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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 3679

- 02/13/2024 Authored by Kraft
- 02/22/2024 The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
- 03/04/2024 Adoption of Report: Amended and re-referred to the Committee on State and Local Government Finance and Policy
- 03/04/2024 Adoption of Report: Re-referred to the Committee on Commerce Finance and Policy

1.1 A bill for an act

1.2 relating to telecommunications; adding certain prohibited practices; providing for

1.3 a missed repair appointments credit; modifying provisions governing municipal

1.4 and local telecommunications service; amending Minnesota Statutes 2022, sections

1.5 237.121; 237.19; 429.021, subdivision 1; proposing coding for new law in

1.6 Minnesota Statutes, chapter 237.

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

1.8 Section 1. Minnesota Statutes 2022, section 237.121, is amended to read:

1.9 **237.121 PROHIBITED PRACTICES.**

1.10 (a) A telephone company or telecommunications carrier may not do any of the following

1.11 with respect to services regulated by the commission:

1.12 (1) upon request, fail to disclose in a timely and uniform manner information necessary

1.13 for the design of equipment and services that will meet the specifications for interconnection;

1.14 (2) intentionally impair the speed, quality, or efficiency of services, products, or facilities

1.15 offered to a consumer under a tariff, contract, or price list;

1.16 (3) fail to provide a service, product, or facility to a consumer other than a telephone

1.17 company or telecommunications carrier in accordance with its applicable tariffs, price lists,

1.18 or contracts and with the commission's rules and orders;

1.19 (4) refuse to provide a service, product, or facility to a telephone company or

1.20 telecommunications carrier in accordance with its applicable tariffs, price lists, or contracts

1.21 and with the commission's rules and orders;

1.22 (5) impose unreasonable or discriminatory restrictions on the resale of its services,

1.23 provided that:

2.1 (i) it may require that residential service may not be resold as a different class of service;
2.2 and

2.3 (ii) the commission may prohibit resale of services it has approved for provision for
2.4 not-for-profit entities at rates less than those offered to the general public; ~~or~~

2.5 (6) provide telephone service to a person acting as a telephone company or
2.6 telecommunications carrier if the commission has ordered the telephone company or
2.7 telecommunications carrier to discontinue service to that person; or

2.8 (7) upon cancellation of a service, refuse to provide a prorated refund of payment made
2.9 in advance by a customer.

2.10 (b) A telephone company or telecommunications carrier may not violate a provision of
2.11 sections 325F.692 and 325F.693, with regard to any of the services provided by the company
2.12 or carrier.

2.13 Sec. 2. **[237.185] MISSED REPAIR APPOINTMENTS; CREDIT.**

2.14 Subdivision 1. Credit required; limitation; exception. (a) A local exchange carrier
2.15 that schedules a repair appointment with a customer for any service, either to provide the
2.16 service directly or by contracting with a third party, must provide an immediate \$25 credit
2.17 to the customer if a repair technician fails to appear at the scheduled appointment time and
2.18 at the location where the repair is required. A customer is not required to request the
2.19 immediate credit.

2.20 (b) The immediate credit under paragraph (a) applies only if the customer, prior to the
2.21 scheduled repair appointment, provides notice to the local exchange carrier that the customer's
2.22 compromised health requires continued access to emergency services. The customer is not
2.23 required to provide the local exchange carrier with medical documentation when providing
2.24 notice under this paragraph.

2.25 (c) The local exchange carrier is not required to provide an immediate credit if the local
2.26 exchange carrier (1) notifies the customer that a change in scheduling is necessary, and (2)
2.27 provides the notice to the customer at least 24 hours before the scheduled appointment.

2.28 Subd. 2. Notice. (a) A local exchange carrier must notify the local exchange carrier's
2.29 customers (1) of the right to an immediate credit for a missed repair appointment, and (2)
2.30 that a health notice from the customer must be on file in order for the customer to obtain
2.31 the immediate credit.

3.1 (b) The notice must be given to a new customer within 45 days of the date that service
3.2 to the customer is commenced and at least annually thereafter. The notice must be provided
3.3 in a writing labeled "NOTICE OF RIGHT TO IMMEDIATE CREDIT FOR MISSED
3.4 REPAIR APPOINTMENTS FOR CERTAIN HEALTH COMPROMISED CUSTOMERS."
3.5 The notification must be printed in a sufficient size so that it is clearly legible.

3.6 Sec. 3. Minnesota Statutes 2022, section 237.19, is amended to read:

3.7 **237.19 MUNICIPAL TELECOMMUNICATIONS SERVICES.**

3.8 Any municipality shall have the right to own and operate a telephone exchange within
3.9 its own borders, subject to the provisions of this chapter. It may construct such plant, or
3.10 purchase an existing plant by agreement with the owner, or where it cannot agree with the
3.11 owner on price, it may acquire an existing plant by condemnation, ~~as hereinafter provided,~~
3.12 ~~but in no case shall a municipality construct or purchase such a plant or proceed to acquire~~
3.13 ~~an existing plant by condemnation until such action by it is authorized by a majority of the~~
3.14 ~~electors voting upon the proposition at a general election or a special election called for that~~
3.15 ~~purpose, and if the proposal is to construct a new exchange where an exchange already~~
3.16 ~~exists, it shall not be authorized to do so unless 65 percent of those voting thereon vote in~~
3.17 ~~favor of the undertaking.~~ A municipality that owns and operates a telephone exchange may
3.18 enter into a joint venture as a partner or shareholder with a telecommunications organization
3.19 to provide telecommunications services within its service area.

3.20 Sec. 4. Minnesota Statutes 2022, section 429.021, subdivision 1, is amended to read:

3.21 Subdivision 1. **Improvements authorized.** The council of a municipality shall have
3.22 power to make the following improvements:

3.23 (1) To acquire, open, and widen any street, and to improve the same by constructing,
3.24 reconstructing, and maintaining sidewalks, pavement, gutters, curbs, and vehicle parking
3.25 strips of any material, or by grading, graveling, oiling, or otherwise improving the same,
3.26 including the beautification thereof and including storm sewers or other street drainage and
3.27 connections from sewer, water, or similar mains to curb lines.

3.28 (2) To acquire, develop, construct, reconstruct, extend, and maintain storm and sanitary
3.29 sewers and systems, including outlets, holding areas and ponds, treatment plants, pumps,
3.30 lift stations, service connections, and other appurtenances of a sewer system, within and
3.31 without the corporate limits.

3.32 (3) To construct, reconstruct, extend, and maintain steam heating mains.

4.1 (4) To install, replace, extend, and maintain street lights and street lighting systems and
4.2 special lighting systems.

4.3 (5) To acquire, improve, construct, reconstruct, extend, and maintain water works systems,
4.4 including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks,
4.5 treatment plants, and other appurtenances of a water works system, within and without the
4.6 corporate limits.

4.7 (6) To acquire, improve and equip parks, open space areas, playgrounds, and recreational
4.8 facilities within or without the corporate limits.

4.9 (7) To plant trees on streets and provide for their trimming, care, and removal.

4.10 (8) To abate nuisances and to drain swamps, marshes, and ponds on public or private
4.11 property and to fill the same.

4.12 (9) To construct, reconstruct, extend, and maintain dikes and other flood control works.

4.13 (10) To construct, reconstruct, extend, and maintain retaining walls and area walls.

4.14 (11) To acquire, construct, reconstruct, improve, alter, extend, operate, maintain, and
4.15 promote a pedestrian skyway system. Such improvement may be made upon a petition
4.16 pursuant to section 429.031, subdivision 3.

4.17 (12) To acquire, construct, reconstruct, extend, operate, maintain, and promote
4.18 underground pedestrian concourses.

4.19 (13) To acquire, construct, improve, alter, extend, operate, maintain, and promote public
4.20 malls, plazas or courtyards.

4.21 (14) To construct, reconstruct, extend, and maintain district heating systems.

4.22 (15) To construct, reconstruct, alter, extend, operate, maintain, and promote fire protection
4.23 systems in existing buildings, but only upon a petition pursuant to section 429.031,
4.24 subdivision 3.

4.25 (16) To acquire, construct, reconstruct, improve, alter, extend, and maintain highway
4.26 sound barriers.

4.27 (17) To improve, construct, reconstruct, extend, and maintain gas and electric distribution
4.28 facilities owned by a municipal gas or electric utility.

4.29 (18) To purchase, install, and maintain signs, posts, and other markers for addressing
4.30 related to the operation of enhanced 911 telephone service.

5.1 (19) To improve, construct, extend, and maintain facilities for Internet access and other
5.2 communications purposes, ~~if the council finds that:~~ provided that the municipality must:

5.3 ~~(i) the facilities are necessary to make available Internet access or other communications~~
5.4 ~~services that are not and will not be available through other providers or the private market~~
5.5 ~~in the reasonably foreseeable future; and~~

5.6 ~~(ii) the service to be provided by the facilities will not compete with service provided~~
5.7 ~~by private entities.~~

5.8 (i) not discriminate in favor of the municipality's own communications facilities by
5.9 granting the municipality more favorable or less burdensome terms and conditions than a
5.10 competitive service provider with respect to: (A) access and use of public rights-of-way;
5.11 (B) access and use of municipally owned or controlled conduit, towers, and utility poles;
5.12 and (C) permitting fees charged to access municipally owned and managed facilities;

5.13 (ii) maintain separation between the municipality's role as a regulator over firms that
5.14 offer services in competition with the services offered by the municipality over the
5.15 municipality's communications service facilities, and the municipality's role as a competitive
5.16 provider of services over the municipality's communications service facilities; and

5.17 (iii) not share inside information between employees or contractors responsible for
5.18 executing the municipality's role as a regulator over firms that offer communications services
5.19 in competition with the communication services offered by the municipality, and employees
5.20 or contractors responsible for executing the municipality's role as a competitive
5.21 communications services provider.

5.22 (20) To assess affected property owners for all or a portion of the costs agreed to with
5.23 an electric utility, telecommunications carrier, or cable system operator to bury or alter a
5.24 new or existing distribution system within the public right-of-way that exceeds the utility's
5.25 design and construction standards, or those set by law, tariff, or franchise, but only upon
5.26 petition under section 429.031, subdivision 3.

5.27 (21) To assess affected property owners for repayment of voluntary energy improvement
5.28 financings under section 216C.436, subdivision 7, or 216C.437, subdivision 28.

5.29 (22) To construct, reconstruct, alter, extend, operate, maintain, and promote energy
5.30 improvement projects in existing buildings, provided that:

5.31 (i) a petition for the improvement is made by a property owner under section 429.031,
5.32 subdivision 3;

5.33 (ii) the municipality funds and administers the energy improvement project;

- 6.1 (iii) project funds are only used for the installation of improvements to heating,
6.2 ventilation, and air conditioning equipment and building envelope and for the installation
6.3 of renewable energy systems;
- 6.4 (iv) each property owner petitioning for the improvement receives notice that free or
6.5 low-cost energy improvements may be available under federal, state, or utility programs;
- 6.6 (v) for energy improvement projects on residential property, only residential property
6.7 having five or more units may obtain financing for projects under this clause; and
- 6.8 (vi) prior to financing an energy improvement project or imposing an assessment for a
6.9 project, written notice is provided to the mortgage lender of any mortgage encumbering or
6.10 otherwise secured by the property proposed to be improved.