

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

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

**April 23, 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 charges to fund and monthly support received from the universal service fund; changing an assessment.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Utilities Code relating to charges to fund and monthly support received from the Universal Service Fund (USF). The bill would include Voice over Internet Protocol service providers in the USF assessment and would prohibit the assessment from being charged on lifeline service. The bill would require the Public Utility Commission (PUC) to calculate Texas High Cost Universal Service Plan support amounts for residential and business lines in each regulated exchange of an incumbent local exchange company based on the difference between forward-looking economic cost per line of provided basic local telecommunications service in that exchange and the statewide average revenue per line for that company. The bill would also authorize the PUC to administratively reduce certain telecommunication provider's per line support in an amount no more than the equivalent rate increase for residential service in the consumer price index not more than once in any 12-month period.

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:** 304 Comptroller of Public Accounts, 473 Public Utility Commission of Texas

**LBB Staff:** UP, AG, ED