By: Perry

S.B. No. 1246

A BILL TO BE ENTITLED 1 AN ACT 2 relating to universal service fund assistance to high cost rural areas and the uniform charge that funds the universal service fund; 3 authorizing a fee. 4 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 6 SECTION 1. Section 51.002(10), Utilities Code, is amended to read as follows: 7 (10) "Telecommunications provider": 8 9 (A) means: certificated telecommunications 10 (i) a utility; 11 12 (ii) a shared tenant service provider; 13 (iii) a nondominant carrier of 14 telecommunications services; (iv) a provider of commercial 15 mobile service as defined by Section 332(d), Communications Act of 1934 16 (47 U.S.C. Section 151 et seq.), Federal Communications Commission 17 rules, and the Omnibus Budget Reconciliation Act of 1993 (Public 18 Law 103-66), except that the term does not include these entities 19 20 for the purposes of Chapter 17, 55, or 64; 21 (v) a telecommunications entity that 22 provides central office based PBX-type sharing or resale 23 arrangements; 24 (vi) interexchange telecommunications an

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1 carrier; 2 (vii) a specialized common carrier; 3 (viii) a reseller of communications; 4 (ix) a provider of operator services; 5 (x) a provider of customer-owned pay telephone service; [or] 6 7 (xi) a provider of Voice over Internet 8 Protocol service; or 9 (xii) a person or entity determined by the 10 commission to provide telecommunications services to customers in 11 this state; and 12 (B) does not mean: (i) a provider of enhanced or information 13 14 services, or another user of telecommunications services, who does 15 not also provide telecommunications services; or 16 (ii) a state agency or state institution of 17 higher education, or a service provided by a state agency or state institution of higher education. 18 SECTION 2. Section 56.001, Utilities Code, is amended by 19 adding Subdivision (3) to read as follows: 20 21 (3) "High cost rural area" means an area: 22 (A) served by a small provider as defined by 23 Section 56.032; or 24 (B) served by a local exchange company that 25 receives support under the Texas High Cost Universal Service Plan 26 (16 T.A.C. Section 26.403) or the Small and Rural Incumbent Local Exchange Company Universal Service Plan (16 T.A.C. Section 26.404) 27

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1 and in which: 2 (i) the population has not since increased by more than 100 percent since the year 2000; and 3 4 (ii) there are less than 30 customers per 5 route mile of plant in service. 6 SECTION 3. Section 56.022(c), Utilities Code, is amended to read as follows: 7 8 (C) The uniform charge is on services and at rates the commission determines and may be in the form of a fee or an 9 10 assessment on revenues. In establishing the charge and the services to which the charge will apply, the commission may not: 11 12 (1)grant an unreasonable preference or advantage to a telecommunications provider; 13 14 (2) assess the charge on pay telephone service; [or] 15 (3) subject а telecommunications provider to unreasonable prejudice or disadvantage; or 16 17 (4) assess the charge in a manner that is not technology neutral or grants an unreasonable preference based on 18 19 technology. SECTION 4. This Act takes effect immediately if it receives 20 21 a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this 22 23 Act does not receive the vote necessary for immediate effect, this 24 Act takes effect September 1, 2021.

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