

STATE OF ILLINOIS
OFFICE OF THE GOVERNOR
SPRINGFIELD, 62706GEORGE H. RYAN
GOVERNOR

June 28, 2001

To the Honorable Members of the
Illinois House of Representatives
92nd General Assembly

I am please to sign House Bill 2900, a measure which returns the State of Illinois to the forefront of cutting edge regulation of telecommunications technology. Because so many changes have swept the marketplace since Illinois' last landmark effort, the importance of the General Assembly's efforts, and those of industry and consumer organizations, cannot be overstated.

House Bill 2900 makes broad changes in how Illinois will govern the rapidly changing telecommunications marketplace. House and Senate committee members assigned to produce a comprehensive telecommunications rewrite put in untold hours fo work and negotiation and should be congratulated for their efforts.

The policy goals of the legislation are clear:

1. to ensure the widest availability of telecommunications services at a reasonable cost for residential users;
2. to encourage competition in the residential market, and to declare the business market competitive;
3. to help bridge the digital divide;
4. to spur substantial investment in telecommunications infrastructure in Illinois.

House Bill 2900 contains numerous pro-consumer provisions, which include:

1. enhancements in the ability to oversee and address abuses of slamming, jamming and cramming violations;
2. new service quality standards that all telecommunications companies must abide by;
3. significantly increased enforcement and penalty powers given to the Illinois Commerce Commission;
4. required deployment of advanced telecommunications services on a gradual yet consistent basis throughout Illinois;
5. new provisions which will further enhance the competitive activity in the residential markets.

To be frank, unless this last goal is achieved, the others will wither. If we can achieve the greatest possible telecom investment in Illinois, our residential consumer will be well served and Illinois will be an attractive place for businesses to locate and expand. Substantial telecom investment will mean jobs for Illinoisans in a fast growing industry.

Some have expressed fears that House Bill 2900 may encourage new telecom operations to simply buy technology and services from existing companies and resell them, without making their own investments in technology and jobs in our State. I believe the Illinois Commerce Commission should be vigilant in its enforcement of the Act to ensure substantial investment by all telecommunication companies desiring to do business in our State. If entering companies are led to believe that they can prosper simply by "picking off" prime services from other carriers, perhaps at or below cost, then Illinois will have deprived itself of rational telecom regulation and discouraged, rather than encouraged,

investment in technology and jobs in this State.

I chose to sign House Bill 2900 in Humboldt Park, which is one of six Illinois Workforce Advantage communities. In these IWA communities, the State coordinates our financial and organizational efforts to make measurable, positive changes in the lives of the people in these communities.

Casa Central, the location for the bill signing, is an active member of the Humboldt Park Empowerment Partnership, and will be receiving a State of Illinois "Eliminate the Digital Divide" grant of \$49,824 to replace obsolete equipment that it now uses in its technology center. One of the most important parts of House Bill 2900 is an additional \$30 million, available for future digital divide grants that can help people throughout the State and at programs like Casa Central.

I believe that House Bill 2900 represents an extremely positive step forward. As the telecommunications industry continues to evolve, I would urge both the General Assembly and the Illinois Commerce Commission to carefully monitor implementation of this Act. The ICC and GA should also monitor Federal action coming from either Congress or the Federal Communications Commission.

The complex goal of House Bill 2900 is to simultaneously encourage competition in both the business and residential markets, while continuing to protect consumers in cases where the market still may not be mature or functioning properly. I hope to see continued investments, in both new and existing technologies that will improve the telecommunications infrastructure in Illinois.

House Bill 2900 also attempts to not get in the way of new technologies that could emerge in the years ahead. The sponsors of the bill wisely set a short sunset date for the new act of July 1, 2005, as I am certain this field will continue to undergo rapid changes that necessitate further revisions in how telecommunications are regulated. To adequately implement this new law, careful attention must be paid to the real world impact on all parties, including residential consumers, businesses (large and small), and the telecommunications companies that ultimately must respond in the appropriate manner to keep Illinois on the cutting edge of state telecommunications regulations.

I strongly urge all of the organizations that had some stake in crafting this bill to pull together and make this work for all of the citizens in Illinois. As with all complex, multi-party negotiations, no side got everything it wanted but the combined result should serve the people of Illinois well in the four years until the process of reviewing our laws starts again.

All in all, this legislation is a significant achievement. It is the nation's most important advance in telecom regulation for the 21st century and I am pleased to sign it.

With these comments I have approved House Bill 2900.

Sincerely,
s/GEORGE H. RYAN
Governor