

Amend **CSHB 789** by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill as appropriate:

SECTION \_\_\_\_\_. Subchapter B, Chapter 56, Utilities Code, is amended by adding Section 56.0211 to read as follows:

Sec. 56.0211. UNRECOVERED COSTS. The commission may make distributions from the universal service fund for a purpose described by Section 56.021 (1) only as necessary to compensate telecommunications providers for actual costs related to the provision of basic local telecommunications service that are unrecovered through revenues.