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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **1665**

02/23/2017 Authored by Kresha, West, Hoppe, Garofalo, Smith and others

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

03/02/2017 Adoption of Report: Amended and re-referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act
1.2 relating to telecommunications; prohibiting regulation of voice-over-Internet
1.3 protocol service and Internet protocol-enabled service; amending Minnesota Statutes
1.4 2016, section 237.01, by adding subdivisions; proposing coding for new law in
1.5 Minnesota Statutes, chapter 237.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2016, section 237.01, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 10. **Voice-over-Internet protocol service.** "Voice-over-Internet protocol service"
1.10 or "VoIP service" means any service that (1) enables real-time two-way voice
1.11 communications that originate from or terminate at the user's location in Internet protocol
1.12 or any successor protocol, and (2) permits users generally to receive calls that originate on
1.13 the public switched telephone network and terminate calls to the public switched telephone
1.14 network.

1.15 Sec. 2. Minnesota Statutes 2016, section 237.01, is amended by adding a subdivision to
1.16 read:

1.17 Subd. 11. **Internet protocol-enabled service.** "Internet protocol-enabled service" or
1.18 "IP-enabled service" means any service, capability, functionality, or application provided
1.19 using Internet protocol, or any successor protocol, that enables an end user to send or receive
1.20 a communication in Internet protocol format or any successor format, regardless of whether
1.21 that communication is voice, data, or video.

2.1 Sec. 3. [237.037] VOICE-OVER-INTERNET PROTOCOL SERVICE AND
2.2 INTERNET PROTOCOL-ENABLED SERVICE.

2.3 Subdivision 1. Regulation prohibited. Except as provided in this section, no state
2.4 agency, including the commission and the Department of Commerce, or political subdivision
2.5 of this state shall by rule, order, or other means directly or indirectly regulate the entry,
2.6 rates, terms, quality of service, availability, classification, or any other aspect of VoIP service
2.7 or IP-enabled service.

2.8 Subd. 2. VoIP regulation. (a) To the extent permitted by federal law, VoIP service is
2.9 subject to the requirements of sections 237.49, 237.52, 237.70, and 403.11 with regard to
2.10 the collection and remittance of the surcharges governed by those sections.

2.11 (b) A provider of VoIP service must comply with the requirements of chapter 403
2.12 applicable to the provision of access to 911 service by service providers, except to the extent
2.13 those requirements conflict with federal requirements for the provision of 911 service by
2.14 VoIP providers under Code of Federal Regulations, title 47, part 9. A VoIP provider is
2.15 entitled to the benefit of the limitation of liability provisions of section 403.07, subdivision
2.16 5. Beginning June 1, 2017, and continuing each June 1 thereafter, each VoIP provider shall
2.17 file a plan with the commission describing how it will comply with the requirements of this
2.18 paragraph. After its initial filing under this paragraph, a VoIP provider shall file with the
2.19 commission either an update of the plan or a statement certifying that the plan and personnel
2.20 contact information previously filed is still current.

2.21 Subd. 3. Relation to other law. Nothing in this section restricts, creates, expands, or
2.22 otherwise affects or modifies:

2.23 (1) the commission's authority under the Federal Communications Act of 1934, United
2.24 States Code, title 47, sections 251 and 252;

2.25 (2) any applicable wholesale tariff or any commission authority related to wholesale
2.26 services;

2.27 (3) any commission jurisdiction over (i) intrastate switched access rates, terms, and
2.28 conditions, including the implementation of federal law with respect to intercarrier
2.29 compensation, or (ii) existing commission authority to address or affect the resolution of
2.30 disputes regarding intercarrier compensation;

2.31 (4) the rights of any entity, or the authority of the commission and local government
2.32 authorities, with respect to the use and regulation of public rights-of-way under sections
2.33 237.162 and 237.163;

3.1 (5) the establishment or enforcement of standards, requirements or procedures in
3.2 procurement policies, internal operational policies, or work rules of any state agency or
3.3 political subdivision of the state relating to the protection of intellectual property; or

3.4 (6) the authority of the attorney general to apply and enforce chapters 325C to 325G,
3.5 325K to 325M, and other laws of general applicability governing consumer protection and
3.6 trade practices.

3.7 Subd. 4. **Exemption.** The following services delivered by IP-enabled service are not
3.8 regulated under this chapter:

3.9 (1) video services provided by a cable communications system, as defined in section
3.10 238.02, subdivision 3;

3.11 (2) cable service, as defined in United States Code, title 47, section 522, clause (6); or

3.12 (3) any other IP-enabled video service.

3.13 Subd. 5. **Preservation of existing landline telephone service.** Nothing in this section
3.14 restricts, creates, expands, or otherwise affects or modifies the obligations of a telephone
3.15 company under this chapter to offer landline telephone service that is not Voice-over-Internet
3.16 protocol service.