1

13

14

15

16

17

18

19

20

21

22 23

24

25

26

27

28

29

30

31

32

33

34

35 36

37

38 39

40

41

42

## IN THE SENATE

### SENATE BILL NO. 1105

#### BY STATE AFFAIRS COMMITTEE

AN ACT RELATING TO TELECOMMUNICATIONS; AMENDING SECTION 61-121, IDAHO CODE, TO RE-2 VISE THE DEFINITION OF "TELEPHONE CORPORATION" AND "TELECOMMUNICATION 3 SERVICE" AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 62-603, 4 5 IDAHO CODE, TO REVISE DEFINITIONS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 62-618, IDAHO CODE, TO PROVIDE PREEMPTION OF CERTAIN 6 PROVIDERS OF CERTAIN SERVICES; AMENDING CHAPTER 6, TITLE 62, IDAHO 7 CODE, BY THE ADDITION OF A NEW SECTION 62-618A, IDAHO CODE, TO CLARIFY 8 THAT NO STATE GOVERNMENT ENTITY OR POLITICAL SUBDIVISION SHALL REGULATE 9 10 VOIP AND IP-ENABLED SERVICES WITH EXCEPTIONS; AND AMENDING SECTIONS 18-6609, 26-2239, 61-1302 AND 62-609, IDAHO CODE, TO PROVIDE CORRECT 11 CODE REFERENCES. 12

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 61-121, Idaho Code, be, and the same is hereby amended to read as follows:

- 61-121. TELEPHONE CORPORATION -- TELECOMMUNICATION SERVICES. (1) The term "telephone corporation" when used in title 61, Idaho Code, means every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, providing telecommunication services for compensation within this state. Except as otherwise provided by statute, telephone corporations providing: (a) radio paging, mobile radio telecommunication services, answering services, tincluding computerized or otherwise automated answering or voice message services), or; (b) one-way transmission to subscribers of: (i) video programming, or (ii) other programming service, and subscriber interaction, if any, which is required for the selection of such video programming or other programming service or surveying; or (c) voice over internet protocol service or internet protocol-enabled service are exempt from any requirement of title 61, or chapter 6, title 62, Idaho Code, in the provision of such services.
- (2) "Telecommunication service" means the transmission of two-way interactive switched signs, signals, writing, images, sounds, messages, data, or other information of any nature by wire, radio, lightwaves, or other electromagnetic means (which that includes message telecommunication service and access service+, which originate and terminate in this state, and are offered to or for the public, or some portion thereof, for compensation. Except as otherwise provided by statute, "telecommunication service" does not include: (a) the one-way transmission to subscribers of: (i) video program $ming_{\tau}$ ; or (ii) other programming service<sub> $\tau$ </sub> and subscriber interaction, if any, which is required for the selection of such video programming or other programming service, or surveying, or; (b) the provision of radio paging, mobile radio telecommunication services, answering services, (including computerized or otherwise automated answering or voice message services),;

or (c) voice over internet protocol service or internet protocol-enabled service, and such services shall not be subject to the provisions of title 61, Idaho Code, or title 62, Idaho Code.

SECTION 2. That Section 62-603, Idaho Code, be, and the same is hereby amended to read as follows:

# 62-603. DEFINITIONS. As used in this chapter:

- (1) "Basic local exchange service" means the provision of access lines to residential and small business customers with the associated transmission of two-way interactive switched voice communication within a local exchange calling area.
- (2) "Basic local exchange rate" shall mean the monthly charge imposed by a telephone corporation for basic local exchange service, but shall not include any charges resulting from action by a federal agency or taxes or surcharges imposed by a governmental body which are separately itemized and billed by a telephone corporation to its customers.
  - (3) "Chapter" as used herein shall mean chapter 6, title 62, Idaho Code.
  - (4) "Commission" means the Idaho public utilities commission.
- (5) "Facilities\_based competitor" means a local exchange carrier that offers basic local exchange service either: (a) exclusively over its own telecommunications service facilities; or (b) predominantly over its own facilities in combination with the resale of telecommunications services of another carrier.
- (6) "Incumbent telephone corporation" means a telephone corporation or its successor which was providing basic local exchange service on or before February 8, 1996.
- (7) "Internet protocol-enabled service" or "IP-enabled service" means, except as provided in the definition of "voice over internet protocol service" herein, any service capability, functionality, or application provided using internet protocol or any successor protocol, that enables an end user to send or receive a communication in internet protocol format or any successor format regardless of whether the communication is voice, data or video.
- [8] "Local exchange calling area" means a geographic area encompassing one (1) or more local communities as described in maps, tariffs, rate schedules, price lists, or other descriptive material filed with the commission by a telephone corporation, within which area basic local exchange rates rather than message telecommunication service rates apply.
- (89) "Message telecommunication service" (MTS)" means the transmission of two-way interactive switched voice communication between local exchange calling areas for which charges are made on a per-unit basis, not including wide area telecommunications service (WATS), or its equivalent, or individually negotiated contracts for telecommunication services.
- $(9\underline{10})$  "Residential customers" shall mean persons to whom telecommunication services are furnished at a dwelling and which are used for personal or domestic purposes and not for business, professional or institutional purposes.
- (101) "Rural telephone company" means a local exchange carrier operating entity to the extent that the entity:

- (a) Provides common carrier service to any local exchange carrier study area that does not include either:
  - (i)  $\underline{aA}$ ny incorporated place of ten thousand (10,000) inhabitants or more, or any part thereof, based on the most recently available population statistics of the bureau of the census; or
  - (ii) <u>aAny</u> territory, incorporated or unincorporated, included in an urbanized area, as defined by the bureau of the census as of August 10, 1993;
- (b) Provides telephone exchange service, including exchange access, to fewer than fifty thousand (50,000) access lines;
- (c) Provides telephone exchange service to any local exchange carrier study area with fewer than one hundred thousand (100,000) access lines; or
- (d) Has less than fifteen percent (15%) of its access lines in communities of more than fifty thousand (50,000) on the date of enactment of the federal telecommunications act of 1996.
- $(1\pm2)$  "Small business customers" shall mean a business entity, whether an individual, partnership, corporation or any other business form, to whom telecommunication services are furnished for occupational, professional or institutional purposes, and which business entity does not subscribe to more than five (5) access lines which are billed to a single billing location.
- (123) "Telecommunications act of 1996" means the federal telecommunications act of 1996, pPublic  $\pm \underline{L}$ aw  $\pm \underline{N}$ o. 104-104 as enacted effective February 8, 1996.
- (134) "Telecommunication service" means the transmission of two-way interactive switched signs, signals, writing, images, sounds, messages, data, or other information of any nature by wire, radio, lightwaves, or other electromagnetic means (which that includes message telecommunication service and access service, which originate and terminate in this state, and are offered to or for the public, or some portion thereof, for compensation. Except as otherwise provided by statute, "telecommunication service" does not include: (a) the one-way transmission to subscribers of: (i) video programming $_{T}$ ; or (ii) other programming service, and subscriber interaction, if any, which is required for the selection of such video programming or other programming service, or surveying, or; (b) the provision of radio paging, mobile radio telecommunication services, answering services, fincluding computerized or otherwise automated answering or voice message services),; or (c) voice over internet protocol service or internet protocol-enabled service and such services shall not be subject to the provisions of title 61, Idaho Code, or title 62, Idaho Code.
- (145) "Telephone corporation" means every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, providing telecommunication services for compensation within this state, provided that municipal, cooperative, or mutual nonprofit telephone companies shall be included in this definition only for the purposes of sections 62-610 and 62-617 through 62-620, Idaho Code. Except as otherwise provided by statute, telephone corporations providing: (a) radio paging, mobile radio telecommunications services, answering services, (including computerized or otherwise automated answering or voice message services), ex; (b) one-way transmission to subscribers of: (i) video programming; or

(ii) other programming service, and subscriber interaction, if any, which is required for the selection of such video programming or other programming service or surveying; or (c) voice over internet protocol service or internet protocol-enabled service are exempt from any requirement of this chapter or title 61, Idaho Code, in the provision of such services; provided, that the providers of these exempted services shall have the benefits given them under section 62-608, Idaho Code.

- (16) "Voice over internet protocol service" or "VoIP service" means an internet protocol-enabled service that facilitates real time, two-way voice communication that originates from, or terminates at, a user's location and permits the user to receive a call that originates from the public switched telephone network and terminates a call on the public switched telephone network. "Voice over internet protocol service" does not include a service that uses ordinary customer premises' equipment with no enhanced functionality that originates from and terminates on the public switched telephone network, undergoes no net protocol conversion, and provides no enhanced functionality to end users due to the provider's use of internet protocol technology.
- SECTION 3. That Section 62-618, Idaho Code, be, and the same is hereby amended to read as follows:
- 62-618. PREEMPTION. The provisions of this chapter preempt, eliminate, and prohibit any economic, franchise or licensing regulation of providers of VoIP or IP-enabled services or telephone corporations subject to this chapter by cities, counties, incorporated or unincorporated areas, special use districts, or any other local governmental entity, of any kind.
- SECTION 4. That Chapter 6, Title 62, Idaho Code, be, and the same is hereby amended by the addition thereto of a  $\underline{\text{NEW SECTION}}$ , to be known and designated as Section 62-618A, Idaho Code, and to read as follows:
- 62-618A. VOIP AND IP-ENABLED SERVICES. No department, agency, commission or political subdivision of the state shall enact, adopt or enforce, either directly or indirectly, any law, rule, regulation, ordinance, standard, order or other provision having the force or effect of law that regulates or has the effect of regulating the entry, rates, terms or conditions of VoIP service or IP-enabled service. Nothing in this title, or title 61, Idaho Code, shall be construed to:
- (1) Require or prohibit the assessment on VoIP service for nondiscriminatory emergency communications fees, telecommunications relay service fees, Idaho telecommunications service assistance program fees or state universal service fund fee;
- (2) Exempt VoIP service or IP-enabled service from the Idaho consumer protection act, chapter 6, title 48, Idaho Code, or affect the attorney general's authority to apply and enforce that chapter; or
- (3) Modify or affect the rights or obligations of any entity, including the Idaho public utilities commission, arising from 47 U.S.C. section 214(e), 47 U.S.C. section 251 or 47 U.S.C. section 252, including a wholesale communications provider certification granted by the Idaho public utilities commission.

SECTION 5. That Section 18-6609, Idaho Code, be, and the same is hereby amended to read as follows:

- 18-6609. CRIME OF VIDEO VOYEURISM. (1) As used in this section:
- (a) "Broadcast" means the electronic transmittal of a visual image with the intent that it be viewed by a person or persons.
- (b) "Disseminate" means to make available by any means to any person.
- (c) "Imaging device" means any instrument capable of recording, storing, viewing or transmitting visual images.
- (d) "Intimate areas" means the buttocks, genitals or genital areas of males or females, and the breast area of females.
- (e) "Person" means any natural person, corporation, partnership, firm, association, joint venture or any other recognized legal entity or any agent or servant thereof.
- (f) "Place where a person has a reasonable expectation of privacy" means:
  - (i) A place where a reasonable person would believe that he could undress, be undressed or engage in sexual activity in privacy, without concern that he is being viewed, photographed, filmed or otherwise recorded by an imaging device; or
  - (ii) A place where a person might reasonably expect to be safe from casual or hostile surveillance by an imaging device; or
  - (iii) Any public place where a person, by taking reasonable steps to conceal intimate areas, should be free from the viewing, recording, storing or transmitting of images obtained by imaging devices designed to overcome the barriers created by a person's covering of intimate areas.
- (q) "Publish" means to:

- (i) Disseminate with the intent that such image or images be made available by any means to any person; or
- (ii) Disseminate with the intent that such images be sold by another person; or
- (iii) Post, present, display, exhibit, circulate, advertise or allow access by any means so as to make an image or images available to the public; or
- (iv) Disseminate with the intent that an image or images be posted, presented, displayed, exhibited, circulated, advertised or made accessible by any means and to make such image or images available to the public.
- (h) "Sell" means to disseminate to another person, or to publish, in exchange for something of value.
- (2) A person is guilty of video voyeurism when:
- (a) With the intent of arousing, appealing to or gratifying the lust or passions or sexual desires of such person or another person, or for his own or another person's lascivious entertainment or satisfaction of prurient interest, or for the purpose of sexually degrading or abusing any other person, he uses, installs or permits the use or installation of an imaging device at a place where a person would have a reasonable expectation of privacy, without the knowledge or consent of the person using such place; or

- (b) He either intentionally or with reckless disregard disseminates, publishes or sells or conspires to disseminate, publish or sell any image or images of the intimate areas of another person or persons without the consent of such other person or persons and he knows or reasonably should have known that one (1) or both parties agreed or understood that the images should remain private.
- (3) A violation of this section is a felony.

- (4) This section does not apply to an interactive computer service, as defined in 47 U.S.C. section 230(f)(2), an information service, as defined in 47 U.S.C. section 153 or a telecommunication service, as defined in section 61-121(2) or 62-603(134), Idaho Code, for content provided by another person, unless the provider intentionally aids or abets video voyeurism.
- SECTION 6. That Section 26-2239, Idaho Code, be, and the same is hereby amended to read as follows:
- 26-2239. EXEMPTIONS. The provisions of this act shall not apply to the following:
- (1) Persons licensed to practice law in this state, to the extent that they are retained by their clients to engage in activities authorized by this act, and such activities are incidental to the practice of law. Such exemption shall not apply to an attorney engaged in a separate business conducting the activities authorized by this act;
- (2) Any regulated lender as defined in section 28-41-301, Idaho Code, and its subsidiary, affiliate or agent to the extent that the regulated lender, subsidiary, affiliate or agent collects for the regulated lender or engages in acts governed by this act which are incidental to the business of a regulated lender;
- (3) Any bank, trust company, credit union, insurance company or industrial loan company authorized to do business in this state;
- (4) Any federal, state or local governmental agency or instrumentality;
- (5) Any real estate broker or real estate salesman licensed under the laws of and residing within this state while engaged in acts authorized by his real estate license;
- (6) Any person authorized to engage in escrow business in this state while engaged in authorized escrow business;
- (7) Any mortgage company engaged in the regular business of a mortgage company as defined in section 26-2802, Idaho Code, except a mortgage company engaged in a separate business conducting the activities authorized by this act;
  - (8) Any court appointed trustee, receiver or conservator;
- (9) Any telephone corporation, as defined in subsection (105) of section 62-603, Idaho Code, whose initial request for payment on behalf of such telephone corporation or on behalf of another person is made by the telephone corporation as a part of regular telecommunications billings to its customers and at a time before the account, bill, claim or other indebtedness becomes past due or delinquent;
- (10) Any person while acting as a debt collector for another person, both of whom are related by common ownership or affiliated by corporate control, if the person acting as a debt collector does so only for persons

to whom he is so related or affiliated and if the principal business of such person is not the collection of debts.

SECTION 7. That Section 61-1302, Idaho Code, be, and the same is hereby amended to read as follows:

## 61-1302. DEFINITIONS. In this chapter:

- (1) "Administrator" means the person with whom the Idaho public utilities commission contracts to administer the program for delivery of telecommunications relay services.
  - (2) "Commission" means the Idaho public utilities commission.
- (3) "Communications impaired" mean individuals who are hearing-impaired or speech-impaired as defined in title IV, section 401, Americans with disabilities act of 1990, public law 101-336, 104 stat. 327, 336-69 (47 U.S.C. section 225) or regulations promulgated pursuant thereto.
- (4) "Local exchange company" means a telephone corporation which provides access lines to residential and business customers with the associated transmission of two (2) way interactive switched voice communication within a geographic area where basic local exchange rates rather than message telecommunications service rates apply.
- (5) "Message telecommunications service" shall have the meaning prescribed in section 62-603(69), Idaho Code.
- (6) "Program" means the effort directed by the administrator pursuant to this chapter to establish and operate an Idaho system to provide telecommunications relay services.
- (7) "Telephone corporation" shall have the meaning prescribed in section  $62-603\,(105)$ , Idaho Code.
- (8) "Telecommunications relay services (TRS)" mean services through which a communications impaired person, using specialized telecommunications equipment, may send and receive messages to and from a noncommunications impaired person whose telephone is not equipped with specialized telecommunications equipment and through which a noncommunications impaired person may, by using voice communication, send and receive messages to and from a communications impaired person.
- SECTION 8. That Section 62-609, Idaho Code, be, and the same is hereby amended to read as follows:
- 62-609. IMPUTED AND NONDISCRIMINATORY ACCESS CHARGES -- COMMISSION AUTHORITY. (1) A telephone corporation, which provides basic local exchange service, and which also provides message telecommunications service shall impute to itself its prices of special access or private line access and switched access for the use of essential facilities used in the provision of message telecommunications service, special access or private line access services and WATS service or their equivalents. Such imputation shall be in the aggregate on a service by service basis. All other providers of message telecommunications service, special access or private line access services and WATS service or their equivalents shall impute to themselves, in the aggregate on a service by service basis, their individual cost of special or switched access or its equivalent in their pricing.

The commission shall define in an appropriate proceeding what are essential facilities for the purpose of this subsection and shall resolve any dispute which may arise under this subsection.

- (2) Telecommunication services which are subject to the provisions of this chapter and which services utilize special or switched access, shall be made available by the telephone corporation for resale. No telephone corporation shall, as to its prices or charges for or the provision of such services, make or grant any preference or advantage to any telephone corporation or to a provider of services exempted from regulation under section 62-603(134), Idaho Code, or subject any telephone corporation or any provider of services exempted from regulation under section 62-603(134), Idaho Code, to any prejudice or competitive disadvantage with respect to its prices or charges for providing access to its local exchange network nor establish or maintain any unreasonable difference as to its prices or charges for access to its local exchange network.
- (3) Notwithstanding the provisions of section 62-614, Idaho Code, if, after negotiation, a dispute under this section exists between or among telephone corporations or between or among telephone corporation(s) and provider(s) of services exempted from regulation under section 62-603(134), Idaho Code, such dispute shall be determined by the commission upon petition of any affected telephone corporation or provider(s) of services exempted from regulation under section 62-603(134), Idaho Code.

Information disclosed to the commission for resolution of disputes under this section shall be provided by the telephone corporations with appropriate safeguards for the protection of business or trade secrets.