

Legislative Analysis



RESTRICT TELECOM ANTITRUST EXEMPTION

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House Bill 6050

Sponsor: Rep. Joseph Rivet

Committee: Energy and Technology

Complete to 6-28-04

A SUMMARY OF HOUSE BILL 6050 AS INTRODUCED 6-24-04

The bill would amend the Michigan Telecommunications Act to specify that a transaction or conduct involving telecommunication services offered by a telecommunications provider is not exempt from the Michigan Antitrust Reform Act unless the transaction or conduct is specifically required by an order of the Public Service Commission (PSC).

The bill is tie-barred to House Bill 4595, which as introduced would amend the Michigan Antitrust Reform Act (MCL 445.775) so that certain current exemptions from the act would no longer apply to the provision of telecommunication services.

MCL 484.2508

FISCAL IMPACT:

The fiscal impact of this bill is predicated on the belief that moving from a regulated public utility monopoly structure to a competitive multiple provider telecommunications market may require antitrust protection, and that antitrust laws protect economic freedom and opportunity by promoting competition in the market place, and that competition benefits consumers through lower prices. If all of these beliefs hold true, there may be an indeterminate positive fiscal impact to State and local units of government through lower telecommunication costs.

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