

1-1 By: Hegar S.B. No. 712  
1-2 (In the Senate - Filed February 15, 2011; February 23, 2011,  
1-3 read first time and referred to Committee on Business and Commerce;  
1-4 May 3, 2011, reported favorably by the following vote: Yeas 7,  
1-5 Nays 1; May 3, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the administration of the universal service fund.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Section 56.021, Utilities Code, is amended to  
1-11 read as follows:

1-12 Sec. 56.021. UNIVERSAL SERVICE FUND ESTABLISHED. The  
1-13 commission shall adopt and enforce rules requiring local exchange  
1-14 companies to establish a universal service fund to:

1-15 (1) assist telecommunications providers in providing  
1-16 basic local telecommunications service at reasonable rates in high  
1-17 cost rural areas under two plans:

1-18 (A) the Texas High Cost Universal Service Plan  
1-19 (16 T.A.C. Section 26.403); and

1-20 (B) the Small and Rural Incumbent Local Exchange  
1-21 Company Universal Service Plan (16 T.A.C. Section 26.404);

1-22 (2) reimburse the telecommunications carrier that  
1-23 provides the statewide telecommunications relay access service  
1-24 under Subchapter D;

1-25 (3) finance the specialized telecommunications  
1-26 assistance program established under Subchapter E;

1-27 (4) reimburse the department, the Texas Commission for  
1-28 the Deaf and Hard of Hearing, and the commission for costs incurred  
1-29 in implementing this chapter and Chapter 57;

1-30 (5) reimburse a telecommunications carrier providing  
1-31 lifeline service as provided by 47 C.F.R. Part 54, Subpart E, as  
1-32 amended;

1-33 (6) finance the implementation and administration of  
1-34 an integrated eligibility process created under Section 17.007 for  
1-35 customer service discounts relating to telecommunications  
1-36 services, including outreach expenses the commission determines  
1-37 are reasonable and necessary;

1-38 (7) reimburse a designated provider under Subchapter  
1-39 F;

1-40 (8) reimburse a successor utility under Subchapter G;

1-41 and

1-42 (9) finance the program established under Subchapter  
1-43 H.

1-44 SECTION 2. This Act takes effect immediately if it receives  
1-45 a vote of two-thirds of all the members elected to each house, as  
1-46 provided by Section 39, Article III, Texas Constitution. If this  
1-47 Act does not receive the vote necessary for immediate effect, this  
1-48 Act takes effect September 1, 2011.

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