

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 8, 2017**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

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

**IN RE: SB586** by Perry (Relating to the distribution of universal service funds to certain small and rural incumbent local exchange companies.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

This bill would amend the Utilities Code relating to the distribution of universal service funds to certain small and rural incumbent local exchange companies. The bill would require the Public Utility Commission to initiate rulemakings to revise the mechanism by which it calculates support amounts out of the Universal Service Fund to small and rural incumbent local exchange companies or cooperatives that serve 31,000 or fewer access lines.

Based on information provided by the Public Utility Commission, the Office of Public Utility Counsel, and the Comptroller of Public Accounts, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by 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, 475 Office of Public Utility Counsel

**LBB Staff:** UP, CL, EH, AO