

## **BILL ANALYSIS**

Senate Research Center

S.B. 1915  
By: Sibley  
Economic Development  
4-10-97  
As Filed

### **DIGEST**

Currently, there is a discrepancy between the treatment of rural telephone companies under the Public Utility Regulatory Act of 1995 and the Federal Telecommunications Act of 1996. This discrepancy may lead to disputes regarding treatment of rural telephone companies as the industry becomes more competitive. This bill seeks to conform the state and federal laws to treat rural telephone companies the same under both laws. Additionally, this bill grants the Public Utility Commission a waiver for the repayment of equipment costs associated with implementing an electronic access system which was established in the General Appropriations Act of the 74th Legislature.

### **PURPOSE**

As proposed, S.B. 1915 seeks to conform the state and federal laws to treat rural telephone companies the same under both laws. Additionally, this bill grants the Public Utility Commission a waiver for the repayment of equipment costs associated with implementing an electronic access system which was established in the General Appropriations Act of the 74th Legislature.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1.034 (Public Utility Regulatory Act of 1995), Article 1446c-0, V.T.C.S., to authorize the Public Utility Commission of Texas (commission) to establish a system to provide electronic access to information that is stored in computer banks. Sets forth the requirements of the system.

SECTION 2. Amends Section 3.002, Article 1446c-0, V.T.C.S., by adding Subdivision (13), to define "rural telephone company."

SECTION 3. Amends Section 3.213, Article 1446c-0, V.T.C.S., to entitle a rural telephone company to be treated as a small incumbent local exchange company described by Subsection (b) of this section, but only if the rural telephone company has fewer than 31,000 access lines in service in this state.

SECTION 4. Amends Title III E, Article 1446c-0, V.T.C.S., by adding Section 3.2133, as follows:

Sec. 3.2133. RURAL TELEPHONE COMPANIES. Requires the commission to apply to a rural telephone company, the duties, and the exemptions to and suspensions and modifications of the duties, provided by 47 U.S.C. Sections 251(a)-(c) and (f).

SECTION 5. Amends Section 3.608, Article 1446c-0, V.T.C.S., to require the commission to treat a rural telephone company, regardless of the number of access lines served by the company, in the same manner it treats an incumbent local exchange company serving fewer than 31,000 access lines in this state or a telephone cooperative corporation, for the purposes of applying rules and otherwise administering this section. Deletes the term "rural" to allow Universal Service Fund assistance to local exchange companies providing service in all high cost areas.

SECTION 6. Emergency clause.  
Effective date: upon passage.