

## **BILL ANALYSIS**

Senate Research Center  
84R7367 JXC-F

S.B. 804  
By: Seliger  
Natural Resources & Economic Development  
3/9/2015  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 583, passed by the 83rd Legislature, Regular Session, 2013, created a phase out of the support telecommunication providers receive from the Texas Universal Service Fund (TUSF) in certain exchanges. The first provision allowed competitive providers to continue receiving TUSF support for 24 months after deregulation by the incumbent provider. The second provision applied only to cooperatives and set a date certain of December 31, 2017.

S.B. 804 will change the first provision to allow those providers to receive USF support until the later of the 24-month anniversary as currently provided, or December 31, 2017.

As proposed, S.B. 804 amends current law relating to the period of eligibility for support from the universal service plan for certain providers.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 56.023(p), Utilities Code, as follows:

(p) Requires that, if an incumbent local exchange company or cooperative is ineligible for support under a plan established under Section 56.021(1) (relating to state assistance for telecommunications providers in rural areas) for services in an exchange, a plan established under Section 56.021(1) is prohibited from providing support to any other telecommunications providers for services in that exchange, except that an eligible telecommunications provider that is receiving support under Section 56.021(1)(A) (relating to the Texas High Cost Universal Service Plan) in that exchange shall continue to receive such support until the later of December 31, 2017, or the second anniversary of the date the incumbent local exchange provider or cooperative ceases receiving support in that exchange, rather than shall continue to receive such support for a 24-month period following the date the incumbent local exchange provider or cooperative ceases receiving support in that exchange. Requires that the support received by the eligible telecommunications provider during that period, rather than the 24-month period, be at the same monthly per line support level in effect for that exchange as of the date the incumbent local exchange provider or cooperative ceases receiving funding in that exchange.

SECTION 2. Effective date: upon passage or September 1, 2015.