SENATE BILL 6426

State of Washington 65th Legislature 2018 Regular Session

By Senators Wellman, Chase, Warnick, Sheldon, McCoy, Cleveland, Rivers, Wilson, Kuderer, and Rolfes

Read first time 01/17/18. Referred to Committee on Energy, Environment & Technology.

- AN ACT Relating to extending existing telecommunications authority to all ports in Washington state in order to facilitate public-private partnerships in wholesale telecommunications services and infrastructure; and amending RCW 53.08.005, 53.08.370, and 53.08.380.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 53.08.005 and 2000 c 81 s 6 are each amended to read 8 as follows:
- 9 The definitions in this section apply throughout this chapter 10 unless the context clearly requires otherwise.
- 11 (1) "Commission" means the Washington utilities and 12 transportation commission.
- 13 (2) (("Rural port district" means a port district formed under 14 chapter 53.04 RCW and located in a county with an average population 15 density of fewer than one hundred persons per square mile.
- 16 $\frac{(3)}{(3)}$) "Telecommunications" has the same meaning as contained in 17 RCW 80.04.010.
- 18 (((4))) <u>(3)</u> "Telecommunications facilities" means lines, 19 conduits, ducts, poles, wires, cables, crossarms, receivers, 20 transmitters, instruments, machines, appliances, instrumentalities

21 and all devices, real estate, easements, apparatus, property, and

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1 routes used, operated, owned, or controlled by any entity to 2 facilitate the provision of telecommunications services.

(((+5))) (4) "Wholesale telecommunications services" means the provision of telecommunications services or facilities for resale by an entity authorized to provide telecommunications services to the general public and internet service providers.

- **Sec. 2.** RCW 53.08.370 and 2000 c 81 s 7 are each amended to read 8 as follows:
- 9 (1) A ((rural)) port district in existence on June 8, 2000, may 10 construct, purchase, acquire, develop, finance, lease, license, 11 handle, provide, add to, contract for, interconnect, alter, improve, 12 repair, operate, and maintain any telecommunications facilities 13 within or without the district's limits for the following purposes:
 - (a) For the district's own use; and

- (b) For the provision of wholesale telecommunications services within the district's limits. Nothing in this subsection shall be construed to authorize ((rural)) port districts to provide telecommunications services to end users.
- (2) A ((rural)) port district providing wholesale telecommunications services under this section shall ensure that rates, terms, and conditions for such services are not unduly or unreasonably discriminatory or preferential. Rates, terms, and conditions are discriminatory or preferential when a ((rural)) port district offering such rates, terms, and conditions to an entity for wholesale telecommunications services does not offer substantially similar rates, terms, and conditions to all other entities seeking substantially similar services.
- (3) When a ((rural)) port district establishes a separate utility function for the provision of wholesale telecommunications services, it shall account for any and all revenues and expenditures related to its wholesale telecommunications facilities and services separately from revenues and expenditures related to its internal telecommunications operations. Any revenues received from the provision of wholesale telecommunications services must be dedicated to the utility function that includes the provision of wholesale telecommunications services for costs incurred to build and maintain the telecommunications facilities until such time as any bonds or other financing instruments executed after June 8, 2000, and used to finance the telecommunications facilities are discharged or retired.

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(4) When a ((rural)) port district establishes a separate utility function for the provision of wholesale telecommunications services, all telecommunications services rendered by the separate function to the district for the district's internal telecommunications needs shall be charged at its true and full value. A ((rural)) port district may not charge its nontelecommunications operations rates that are preferential or discriminatory compared to those it charges entities purchasing wholesale telecommunications services.

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- (5) A ((rural)) port district shall not exercise powers of eminent domain to acquire telecommunications facilities or contractual rights held by any other person or entity to telecommunications facilities.
- (6) Except as otherwise specifically provided, a ((rural)) port district may exercise any of the powers granted to it under this title and other applicable laws in carrying out the powers authorized under this section. Nothing in chapter 81, Laws of 2000 limits any existing authority of a ((rural)) port district under this title.
- 18 **Sec. 3.** RCW 53.08.380 and 2000 c 81 s 9 are each amended to read 19 as follows:
 - (1)person or entity that has requested wholesale telecommunications services from a ((rural)) port district may petition the commission under the procedures set forth in RCW 80.04.110 (1) through (3) if it believes the district's rates, terms, and conditions are unduly or unreasonably discriminatory preferential. The person or entity shall provide the district notice of its intent to petition the commission and an opportunity to review within thirty days the rates, terms, and conditions as applied to it prior to submitting its petition. In determining whether a district is providing discriminatory or preferential rates, terms, conditions, the commission may consider such matters as service quality, technical feasibility of connection points on the district's telecommunications facilities, time of response to service requests, system capacity, and other matters reasonably related to the provision of wholesale telecommunications services. Ιf commission, after notice and hearing, determines that a ((rural)) district's rates, terms, and conditions are unduly or unreasonably discriminatory or preferential, it shall issue a final order finding noncompliance with this section and setting forth the

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specific areas of apparent noncompliance. An order imposed under this section shall be enforceable in any court of competent jurisdiction.

- (2) The commission may order a $((\frac{rural}{}))$ port district to pay a share of the costs incurred by the commission in adjudicating or enforcing this section.
- (3) Without limiting other remedies at law or equity, the commission and prevailing party may also seek injunctive relief to compel compliance with an order.
- (4) Nothing in this section shall be construed to affect the commission's authority and jurisdiction with respect to actions, proceedings, or orders permitted or contemplated for a state commission under the federal telecommunications act of 1996, P.L. 104-104 (110 Stat. 56).

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