

By: King of Hemphill, Keffer, et al.

H.B. No. 2835

Substitute the following for H.B. No. 2835:

By: Frullo

C.S.H.B. No. 2835

A BILL TO BE ENTITLED

AN ACT

relating to monthly support received from the universal service fund.

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

SECTION 1. Sections 56.032(b), (c), (d), (e), (f), and (h), Utilities Code, as added by Chapter 535 (H.B. 2603), Acts of the 82nd Legislature, Regular Session, 2011, are amended to read as follows:

(b) Except as provided by Subsections ~~[(e),]~~ (d) and ~~[(f),]~~ (e), ~~and (f),~~ the commission may revise the monthly support amounts to be made available from the Small and Rural Incumbent Local Exchange Company Universal Service Plan by any mechanism, including support reductions resulting from rate rebalancing approved by the commission, ~~[by revising the monthly per line support amounts,]~~ after notice and an opportunity for hearing. In determining appropriate monthly ~~[per line]~~ support amounts, the commission shall consider the adequacy of basic rates to support universal service.

(c) A ~~[On the written request of a small or rural incumbent local exchange]~~ company that receives frozen monthly ~~[per line]~~ support amounts as prescribed by a final order issued by the commission in the commission's Docket No. 39643 is entitled to continue to receive that monthly support until the support is revised under Subsection (b) ~~[, the commission shall disburse funds~~

1 ~~to the company in fixed monthly amounts based on the company's~~
2 ~~annualized amount of recovery for the calendar year ending on~~
3 ~~December 31, 2010. A company may submit only one request under this~~
4 ~~subsection and must submit the request on or before December 31,~~
5 ~~2011].~~

6 (d) For each ~~[On the written request of a]~~ small or rural
7 incumbent local exchange company that is not receiving frozen
8 support amounts as described by Subsection (c) and is not an
9 electing company under Chapter 58 or 59, the commission annually
10 shall set the company's monthly support amounts for the following
11 12 months by dividing by 12 the annualized support amount
12 calculated under this subsection. The commission shall calculate
13 the annualized amount:

14 (1) for the initial 12-month period for which a
15 company makes an election under this subsection, by~~+~~

16 ~~[(A)]~~ determining the annualized support amount
17 received by the company as of January 1, 2013 ~~[calculated for the~~
18 ~~requestor in the final order issued by the commission in Docket No.~~
19 ~~18516, and~~

20 ~~[(B) adjusting the support amount determined~~
21 ~~under Paragraph (A) at the beginning of each calendar year by a~~
22 ~~factor equal to the most recent consumer price index published at~~
23 ~~that time, beginning with the 1999 calendar year and ending in the~~
24 ~~year the company makes an election under this subsection]; and~~

25 (2) for ~~[the 12-month period following the initial~~
26 ~~period for which a company made an election under this subsection~~
27 ~~and for]~~ subsequent 12-month periods, by adjusting the most recent

1 annualized support amount calculated by the commission by a factor
2 equal to the percentage change in the consumer price index for the
3 most recent 12-month period.

4 (e) The ~~[If a company elects to receive monthly support~~
5 ~~amounts under Subsection (d), the]~~ commission, on its own motion or
6 on the written request of the company, may initiate a proceeding to
7 recalculate the most recent annualized support amount to be used as
8 the basis for adjustment for a subsequent 12-month period under
9 Subsection (d)(2). If, based on the recalculation, the commission
10 by order adjusts a company's most recent annualized support amount,
11 the adjusted support amount supersedes the annualized support
12 amount calculated in accordance with Subsection (d).

13 (f) ~~[The commission shall administratively review requests~~
14 ~~filed under Subsections (c) and (d).]~~ Except for good cause, the
15 commission shall establish monthly support amounts under
16 Subsection (d) ~~[approve the request]~~ not later than the 60th day
17 after the date the commission determines the company is eligible
18 ~~[and has met all the procedural requirements under this~~
19 ~~subchapter]~~.

20 (h) Subsections (a), (c), (d), (e), and (f) ~~[This section]~~
21 and any monthly support amount approved under those subsections
22 ~~[this section]~~ expire ~~[on]~~ September 1, 2015 ~~[2013]~~.

23 SECTION 2. Section 3, Chapter 535 (H.B. 2603), Acts of the
24 82nd Legislature, Regular Session, 2011, which amended Section
25 56.031, Utilities Code, is repealed.

26 SECTION 3. This Act takes effect August 31, 2013.