LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 9, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3383 by Hilderbran (Relating to the distribution of universal service funds to certain small and rural local exchange companies.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Utilities Code relating to the distribution of universal service funds to certain small and rural local exchange companies. The bill would authorize a company receiving a fixed monthly support amount as determined by the Public Utility Commission (PUC) Docket No. 39643 to continue to receive that amount until modified by the PUC after notice and hearing. The bill would also require the PUC to adjust the support amount in the Small and Rural Incumbent Local Exchange Company Universal Service Program for those companies that are not governed by Chapter 58 and 59, Utilities Code, and companies not receiving fixed support amounts in accordance with Docket No. 39643, in proportion 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