2 <u>SSB 6675</u> - H AMD TO TTE COMM AMD (H-5021.1/00) **572 FAILED 3-2-00** By Representative Thomas

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- 5 On page 3, after line 11 of the amendment, insert the following:
- "(6)(a) If a qualified provider of telecommunications services gives written notice of a desire to acquire all of the facilities and services of a rural public utility district, the rural public utility district must place the facilities and services up for auction to the highest qualified bidder within one year of receipt of such written
- 11 notice, provided:
- 12 (i) The bidder has at least as much capability as the rural public
- 13 utility district or its contractor to construct, operate, and maintain
- 14 the facilities and services;
- 15 (ii) The bidder offers a price that will allow the rural public
- 16 utility district to recover all of its investments, including interest
- 17 on capital that the bidder would have paid as a nongovernmental entity
- 18 at the time of investment; and
- 19 (iii) The successful bidder must reserve sufficient capacity for
- 20 the rural public utility district to allow for needs twenty years from
- 21 the date of the sale at no more than the embedded cost of the facility
- 22 or services, or as mutually agreed.
- 23 (b) The rural public utility district and successful bidder may
- 24 enter into noncompete agreements or mutually agree on other conditions
- 25 of the sale."
- 26 Renumber the remaining subsection consecutively and correct any
- 27 internal references accordingly.
- On page 7, after line 25 of the amendment, insert the following:
- 29 "(6)(a) If a qualified provider of telecommunications services
- 30 gives written notice of a desire to acquire all of the facilities and
- 31 services of a rural port district, the rural port district must place
- 32 the facilities and services up for auction to the highest qualified
- 33 bidder within one year of receipt of such written notice, provided:

- 1 (i) The bidder has at least as much capability as the rural port 2 district or its contractor to construct, operate, and maintain the 3 facilities and services;
- 4 (ii) The bidder offers a price that will allow the rural port 5 district to recover all of its investments, including interest on 6 capital that the bidder would have paid as a nongovernmental entity at 7 the time of investment; and
- 8 (iii) The successful bidder must reserve sufficient capacity for 9 the rural port district to allow for needs twenty years from the date 10 of the sale at no more than the embedded cost of the facility or 11 services, or as mutually agreed.
- 12 (b) The rural port district and a successful bidder may enter into 13 noncompete agreements or mutually agree on other conditions of the 14 sale."
- Renumber the remaining subsection consecutively and correct any internal references accordingly.

<u>EFFECT:</u> Requires that public utility districts and rural port districts must sell off their wholesale telecommunications facilities and services if a qualified buyer exists that meets certain criteria.

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