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REPRESENTATIVE JIM ELKINS

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Elkins Introduces Legislation to Reduce In-State Long Distance Phone Rates

(JUNEAU) - Representative Jim Elkins (R-Ketchikan) introduced House Bill 221, legislation to reduce in-state long distance telephone rates.

In December 2004, the Regulatory Commission of Alaska (RCA) adopted regulations that will shift network access fees from the long distance carrier to the ratepayer. On April 1, 2005, each telephone user in the state will start being charged \$1.50 per month for each telephone line. The RCA estimates that this new "Network Access Fee" will generate \$8 million annually. In addition, in April 2007, the fee will increase to \$3.00 per line at an estimated \$16 million annually.

"I find the new regulations completely unacceptable," stated Representative Elkins. "I don't understand the Commission's thinking on this matter. They originally required that any reductions in access charges enjoyed by the long distance carriers as a result of new access fees would flow through to customers in the form of long distance rate reductions. The new regulations affects almost everyone in the state especially those in the rural areas. The RCA has failed to consider the impact on end-users by the new mandated cost-shifting regulations."

Representative Elkins went on to say, "HB-221 will fix this situation by requiring the long distance carriers to provide a reduction in long distance rates to all classes of consumers to offset access fees being paid by consumers."

The bill has been referred to the House Community & Regional Affairs, Labor & Commerce and Finance Committees.

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