

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 26, 2013

TO: Honorable Byron Cook, Chair, House Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2602 by Pickett (Relating to the regulation of certain telecommunications services markets and rates.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend the Utilities Code relating to the regulation of certain telecommunications services markets and rates. The bill would authorize a company that elected to be subject to incentive regulation under Chapter 58, Utilities Code, to opt out of incentive regulation if the company serves fewer than 500,000 access lines and if the company receives reduced Texas Universal Service Fund support for a reason other than line loss. The bill would also provide that the cap on rates for basic network services would not apply for a company that elects to be subject to incentive regulation under Chapter 58, Utilities Code, on or after September 1, 2013, if the company was subject to an infrastructure plan under Chapter 59, Utilities Code, for the four years prior to the company electing for incentive regulation.

Based on information provided by the Public Utility Commission, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 473 Public Utility Commission of Texas

LBB Staff: UP, AG, ED, KKR