

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 4**

Introduced by Bosn, 25.

Read first time January 09, 2025

Committee:

1 A BILL FOR AN ACT relating to telecommunications; to amend section  
2 86-124, Reissue Revised Statutes of Nebraska, and section 75-109.01,  
3 Revised Statutes Cumulative Supplement, 2024; to provide Public  
4 Service Commission jurisdiction; to adopt the Telecommunications  
5 Exchange Deregulation Act; and to repeal the original sections.  
6 Be it enacted by the people of the State of Nebraska,

1           **Section 1.** Section 75-109.01, Revised Statutes Cumulative  
2 Supplement, 2024, is amended to read:

3           75-109.01 Except as otherwise specifically provided by law, the  
4 Public Service Commission shall have jurisdiction, as prescribed, over  
5 the following subjects:

6           (1) Common carriers, generally, pursuant to sections 75-101 to  
7 75-158;

8           (2) Grain pursuant to the Grain Dealer Act and the Grain Warehouse  
9 Act and sections 89-1,104 to 89-1,108;

10           (3) Manufactured homes and recreational vehicles pursuant to the  
11 Uniform Standard Code for Manufactured Homes and Recreational Vehicles;

12           (4) Modular housing units pursuant to the Nebraska Uniform Standards  
13 for Modular Housing Units Act;

14           (5) Motor carrier registration, licensure, and safety pursuant to  
15 sections 75-301 to 75-343, 75-369.03, 75-370, and 75-371;

16           (6) Pipeline carriers and rights-of-way pursuant to the Major Oil  
17 Pipeline Siting Act, the State Natural Gas Regulation Act, and sections  
18 75-501 to 75-503. If the provisions of Chapter 75 are inconsistent with  
19 the provisions of the Major Oil Pipeline Siting Act, the provisions of  
20 the Major Oil Pipeline Siting Act control;

21           (7) Railroad carrier safety pursuant to sections 74-918, 74-919,  
22 74-1323, and 75-401 to 75-430;

23           (8) Telecommunications carriers pursuant to the Automatic Dialing-  
24 Announcing Devices Act, the Emergency Telephone Communications Systems  
25 Act, the Enhanced Wireless 911 Services Act, the 911 Service System Act,  
26 the Intrastate Pay-Per-Call Regulation Act, the Nebraska  
27 Telecommunications Regulation Act, the Nebraska Telecommunications  
28 Universal Service Fund Act, the Telecommunications Exchange Deregulation  
29 Act, the Telecommunications Relay System Act, the Telephone Consumer  
30 Slamming Prevention Act, sections 86-574 to 86-578, 86-1031, 86-1307, and  
31 86-1308;

1 (9) Transmission lines and rights-of-way pursuant to sections 70-301  
2 and 75-702 to 75-724;

3 (10) Water service pursuant to the Water Service Regulation Act; and

4 (11) Jurisdictional utilities governed by the State Natural Gas  
5 Regulation Act. If the provisions of Chapter 75 are inconsistent with the  
6 provisions of the State Natural Gas Regulation Act, the provisions of the  
7 State Natural Gas Regulation Act control.

8 **Sec. 2.** Section 86-124, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 86-124 (1) The commission shall not regulate the following:

11 (a) One-way broadcast or cable television transmission of television  
12 or radio signals;

13 (b) Mobile radio services, radio paging services, and wireless  
14 telecommunications service;

15 (c) Interexchange services; and

16 (d) Internet-protocol-enabled service and voice over Internet  
17 protocol service, including rates, service or contract terms, conditions,  
18 or requirements for entry for such service.

19 (2) This section shall not affect or modify:

20 (a) The enforcement of criminal or civil laws, including, but not  
21 limited to, laws concerning consumer protection and unfair or deceptive  
22 trade practices which apply generally to the conduct of business;

23 (b)(i) Any entity's obligations or rights or commission authority  
24 under section 86-122 and under 47 U.S.C. 251 and 252, as such sections  
25 existed on January 1, 2019, ~~and~~ (ii) any carrier-to-carrier tariff rates,  
26 service quality standards, interconnection agreements, or other  
27 obligations for which the commission has jurisdiction under state or  
28 federal law, and (iii) service quality standards, unless an entity or one  
29 or more of its exchanges has been deregulated pursuant to the  
30 Telecommunications Exchange Deregulation Act;

31 (c) Any requirement to contribute to any fund administered by the

1 commission authorized by the Enhanced Wireless 911 Services Act or the  
2 Nebraska Telecommunications Universal Service Fund Act;

3 (d) Any commission jurisdiction over intrastate switched access  
4 rates, terms, and conditions, including the resolution of disputes  
5 arising from, and implementation of federal and state law with respect  
6 to, intercarrier compensation;

7 (e) The eligibility and requirements for the receipt of funds from  
8 the Nebraska Telecommunications Universal Service Fund and the rules,  
9 regulations, and orders under the Nebraska Telecommunications Universal  
10 Service Fund Act or the receipt of funds from the federal universal  
11 service fund, regardless of the unregulated status of the provider's  
12 service under this section;

13 (f) Any entity's rights and obligations with respect to (i)  
14 registration under section 86-125, (ii) the use of public streets, roads,  
15 highways, and rights-of-way, or (iii) a certificate of public convenience  
16 and necessity or a permit; and

17 (g) The commission's authority under section 86-1029.04.

18 **Sec. 3.** Sections 3 to 13 of this act shall be known and may be  
19 cited as the Telecommunications Exchange Deregulation Act.

20 **Sec. 4.** For purposes of the Telecommunications Exchange  
21 Deregulation Act:

22 (1) Carrier of last resort means a facilities-based  
23 telecommunications company, as determined by the commission, not  
24 inconsistent with the federal Telecommunications Act of 1996, which has  
25 the obligation to provide voice communications service, upon reasonable  
26 request, to all residential and single-line business customers within a  
27 defined service or geographic area;

28 (2) Commission means the Public Service Commission;

29 (3) Deregulated carrier means an electing local exchange carrier for  
30 which all of such carrier's markets have been deregulated;

31 (4) Electing local exchange carrier means a telecommunications

1 company holding a certificate to offer local exchange telecommunications  
2 services within Nebraska issued on or before February 8, 1996, or a  
3 carrier that has received a certificate in conjunction with the  
4 acquisition of a certificate issued on or before February 8, 1996;

5 (5) Transitioning carrier means an electing local exchange carrier  
6 for which at least one, but not all, of such carrier's exchanges has been  
7 deregulated; and

8 (6) Voice communications service means (a) the transmission,  
9 conveyance, or routing of real-time, two-way voice communications to a  
10 point or between or among points by or through any electronic, radio,  
11 satellite, cable, optical, microwave, wireline, wireless, or other medium  
12 or method, regardless of the protocol used; (b) the ability to receive  
13 and terminate voice calls to and from the public switched telephone  
14 network; or (c) voice over Internet protocol service, as defined in  
15 section 86-121.01.

16 **Sec. 5.** (1) The commission may require disclosure of information  
17 from telecommunications carriers as necessary to implement and enforce  
18 the Telecommunications Exchange Deregulation Act.

19 (2) The commission may maintain the confidentiality of any  
20 information collected under the Telecommunications Exchange Deregulation  
21 Act that is claimed to be confidential for containing proprietary or  
22 commercial information and withhold such information from public  
23 disclosure pursuant to subdivision (3) of section 84-712.05.

24 **Sec. 6.** (1) Notwithstanding any other provision of Chapters 75 and  
25 86, only an electing local exchange carrier may initiate a proceeding to  
26 deregulate one of such carrier's exchanges. No later than ninety days  
27 after the date the commission receives a petition to initiate such  
28 proceeding, the commission shall determine whether the regulated exchange  
29 should be deregulated or remain regulated and issue a final order  
30 classifying the exchange in accordance with this section. An electing  
31 local exchange carrier may petition the commission to deregulate an

1 exchange of the carrier that the commission previously determined should  
2 remain regulated upon a material change in the exchange including the  
3 entrance of additional carriers providing voice communications service by  
4 carriers previously operating in the exchange.

5 (2)(a) In making a determination under subsection (1) of this  
6 section, the commission shall determine that an exchange should be  
7 deregulated if:

8 (i) The population in the area included in the exchange is at least  
9 one hundred thousand inhabitants; or

10 (ii) The population in the area included in the exchange is less  
11 than one hundred thousand inhabitants and, in addition to the electing  
12 local exchange carrier, there are at least two other carriers providing  
13 voice communications service in all of the exchange.

14 (b) In making a determination under subsection (1) of this section,  
15 the commission may determine that an exchange should be deregulated if,  
16 in addition to the electing local exchange carrier, at least two other  
17 carriers are providing voice communications service in at least seventy-  
18 five percent of the square miles in the exchange.

19 (c) The commission shall use federal census data from the most  
20 recent federal decennial census or the most recent revised certified  
21 count by the United States Bureau of the Census available at the time of  
22 the application to determine the population in the area included in the  
23 exchange under this section.

24 (d) If the commission deregulates an exchange under this section and  
25 the deregulation results in a regulated carrier no longer regulated or a  
26 transitioning carrier no longer meeting the definition of a transitioning  
27 carrier, the commission shall issue an order reclassifying such carrier  
28 as a deregulated carrier.

29 **Sec. 7. (1) A deregulated carrier is not required to:**

30 (a) Fulfill the obligations of a carrier of last resort;

31 (b) Comply with standards or reporting requirements related to

1 quality of service;

2 (c) Comply with restrictions on rates for telecommunications  
3 services, including advanced telecommunications services, unless the  
4 restrictions are a condition of receiving grant funds administered by the  
5 commission or imposed for compliance with sections 86-139 to 86-157; or

6 (d) File an earnings report with the commission.

7 (2) The commission shall not provide a deregulated carrier with any  
8 funds from the Nebraska Telecommunications Universal Service Fund.

9 (3) Notwithstanding any other provisions of Chapters 75 and 86, the  
10 commission shall have only the authority over a deregulated carrier  
11 provided under the Telecommunications Exchange Deregulation Act. If there  
12 is a conflict between the Telecommunications Exchange Deregulation Act  
13 and the other applicable provisions of Chapter 75 and 86, the  
14 Telecommunications Exchange Deregulation Act shall control.

15 (4) Nothing in this section affects the continuing applicability of  
16 subsection (3) of section 86-123 and section 86-124.

17 (5) The commission may hear complaints filed by any retail or  
18 wholesale customers against a deregulated carrier that are in the scope  
19 of the commission's authority provided under this section.

20 **Sec. 8.** Except as provided by section 9 of this act, a  
21 transitioning carrier is governed by the Telecommunications Exchange  
22 Deregulation Act and the provisions of Chapters 75 and 86 that applied to  
23 the carrier immediately before the date the carrier was classified as a  
24 transitioning carrier. If there is a conflict between the  
25 Telecommunications Exchange Deregulation Act and other applicable  
26 provisions of Chapters 75 and 86, the Telecommunications Exchange  
27 Deregulation Act shall control.

28 **Sec. 9.** (1) A transitioning carrier is no longer required to do the  
29 following in the deregulated exchange:

30 (a) Fulfill the obligations of a carrier of last resort;

31 (b) Comply with standards or reporting requirements related to

1 quality of service; or

2 (c) Comply with a pricing requirement unless the requirement is a  
3 condition of receiving grant funds administered by the commission.

4 (2) A transitioning carrier is not eligible to receive funds from  
5 the Nebraska Telecommunications Universal Service Fund for deregulated  
6 exchanges and the commission shall, to the extent feasible in the funding  
7 formula, reduce a transitioning carrier's allocation of funds from the  
8 Nebraska Telecommunications Universal Service Fund to account for  
9 deregulated exchanges.

10 **Sec. 10.** In an exchange that remains regulated, a transitioning  
11 carrier shall price the carrier's retail services in accordance with the  
12 provisions that applied to that carrier immediately before the date the  
13 carrier was classified by the commission as a transitioning carrier.

14 **Sec. 11.** Nothing in the Telecommunications Exchange Deregulation  
15 Act shall relieve a telecommunications or communications provider from  
16 requirements in section 86-124.

17 **Sec. 12.** A telecommunications company seeking to discontinue  
18 service in a deregulated exchange shall be exempt from subsection (1)(a)  
19 of section 86-134. A telecommunications company seeking to discontinue  
20 service in a deregulated exchange shall be solely subject to subsection  
21 (1)(b) of section 86-134.

22 **Sec. 13.** The commission may adopt and promulgate rules and  
23 regulations and conduct any proceedings necessary to administer and  
24 enforce the Telecommunications Exchange Deregulation Act, including rules  
25 and regulations to determine whether an exchange should remain regulated,  
26 be deregulated, or be reregulated.

27 **Sec. 14.** Original section 86-124, Reissue Revised Statutes of  
28 Nebraska, and section 75-109.01, Revised Statutes Cumulative Supplement,  
29 2024, are repealed.