SF 4496 / HF 4052

Senator Rasmusson
Rep. Kresha

Modernizing Minnesota's Telephone Law (Chapter 237)

Purpose of the Bill

This legislation modernizes Minnesota's telecommunications statutes (Chapter 237) to reflect today's broadband-driven marketplace. It removes obsolete telephone-era regulations, reduces barriers to deployment, clarifies railroad crossing requirements, and aligns state law with current federal standards such as CALEA and the E-rate program. **This bill has the full support of the Department of Commerce and Public Utilities Commission.**

Key Goals of the Bill

1. Update Statutes for Today's Competitive Broadband Market

- Eliminates decades-old monopoly-era telephone regulation.
- Removes classifications like "noncompetitive," "emerging competitive," and "effective competition," which no longer match how services are delivered.
- Streamlines reporting and compliance obligations.

2. Remove Obsolete and Duplicative Requirements

- Repeals long-outdated provisions governing public payphones, tariff filings, special pricing plans, cost-study methodologies, rate case procedures, and legacy signaling and service rules.
- Eliminates state programs superseded by federal law (e.g., school/library telecommunications discounts now handled via the federal E-rate program).

3. Align State Law With Federal Requirements

- Replaces outdated call-tracing statutes with compliance requirements tied to **CALEA**, the federal framework governing lawful intercept and call-identifying information.
- Aligns school and library discounts with the **federal E-rate program** to maintain eligibility and avoid duplicative state processes.

4. Increase Clarity and Transparency for Consumers

- Modernizes customer-notification requirements to allow digital delivery while ensuring customers can still request information at any time.

Why These Changes Matter

- Minnesota's telecom statutes have not undergone a comprehensive update since the pre-broadband era.
- Outdated railroad crossing processes delay fiber deployment, especially in rural areas.
- Removing obsolete provisions reduces administrative burdens on both carriers and state agencies.
- Aligning with federal law ensures Minnesota remains eligible for federal funding and interoperable regulatory frameworks.
- The bill helps accelerate rural broadband buildout, supports economic development, and positions Minnesota for long-term digital competitiveness.