EXHIBIT 4
DATE 1-17-07
HB HB244

TESTIMONY IN SUPPORT OF HB 244

Allowing regulated telephone companies to offer promotions of any kind without advance PSC approval

Greg Jergeson
Chairman, Montana PSC
January 17, 2007

Mr. Chairman and Members of the Committee,

The Public Service Commission drafted HB 244 to make good on a statement the PSC has consistently made when testifying against Qwest's telephone deregulation bills in this session and in the past few legislative sessions. While the PSC opposes the deregulation that would occur under Qwest's bills, the PSC has testified that it does not object to amending Section 69-3-305 to allow regulated telephone companies to offer promotions of any kind without advance PSC approval. HB 244 accomplishes that objective, while retaining important protections for consumers and other phone companies.

Under current law, if a telephone promotion involves the basic local access line, an application for the promotion must be submitted to the PSC and the PSC must approve or deny it within 30 days. (Promotions that involve regulated services other than the local access line, such as a promotion that offers a discounted price on Caller ID or call forwarding, may be offered without obtaining PSC approval.) Under HB 244, a regulated telephone company may offer any kind of promotion without first getting PSC approval.

HB 244 retains the section [69-3-305(c)] that provides the PSC may define the appropriate scope of promotions and determine whether a particular sales activity is unfairly discriminatory. And existing provisions in 69-3-811 continue to require that telecom services be priced above relevant costs and authorize the PSC to investigate complaints and initiate investigations to determine if services are priced above cost and consider complaints that a promotional practice violates any provision of the chapter.

The PSC recommends a DO PASS on HB 244.