

By: Hilderbran

H.B. No. 3383

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the distribution of universal service funds to certain
3 small and rural local exchange companies.

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

5 SECTION 1. Section 56.031, Utilities Code, as effective
6 September 1, 2013, is amended to read as follows:

7 Sec. 56.031. ADJUSTMENTS: TEXAS HIGH COST UNIVERSAL SERVICE
8 PLAN. The commission may revise the monthly per line support
9 amounts to be made available from the Texas High Cost Universal
10 Service Plan [~~and from the Small and Rural Incumbent Local Exchange~~
11 ~~Company Universal Service Plan at any time after September 1,~~
12 ~~2007,~~] after notice and an opportunity for hearing. In determining
13 appropriate monthly per line support amounts, the commission shall
14 consider the adequacy of basic rates to support universal service.

15 SECTION 2. Sections 56.032(b), (c), (d), (e), (f), and (h),
16 Utilities Code, as added by Chapter 535 (H.B. 2603), Acts of the
17 82nd Legislature, Regular Session, 2011, are amended to read as
18 follows:

19 (b) Except as provided by Subsections [~~(c),~~] (d), (e), and
20 (f), the commission may revise the monthly support amounts to be
21 made available from the Small and Rural Incumbent Local Exchange
22 Company Universal Service Plan [~~by revising the monthly per line~~
23 ~~support amounts,~~] after notice and an opportunity for hearing. In
24 determining appropriate monthly [~~per line~~] support amounts, the

1 commission shall consider the adequacy of basic rates to support
2 universal service.

3 (c) A company receiving a fixed monthly support amount
4 prescribed in a final order issued by the commission in Docket No.
5 39643 shall continue to receive that fixed support amount until the
6 amount is revised under Subsection (b). [~~On the written request of~~
7 ~~a small or rural incumbent local exchange company that receives~~
8 ~~monthly per line support amounts, the commission shall disburse~~
9 ~~funds to the company in fixed monthly amounts based on the company's~~
10 ~~annualized amount of recovery for the calendar year ending on~~
11 ~~December 31, 2010. A company may submit only one request under this~~
12 ~~subsection and must submit the request on or before December 31,~~
13 ~~2011.~~]

14 (d) For each [~~On the written request of a~~] small or rural
15 incumbent local exchange company that is not an electing company
16 under Chapter 58 or 59, or receiving fixed support amounts
17 described by Subsection (c), the commission annually shall set the
18 company's monthly support amounts for the following 12 months by
19 dividing by 12 the annualized support amount calculated under this
20 subsection. The commission shall calculate the annualized amount:

21 (1) for the initial 12-month period for which a
22 company makes an election under this subsection, by[+]

23 [~~(A)~~] determining the annualized support amount
24 received by the company as of January 1, 2013 [~~calculated for the~~
25 ~~requestor in the final order issued by the commission in Docket No.~~
26 ~~18516, and~~

27 [~~(B)~~ adjusting the support amount determined

1 ~~under Paragraph (A) at the beginning of each calendar year by a~~
2 ~~factor equal to the most recent consumer price index published at~~
3 ~~that time, beginning with the 1999 calendar year and ending in the~~
4 ~~year the company makes an election under this subsection]; and~~

5 (2) for ~~[the 12-month period following the initial~~
6 ~~period for which a company made an election under this subsection~~
7 ~~and for]~~ subsequent 12-month periods, by adjusting the most recent
8 annualized support amount calculated by the commission by a factor
9 equal to the percentage change in the consumer price index for the
10 most recent 12-month period.

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

20 (f) ~~[The commission shall administratively review requests~~
21 ~~filed under Subsections (c) and (d).]~~ Except for good cause, the
22 commission shall set monthly support amounts under Subsection (d)
23 ~~[approve the request]~~ not later than the 60th day after the date the
24 commission determines the company is eligible ~~[and has met all the~~
25 ~~procedural requirements under this subchapter].~~

26 ~~[(h) This section and any monthly support amount approved~~
27 ~~under this section expire on September 1, 2013.]~~

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