

Economic Impact Statement

LSA Document #06-45

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

Based on Indiana Utility Regulatory Commission records, it is estimated that no more than 62 small businesses in the telecommunications industry could be affected by this rule, and many local exchange carriers may not be affected at all by this rule. The information to be provided under this rule is readily accessible to the affected public utilities and is only required under specific special circumstances. The cost of providing the information would only occur in the specified limited circumstances and is minimal. In addition, in the past three years, over \$1.3 million was owed to local exchange carriers by other local exchange carriers that were subject to disconnection. By setting out defined procedures with more reasonable time deadlines, this rule would save the disconnecting local exchange carriers valuable time and money, thereby reducing whatever minimal fiscal impact may result from this rule. In addition, this rule provides protection to consumers by requiring adequate notice to minimize service disruptions and loss of essential telecommunications services such as emergency 911 assistance, which could occur as a result of a local exchange carrier no longer being able to provide service.

No less intrusive or less costly alternative would achieve the purpose of this proposed rule. As this rule imposes minimum notice requirements, the only less intrusive or less costly method would be no notice requirements at all, which would not achieve the purpose of this rule. There are no less stringent compliance or reporting requirements and no less stringent schedules or deadlines that would achieve the purpose of this rule. The compliance or reporting requirements have already been consolidated and are simplified by this rule. No design, operational, or performance standards are imposed by this rule. Considering it could be argued that small businesses may be more likely to incur one or more of the circumstances specified in this rule, exemption of small businesses from the requirements of this rule could prevent the achievement of the purpose of the rule.

Posted: 07/26/2006 by Legislative Services Agency

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