment☒ Do Pass ☐ Do Not Pass ☐ Without Committee

Recommendation

☐ As Amended☐ Rerefer to Appropriations☐ Place on Consent Calendar

## Other Actions

☐ Reconsider☐ \_\_\_\_\_Motion Made By Rep LouserSeconded By Rep Ruby

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	X		Rep Laning	X	
Vice Chairman Sukut	X		Rep Lefor	<u>Ab</u>	
Rep Beadle	X		Rep Louser	X	
Rep R Becker	X		Rep O'Brien	X	
Rep Bosch	X		Rep Ruby	X	
Rep C Johnson	X		Rep Boschee	X	
Rep Kasper	<u>Ab</u>		Rep Dobervich	X	

Total (Yes) 12 No 0Absent 2Floor Assignment Rep Beadle

**REPORT OF STANDING COMMITTEE**

**HB 1373: Industry, Business and Labor Committee (Rep. Keiser, Chairman)**  
recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING).  
HB 1373 was placed on the Eleventh order on the calendar.

**2017 SENATE INDUSTRY, BUSINESS AND LABOR**

**HB 1373**

# 2017 SENATE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee Roosevelt Park Room, State Capitol

HB 1373  
3/15/2017  
Job Number 29202

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

Relating to essential telecommunications services

### Minutes:

2 Attachments

**Chairman Klein:** Called the committee to order. We are going to open the hearing on HB 1373.

**Representative Streyle:** Introduced the bill. Written testimony, see attachment #1. (:36-1:57)

**Kent Blickensderfer, Legislative and Regulatory Director for CenturyLink in North and South Dakota:** In support. Written testimony, see attachment #2. ((2:15-5:15)

**Chairman Klein:** I guess it seems simple enough. As we worked this through in the last session this was just an oversight?

**Kent Blickensderfer:** Yes, on my part.

**Senator Casper** moved a do pass.

**Senator Burckhard** seconded the motion.

Roll Call Vote: Yes-7 No-0 Absent-0

**Senator Marcellais will carry the bill.**

**2017 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1373**

Senate Industry, Business and Labor Committee

☐ Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation: ☐ Adopt Amendment  
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☐ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar  
Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Senator Casper Seconded By Senator Burckhard

Senators	Yes	No	Senators	Yes	No
Chairman Klein	x		Senator Marcellais	x	
Vice Chairman Campbell	x				
Senator Roers	x				
Senator Burckhard	x				
Senator Casper	x				
Senator Poolman	x				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Marcellais

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1373: Industry, Business and Labor Committee (Sen. Klein, Chairman)** recommends  
**DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1373 was placed  
on the Fourteenth order on the calendar.



**2017 TESTIMONY**

**HB 1373**

1

**Testimony House Bill 1373**  
**House Industry, Business and Labor Committee**  
**Chairman George Keiser**  
**January 24, 2017**

**Rep. Roscoe Streyle - District 3 - Minot**

- Introducing HB1373 to further clean up language in the statute that was changed in 2015 to allow incumbent telecom carriers pricing flexibility over essential retail rates.
- This over struck language in HB1373 probably should have been included in 2015 since carriers today are already allowed to set rates as they see fit.
- Allowing incumbent local wire line companies to put line items on the bill for governmentally mandated taxes and fees simply reflects what other providers, such as wireless carriers, already do with their bills.
- Removing this language from the statute simply clears up any confusion regarding taxes and fees on bills since a company can already raise and lower its rates as it sees fit today.
- A representative from CenturyLink is here to further go over the bill and answer any questions you have of it.
- Please support HB1373 with a “do-pass” recommendation.

**House Bill 1373****Testimony of Kent Blickensderfer****House Industry, Business and Labor Committee****Chairman George Keiser****January 24, 2017**

Good morning Chairman Keiser and committee members. My name is Kent Blickensderfer and I am the legislative and regulatory director for CenturyLink in North and South Dakota. CenturyLink is the successor company to the former Qwest, US West Communications and Northwestern Bell Telephone companies. CenturyLink today provides communications and data services to residential, business, governmental and wholesale customers in 37 states. I am here today in support of House Bill 1373.

House Bill 1373 cleans up language in the telecom statutes to reflect the current state of regulation with respect to rates and billing on CenturyLink's essential service retail rates. In 2015, the ND Legislature amended NDCC 49-21-01.3 to recognize the current state of competition in the voice telephony business. Changes made then mirrored deregulation efforts on the federal and state levels throughout the nation as incumbent carriers have lost more subscribers to other providers. CenturyLink was allowed to set rates as competition would allow for basic local service rates. With what had become a minority percentage of market share, the thought was that customers could always seek an alternative if rates got too high. As an added precaution, the Public Service Commission and in fact, the general public retained the ability to file price complaints against the company if they felt they were unfair or unreasonable. That right continues should this bill be passed.

In 2015, we should have also repealed this section of the law to remove confusion about whether CenturyLink could flow through taxes and fees without these decades' old restrictions. Our competitors already follow this practice today. These restrictions were designed for a time of rate of regulation which no longer exists. Accounting practices and separations procedures referenced in the language being removed no longer matter because they are from an era of price regulation that was effectively abolished in 2015. Fees for relocation costs and facility removal are now addressed elsewhere in the statute through a change made in 2009, rendering this language obsolete.

It is for all of these reasons that CenturyLink supports HB1373 and asks the members of this committee to do the same. Questions?

**Testimony House Bill 1373**  
**Senate Industry, Business and Labor Committee**  
**Chairman Jerry Klein**  
**March 15, 2017**

**Rep. Roscoe Streyle - District 3 - Minot**

- Introducing HB1373 to further clean up language in the statute that was changed in 2015 (HB 1375) to allow incumbent telecom carriers pricing flexibility over essential retail rates.
- This over struck language in HB1373 probably should have been included in 2015 since carriers today are already allowed to set rates as they see fit.
- Allowing incumbent local wire line companies to put line items on the bill for governmentally mandated taxes and fees simply reflects what other providers, such as wireless carriers, already do with their bills.
- Removing this language from the statute simply clears up any confusion regarding taxes and fees on bills since a company can already raise and lower its rates as it sees fit today.
- A representative from CenturyLink is here to further go over the bill and answer any questions you have of it.
- Please support HB1373 with a “do-pass” recommendation.



**House Bill 1373****Testimony of Kent Blickensderfer****Senate Industry, Business and Labor Committee****Chairman Jerry Klein****March 15, 2017**

Good morning Chairman Klein and committee members. My name is Kent Blickensderfer and I am the legislative and regulatory director for CenturyLink in North and South Dakota. CenturyLink is the successor company to the former Qwest, US West Communications and Northwestern Bell Telephone companies. CenturyLink today provides communications and data services to residential, business, governmental and wholesale customers in 37 states. I am here today in support of House Bill 1373.

House Bill 1373 cleans up language in the telecom statutes to reflect the current state of regulation with respect to rates and billing on CenturyLink's essential service retail rates. In 2015, the ND Legislature amended NDCC 49-21-01.3 to recognize the current state of competition in the voice telephony business. Changes made then mirrored deregulation efforts on the federal and state levels throughout the nation as incumbent carriers have lost more subscribers to other providers. CenturyLink was allowed to set rates as competition would allow for basic local service rates. With what had become a minority percentage of market share, the thought was that customers could always seek an alternative if they felt rates were too high. As an added precaution, the Public Service Commission and in fact, the general public retained the ability to file price complaints against the company if they felt they were unfair or unreasonable. That right will continue with passage of this bill.

In 2015, we should have also repealed this section of the law to remove confusion about whether CenturyLink could flow through taxes and fees without these decades' old restrictions. Our competitors already follow this practice today. These restrictions were designed for a time of rate regulation which no longer exists. Accounting practices and separations procedures referenced in the language being removed no longer matter because they reference price regulation that was effectively abolished in 2015. Fees for relocation costs and facility removal are now addressed elsewhere in the statute through a change made in 2009, rendering this language obsolete.

It is for all of these reasons that CenturyLink supports HB1373 and asks the members of this committee to do the same. Questions?