

AN ACT

relating to eligibility for support from the universal service fund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 56.023, Utilities Code, is amended by amending Subsection (p) and adding Subsections (r) and (s) to read as follows:

(p) If an incumbent local exchange company or cooperative is ineligible for support under a plan established under Section 56.021(1) for services in an exchange, a plan established under Section 56.021(1) may not provide support to any other telecommunications providers for services in that exchange, except that an eligible telecommunications provider that is receiving support under Section 56.021(1)(A) in that exchange shall continue to receive such support until the commission determines that the support should be eliminated under Subsection (r) ~~[the later of December 31, 2017, or the second anniversary of the date the incumbent local exchange provider or cooperative ceases receiving support in that exchange]~~. Until the commission eliminates the support under Subsection (r), the ~~[The]~~ support received by the eligible telecommunications provider ~~[during that period]~~ shall be at the same monthly per line support level in effect for that exchange as of the date the incumbent local exchange provider or cooperative ceases receiving funding in that exchange.

1 (r) If the number of access lines served by competitive
2 eligible telecommunications providers receiving support in an
3 exchange described by Subsection (p) declines by at least 50
4 percent from the number of lines that were served by those providers
5 in that exchange on December 31, 2016, the commission shall review
6 the per line support amount for that exchange at least once every
7 three years to determine whether continuing the support is in the
8 public interest. The commission by rule shall establish the
9 criteria to determine whether the support should be eliminated.
10 The first review under this subsection for an exchange must be
11 completed not later than the end of the year following the year in
12 which the number of access lines first declines by at least 50
13 percent.

14 (s) The support for eligible telecommunications providers
15 under Subsections (p) and (r) expires December 31, 2023.

16 SECTION 2. Section 56.023(q), Utilities Code, is repealed.

17 SECTION 3. This Act takes effect immediately if it receives
18 a vote of two-thirds of all the members elected to each house, as
19 provided by Section 39, Article III, Texas Constitution. If this
20 Act does not receive the vote necessary for immediate effect, this
21 Act takes effect September 1, 2017.

S.B. No. 1476

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1476 passed the Senate on April 20, 2017, by the following vote: Yeas 24, Nays 6.

Secretary of the Senate

I hereby certify that S.B. No. 1476 passed the House on May 18, 2017, by the following vote: Yeas 111, Nays 33, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor