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HB 6401
An Act Concerning Video and Cable providers

Testimony By:
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Good afternoon my name is David Lamendola. I am the Director of Government Affairs for Verizon, and cover both Connecticut and New York state governments. Verizon in Connecticut enjoys a large customer base for its wireless services though has a very small foot print for traditional landline phone service limited to the city of Greenwich. In Greenwich, we are a nascent cable provider, having only recently provided video service.

On behalf of Verizon, I would like to express our support for HB 6401 “An Act Concerning Video and Cable providers” and to thank the committee for addressing this legislation at today’s public hearing. We would, however, suggest the committee review the definition section of the proposal so that new technologies developed down the road also benefit from this proposal. I have attached suggested amendments to this proposal for consideration.

The proposal is drafted to ensure that Voice Over Internet Protocol or “VoIP” services remain free of legacy regulatory burdens. The legislation does not deregulate telecommunications service providers as some opponents of the bill have suggested. The Public Utility Regulatory Authority will retain its current statutory role of regulating the provision of telecommunications in the state in a manner designed to foster competition and protect the public interest. In addition, the legislation expressly provides that the State’s generally applicable consumer protection laws, which include the Connecticut Unfair Trade Practices Act (Conn. Gen. Stat. Chapter 735a, Sections 42-110a, et seq.), will continue to apply, as they do to other services offered in the state. In addition, existing social programs and services will remain in place. Specifically, the Lifeline

assistance program, relay services for the hearing and speech impaired, and E-911 services are not affected by this bill.

VoIP is a technology application that uses a broadband Internet connection to transmit voice telecommunications over the Internet. The rates, terms and conditions of VoIP service, which has been offered in Connecticut since the early 2000's, are not currently regulated by the Authority. VoIP service is not basic telephone service. It is an optional service that a customer may choose to purchase as an alternative to basic telephone service. Through VoIP, customers enjoy an array of advanced features that are not available with traditional phone service like Caller ID on the TV, Simultaneous Ring, and Do Not Disturb. Another practical example would be when members of the legislature need to move their district office and are required to change telephone numbers since they moved beyond the current rate center. With VoIP service, the members will be able to keep the district telephone number constituents have been calling for years regardless of where the member relocated the district office.

This proposal will also bring benefits to customers both today and in the future. Some of the most exciting Internet developments for consumers come from products and services that move beyond basic voice to put consumers in charge of their own communications experience and open the door for an entirely new genre of communications products, services, and applications. By integrating voice with the Internet, voice has become just another application riding on data networks. VoIP providers have integrated voice, video, and chat into web sites, social networking communities, instant messaging software, blogs, mapping programs, voice recognition programs, and is likely to be used in the future in ways we can't even imagine today. Connecticut must plan for that future and adoption of this language is a great first step. This is why including "IP-enabled" is an essential change needed to this proposal.

The legislation will enable a consistent and predictable policy framework and thus foster VoIP innovation to grow in Connecticut. A good number of states are ahead of Connecticut in the deployment of new technologies, job creation and economic investment by exempting VoIP from state regulation. For example, Alabama, California, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, New Jersey, Ohio, Pennsylvania, Rhode Island, Tennessee, Texas, Virginia, Wisconsin and the District of Columbia have enacted similar bills. **It is important to note that California was the most recent state to act on VoIP and used a definition that included "IP-enabled" services.**

Verizon is pleased to support the legislation, and respectfully suggests including "IP-enabled services" so there is a level playing field among providers. Thank you again for addressing this issue, and please don't hesitate to contact me with any comments or questions.

Proposed Amendments to CT VoIP Bill to Include IP-enabled Language:

NOTE: **YELLOW** TEXT IS NEW

322 Sec. 7. (NEW) (Effective July 1, 2012) (a) For the purposes of chapter
323 283 of the general statutes, "interconnected voice over Internet protocol
324 service" or "interconnected VoIP service" means any service that: (1)
325 Enables real-time, two-way voice communications that originate or
326 terminate from the user's location using Internet protocol or a
327 successor protocol; (2) uses a broadband connection from the user's
328 location; and (3) permits users generally to receive calls that originate
329 on the public-switched telephone network and to terminate calls to the
330 public-switched telephone network. **"Internet Protocol-enabled service" or**

**"IP-enabled service" means, except as provided in the definition of "interconnected
VoIP service," 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.**

331 (b) Except as set forth in subsections (c) to (e), inclusive, of this
332 section, and notwithstanding any provision of the general statutes or
333 any special act, no department, authority, agency, commission or
334 political subdivision of the state shall enact, adopt or enforce, either
335 directly or indirectly, any law, rule, regulation, ordinance, standard,
336 order or other provision having the force or effect of law that regulates
337 or has the effect of regulating, the entry, rates, terms or conditions of
338 interconnected VoIP service **or IP-enabled service.**

339 (c) Subsection (b) of this section shall not be construed to affect the
340 authority of the Attorney General to apply and enforce the Connecticut
341 Unfair Trade Practices Act, sections 42-110a to 42-110q, inclusive, of
342 the general statutes, or other consumer protection laws of general
343 applicability.

344 (d) Subsection (b) of this section shall not be construed to affect,
345 mandate or prohibit the assessment of enhanced 9-1-1 fees,
346 telecommunications relay service fees or lifeline service fees on VoIP services,
and
347 nothing in subsection (b) of this section shall affect the authority of the
348 Public Utilities Regulatory Authority pursuant to subsection (a) of
349 section 16-247e of the general statutes.

350 (e) Subsection (b) of this section shall not be construed to (1) modify
351 or affect the rights, obligations or authority of any entity, including,
352 but not limited to, the authority, to act pursuant to, or enforce the
353 provisions of 47 USC 251, 47 USC 252, any applicable tariff, or any
354 state law, rule, regulation or order related to wholesale rights, duties
355 and obligations, including the rights, duties, and obligations of local
356 exchange carriers to interconnect and exchange voice traffic; (2) modify
357 or affect the power of the authority to implement, carry out, and
358 enforce such provisions, rights, duties, obligations or tariff through
359 arbitration proceedings or other available mechanisms and
360 procedures; ~~or~~ (3) affect the payment of switched network access rates
361 or other intercarrier compensation rates, as applicable; or (4) modify or affect
any obligation for the provision of video or cable service by any entity under applicable
law.