

Senate Bill No. 112–Committee on
Commerce, Labor and Energy

CHAPTER.....

AN ACT relating to telecommunications; authorizing, rather than requiring, the Public Utilities Commission of Nevada to establish certain standards of performance for and the imposition of penalties against a telecommunication provider; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law requires the Public Utilities Commission of Nevada to adopt regulations which establish: (1) standards of performance and reporting requirements regarding the provision of interconnection, unbundled network elements and resold services to encourage competition and discourage discriminatory conduct in the provision of local telecommunication services; and (2) penalties and expedited procedures for imposing those penalties upon a telecommunication provider for actions that are inconsistent with the standards of performance. (NRS 704.6881) Pursuant to that requirement, the Commission has adopted regulations setting forth the standards of performance and penalties for nonrural incumbent local exchange carriers. (NAC 704.6803-704.680315) **Section 2.5** of this bill amends existing law to make the adoption of those regulations discretionary rather than mandatory.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Sections 1 and 2. (Deleted by amendment.)

Sec. 2.5. NRS 704.6881 is hereby amended to read as follows:
704.6881 The Commission ~~shall,~~ *may*, by regulation:

1. Establish standards of performance and reporting regarding the provision of interconnection, unbundled network elements and resold services, which encourage competition and discourage discriminatory conduct in the provision of local telecommunication services; and

2. Notwithstanding the provisions of NRS 703.320 to the contrary, establish penalties and expedited procedures for imposing penalties upon a telecommunication provider for actions that are inconsistent with the standards established by the Commission pursuant to subsection 1 ~~H~~, *if any*. Such penalties may include financial payment to the complaining telecommunication provider for a violation of the standards established by the Commission pursuant to subsection 1, *if any*, provided that any penalty paid must be deducted, with interest, from any other award under any other



judicial or administrative procedure for the same conduct in the same reporting period. Any penalty imposed pursuant to this subsection is in lieu of the administrative fine set forth in NRS 703.380 and must be:

(a) Imposed for violating a standard or standards established by regulations of the Commission pursuant to subsection 1;

(b) Determined by the Commission to further the goal of encouraging competition or discouraging discriminatory conduct; and

(c) In an amount reasonable to encourage competition or discourage discriminatory conduct.

Sec. 3. (Deleted by amendment.)

Sec. 4. NRS 704.6884 is hereby amended to read as follows:

704.6884 The provisions of NRS 704.6881 to 704.6884, inclusive, must not be construed to exempt telecommunication providers from any other applicable statute of this State or the United States relating to consumer and antitrust protections. The exemption provided in paragraph (c) of subsection 3 of NRS 598A.040 does not apply to conduct of, or actions taken by, a telecommunication provider in violation of the standards established pursuant to subsection 1 of NRS 704.6881 **H**, *if any*.

Secs. 5-7. (Deleted by amendment.)

Sec. 8. This act becomes effective on July 1, 2015.

