

1-1 By: Smithee, et al. (Senate Sponsor - Perry, et al.) H.B. No. 2667
1-2 (In the Senate - Received from the House May 5, 2021;
1-3 May 12, 2021, read first time and referred to Committee on Water,
1-4 Agriculture & Rural Affairs; May 19, 2021, reported adversely,
1-5 with favorable Committee Substitute by the following vote: Yeas 9,
1-6 Nays 0; May 19, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	<u>Perry</u>	X		
1-10	<u>Springer</u>	X		
1-11	<u>Creighton</u>	X		
1-12	<u>Eckhardt</u>	X		
1-13	<u>Gutierrez</u>	X		
1-14	<u>Johnson</u>	X		
1-15	<u>Kolkhorst</u>	X		
1-16	<u>Powell</u>	X		
1-17	<u>Taylor</u>	X		

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 2667 By: Perry

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to universal service fund assistance to high cost rural
1-22 areas and the uniform charge that funds the universal service fund.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 56.001, Utilities Code, is amended by
1-25 adding Subdivision (3) to read as follows:

1-26 (3) "High cost rural area" means:

1-27 (A) an area:

1-28 (i) receiving support under Section
1-29 56.021(1) on December 31, 2020; and

1-30 (ii) served by a telecommunications
1-31 provider that is subject to rate regulation under Chapter 53; and

1-32 (B) any other exchange:

1-33 (i) receiving support under the Texas High
1-34 Cost Universal Service Plan (16 T.A.C. Section 26.403) or the Small
1-35 and Rural Incumbent Local Exchange Company Universal Service Plan
1-36 (16 T.A.C. Section 26.404); and

1-37 (ii) not excluded by commission rule based
1-38 on the number of telecommunications providers serving the exchange,
1-39 the population density in the exchange, and the number of customers
1-40 served per route mile of plant in service used to provide basic
1-41 local telecommunications service.

1-42 SECTION 2. Section 56.022, Utilities Code, is amended to
1-43 read as follows:

1-44 Sec. 56.022. UNIFORM CHARGE. (a) The universal service
1-45 fund is funded by a statewide uniform charge payable by each
1-46 telecommunications provider and each provider of Voice over
1-47 Internet Protocol service that has access to the customer base.

1-48 (b) A telecommunications provider or provider of Voice over
1-49 Internet Protocol service shall pay the charge in accordance with
1-50 procedures approved by the commission.

1-51 (c) The uniform charge is on services and at rates the
1-52 commission determines. In establishing the charge and the services
1-53 to which the charge will apply, the commission may not:

1-54 (1) grant an unreasonable preference or advantage to a
1-55 telecommunications provider or a provider of Voice over Internet
1-56 Protocol service;

1-57 (2) assess the charge on pay telephone service; ~~or~~

1-58 (3) subject a telecommunications provider or a
1-59 provider of Voice over Internet Protocol service to unreasonable
1-60 prejudice or disadvantage; or

2-1 (4) assess the charge in a manner that is not
2-2 technology-neutral or that grants an unreasonable preference based
2-3 on technology.

2-4 SECTION 3. Sections 56.024(a) and (b), Utilities Code, are
2-5 amended to read as follows:

2-6 (a) The commission may require a telecommunications
2-7 provider or a provider of Voice over Internet Protocol service to
2-8 provide a report or information necessary to assess contributions
2-9 and disbursements to the universal service fund.

2-10 (b) A report or information the commission requires a
2-11 telecommunications provider or a provider of Voice over Internet
2-12 Protocol service to provide under Subsection (a) is confidential
2-13 and not subject to disclosure under Chapter 552, Government Code.

2-14 SECTION 4. Not later than December 31, 2021, the Public
2-15 Utility Commission of Texas shall initiate the rulemaking to adopt
2-16 the rules required by Section 56.001, Utilities Code, as amended by
2-17 this Act.

2-18 SECTION 5. This Act takes effect immediately if it receives
2-19 a vote of two-thirds of all the members elected to each house, as
2-20 provided by Section 39, Article III, Texas Constitution. If this
2-21 Act does not receive the vote necessary for immediate effect, this
2-22 Act takes effect September 1, 2021.

2-23 * * * * *