

By: Capriglione

H.B. No. 3713

A BILL TO BE ENTITLED

AN ACT

relating of maintenance of rates and expansion of funds for certain companies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 56, Utilities Code, is amended to read as follows:

Sec. 56.025 MAINTENANCE OF RATES AND EXPANSION OF FUND FOR CERTAIN COMPANIES. (a) In addition to the authority provided by Section 56.021:

(1) for each local exchange company that serves fewer than 31,000 access lines and each cooperative, the commission may adopt a mechanism necessary to maintain reasonable rates for local exchange telephone service; and

(2) for each local exchange and each cooperative that serves 31,000 or fewer access lines and that on June 1, 2013, is not an electing company under Chapter 58 or 59, the commission shall adopt rules to expand the universal service fund in the circumstances prescribed by this section.

(b) The commission shall implement a mechanism through the universal service fund to replace the reasonably projected reduction in high cost assistance revenue caused by a commission order, rule, or policy. This subsection does not apply to an order entered in a proceeding related to an individual company's revenue requirements.

1 ~~[(c) The commission shall implement a mechanism to replace~~
2 ~~the reasonably projected change in revenue caused by a Federal~~
3 ~~Communications Commission order, rule, or policy that changes:~~

4 ~~(1) the federal universal service fund revenue of a~~
5 ~~local exchange company; or~~

6 ~~(2) costs or revenue assigned to the intrastate~~
7 ~~jurisdiction.]~~

8 (c) ~~[(d)]~~ The commission shall implement a mechanism to
9 replace the reasonably projected reduction in contribution caused
10 by a change of commission policy regarding intraLATA "1-plus"
11 dialing access. In this subsection, "contribution" means the
12 average intraLATA long distance message telecommunications service
13 revenue per minute, including intraLATA toll pooling and associated
14 impacts, less the average message telecommunications service cost
15 per minute less the average contribution from switched access
16 multiplied by the projected change in intraLATA "1-plus" minutes.

17 (d) ~~[(e)]~~ The commission shall implement a mechanism to
18 replace the reasonably projected increase in costs or decrease in
19 revenue of the intrastate jurisdiction caused by another
20 governmental agency's order, rule, or policy.

21 (e) ~~[(f)]~~ A mechanism implemented under Subsection (c),
22 (d) ~~[, or (e)]~~ must be through:

23 (1) an increase in rates, if the increase would not
24 adversely affect universal service; or

25 (2) the universal service fund.

26 (f) ~~[(g)]~~ Notwithstanding any other provision of this
27 section, after December 31, 2013, the commission may not distribute

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1 support granted under this section, including any support granted
2 before that date, to a local exchange company or cooperative that
3 serves greater than 31,000 access lines or that is an electing
4 company under Chapter 58 or 59 on June 1, 2013.

5 SECTION 2. This Act takes effect September 1, 2025.