

109TH CONGRESS
1ST SESSION

H. R. 2726

To prohibit municipal governments from offering telecommunications, information, or cable services except to remedy market failures by private enterprise to provide such services.

IN THE HOUSE OF REPRESENTATIVES

MAY 26, 2005

Mr. SESSIONS introduced the following bill; which was referred to the
Committee on Energy and Commerce

A BILL

To prohibit municipal governments from offering telecommunications, information, or cable services except to remedy market failures by private enterprise to provide such services.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Preserving Innovation
5 in Telecom Act of 2005”.

1 **SEC. 2. PROHIBITION ON MUNICIPAL SERVICES.**

2 (a) AMENDMENT.—Section 253 of the Communica-
3 tions Act of 1934 (47 U.S.C. 253) is amended by adding
4 at the end the following new subsection:

5 “(g) PROVISION OF SERVICES BY STATE AND LOCAL
6 GOVERNMENTS AND THEIR AFFILIATES.—

7 “(1) PROHIBITION.—Effective 60 days after the
8 date of enactment of the Preserving Innovation in
9 Telecom Act of 2005, neither any State or local gov-
10 ernment, nor any entity affiliated with such a gov-
11 ernment, shall provide any telecommunications, tele-
12 communications service, information service, or cable
13 service in any geographic area within the jurisdiction
14 of such government in which a corporation or other
15 private entity that is not affiliated with any State or
16 local government is offering a substantially similar
17 service.

18 “(2) GRANDFATHER PROVISION.—Paragraph
19 (1) shall not prohibit a State or local government or
20 affiliated entity thereof from providing in any geo-
21 graphic area within the jurisdiction of such govern-
22 ment any service that such government or entity was
23 providing on the date of enactment of the Preserving
24 Innovation in Telecom Act of 2005.”.

1 (b) CONFORMING AMENDMENT.—Subsection (f) of
2 section 621 of the Communications Act of 1934 (47
3 U.S.C. 541(f)) is repealed.

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