

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 29, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB2835** by King, Ken (Relating to monthly support received from the universal service fund.), **Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Utilities Code to allow the Public Utility Commission (PUC) to revise the monthly universal service fund (USF) support amounts from the Small and Rural Incumbent Local Exchange Company Universal Service Plan by any mechanism, including rate rebalancing. The bill would maintain frozen monthly USF support amounts as determined in PUC Docket No. 39643 for companies already receiving frozen support until the amount is adjusted under Section 56.032(b), Utilities Code. For companies that do not receive frozen support under Docket No. 39643 and are not electing companies under Chapter 58 or 59 of the Utilities Code, the bill would authorize the PUC to determine a company's annualized USF support amount based on the annualized support amount received by the company as of January 1, 2013, adjusted annually relative to changes in the consumer price index.

Based on information provided by the PUC, 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