

1.1 **Senator Klein from the Committee on Commerce and Consumer Protection, to**
1.2 **which was referred**

1.3 **S.F. No. 2224:** A bill for an act relating to commerce; relieving telephone companies
1.4 or telecommunications carriers of the obligation to serve certain areas; requiring the Office
1.5 of Broadband Development to resolve disputes; proposing coding for new law in Minnesota
1.6 Statutes, chapter 237.

1.7 Reports the same back with the recommendation that the bill be amended as follows:

1.8 Delete everything after the enacting clause and insert:

1.9 "Section 1. **[237.181] SERVICE TO AREAS WITH VOICE OVER INTERNET**
1.10 **PROTOCOL SERVICES.**

1.11 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
1.12 the meanings given.

1.13 (b) "Commission" means the Public Utilities Commission.

1.14 (c) "Voice over internet protocol" or "VOIP" has the meaning given in section 237.025.

1.15 Subd. 2. **Service equipment.** (a) Notwithstanding any other provision in this chapter,
1.16 a telephone company or telecommunications carrier is not required to offer services in an
1.17 area:

1.18 (1) the Federal Communications Commission has identified through Broadband Data
1.19 Collection, location fabric data, or a successor data program as having a provider offering
1.20 wireline broadband access capable of carrying VOIP of at least ten megabits per second
1.21 download speed and one megabit per second upload speed and offers VOIP services at a
1.22 rate equal to or less than 135 percent of the current rate for local flat rated voice service
1.23 offered by the telephone company or telecommunications carrier in that area; or

1.24 (2) where a Federal Communications Commission approved adequate replacement is
1.25 available at a rate equal to or less than 135 percent of the current rate for local flat rated
1.26 voice service offered by the telephone company or telecommunications carrier in that area.

1.27 (b) A telephone company or telecommunications carrier that is not required to offer
1.28 service in an area pursuant to paragraph (a) and chooses not to do so, must:

1.29 (1) notify the commission that the telephone company or telecommunications carrier is
1.30 not offering service in the area pursuant to paragraph (a); and

1.31 (2) notify the impacted customers at least 180 days prior to its cessation of services
1.32 through the following means of communication:

1.33 (i) notification in the form of a customer bill message; and

2.1 (ii) notification provided separate from the customer invoice using the same transmittal
2.2 method as the customer has elected to receive invoices.

2.3 Subd. 3. **Dispute resolution.** (a) The commission must resolve a dispute over whether
2.4 a location has service available at the rates described in subdivision 2.

2.5 (b) A customer that disputes whether a location is served by services meeting the
2.6 standards in subdivision 2 must provide a dispute notice by either calling or emailing the
2.7 telephone company or telecommunications carrier using the contact information provided
2.8 by the telephone company or telecommunications carrier in the notice required by subdivision
2.9 2, paragraph (b). A telephone company or telecommunications carrier who receives a dispute
2.10 notice from a customer in accordance with this section must provide the dispute information
2.11 to the commission within five business days of the day the dispute notice was received by
2.12 the telephone company or telecommunications carrier.

2.13 (c) The dispute information must state whether the basis for such a dispute is the
2.14 availability of service from another provider, or the rate exceeds the standard in subdivision
2.15 2. The dispute information provided to the commission must include all supporting evidence
2.16 from both parties.

2.17 (d) Within five business days of the date the dispute information is received, the
2.18 commission must issue a recommendation to resolve the dispute. The commission must
2.19 determine whether the location has communications infrastructure available to carry VOIP
2.20 services as defined in subdivision 1 and whether a provider offers VOIP services at a rate
2.21 meeting the standard in subdivision 2. The commission must issue a recommendation to
2.22 resolve the dispute within 30 business days of receipt of the dispute information from the
2.23 telephone company or telecommunications carrier.

2.24 (e) If the commission determines the identified area has communications infrastructure
2.25 available to carry VOIP services at a rate meeting the standard in subdivision 2, the telephone
2.26 company or telecommunications carrier is relieved of any obligation to serve the disputed
2.27 location. This paragraph does not relieve the telephone company or telecommunications
2.28 carrier from providing services under any applicable federal obligation.

2.29 (f) If the commission determines that the identified location does not have
2.30 telecommunications infrastructure available to carry VOIP services or that the price exceeds
2.31 the standard set forth in subdivision 2, the telephone company or telecommunications carrier
2.32 is not relieved of any obligation to serve that location.

2.33 (g) If the customer or the telecommunications provider or the telephone company
2.34 disagrees with the recommendation of the commission, either party may file a request that

3.1 the commission review the recommendation. This request must be filed within 30 days of
3.2 the commission's recommendation.

3.3 (h) After receiving a request to review the recommendation, the commission must either
3.4 adopt the recommendation or reject and modify the recommendation. The commission must
3.5 make its decision within 45 days of such a request.

3.6 Subd. 4. **Reinstatement of service.** (a) The commission may reinstate existing obligations
3.7 to provide services to customers affected by this section:

3.8 (1) on the commission's own initiative; or

3.9 (2) in response to a request for agency action.

3.10 (b) Before acting under subdivision 4, paragraph (a), the commission must:

3.11 (1) provide notice and conduct a hearing; and

3.12 (2) determine that reinstating any existing obligation to serve is necessary because
3.13 customers lack an option to purchase VOIP services at rates that comply with the standards
3.14 set forth under subdivision 2.

3.15 (c) The party requesting modification or reinstatement shall bear the burden of proof in
3.16 a hearing described in subdivision 4, paragraph (b)."

3.17 And when so amended the bill do pass and be re-referred to the Committee on Energy,
3.18 Utilities, Environment, and Climate. Amendments adopted. Report adopted.

3.19
3.20 (Committee Chair)

3.21 March 20, 2025.....
3.22 (Date of Committee recommendation)