

House Bill 2667
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Section 56.001, Utilities Code, is amended by adding Subdivision (3) to read as follows:

(3) "High cost rural area" means:

(A) an area:

(i) receiving support under Section 56.021(1) on December 31, 2020; and

(ii) served by a telecommunications provider that is subject to rate regulation under Chapter 53; or

(B) an area:

(i) receiving support under the Texas High Cost Universal Service Plan (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); and

(ii) not excluded by commission rule based on the number of telecommunications providers serving the exchange, the population density in the exchange, and the number of customers served per route mile of plant in service used to provide basic local telecommunications service.

SECTION 2. Section 56.022, Utilities Code, is amended to read as follows:

Sec. 56.022. UNIFORM CHARGE. (a) The universal service fund is funded by a statewide uniform charge payable by each telecommunications provider and each provider of Voice over Internet Protocol service that has access to the customer base.

(b) A telecommunications provider or provider of Voice over Internet Protocol service shall pay the charge in accordance with procedures approved by the commission.

(c) The uniform charge is on services and at rates the commission determines. In establishing the charge and the

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SECTION 1. Section 56.001, Utilities Code, is amended by adding Subdivision (3) to read as follows:

(3) "High cost rural area" means:

(A) an area:

(i) receiving support under Section 56.021(1) on December 31, 2020; and

(ii) served by a telecommunications provider that is subject to rate regulation under Chapter 53; and

(B) any other exchange:

(i) receiving support under the Texas High Cost Universal Service Plan (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); and

(ii) not excluded by commission rule based on the number of telecommunications providers serving the exchange, the population density in the exchange, and the number of customers served per route mile of plant in service used to provide basic local telecommunications service.

SECTION 2. Same as House version.

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services to which the charge will apply, the commission may not:

- (1) grant an unreasonable preference or advantage to a telecommunications provider or a provider of Voice over Internet Protocol service;
- (2) assess the charge on pay telephone service; [øø]
- (3) subject a telecommunications provider or a provider of Voice over Internet Protocol service to unreasonable prejudice or disadvantage; or
- (4) assess the charge in a manner that is not technology-neutral or that grants an unreasonable preference based on technology.

SECTION 3. Sections 56.024(a) and (b), Utilities Code, are amended to read as follows:

- (a) The commission may require a telecommunications provider or a provider of Voice over Internet Protocol service to provide a report or information necessary to assess contributions and disbursements to the universal service fund.
- (b) A report or information the commission requires a telecommunications provider or a provider of Voice over Internet Protocol service to provide under Subsection (a) is confidential and not subject to disclosure under Chapter 552, Government Code.

SECTION 4. Not later than December 31, 2021, the Public Utility Commission of Texas shall initiate the rulemaking to adopt the rules required by Section 56.001, Utilities Code, as amended by this Act.

SECTION 3. Same as House version.

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SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.

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SECTION 5. Same as House version.

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