BILL ANALYSIS

Senate Research Center 77R10984 MTB-D H.B. 2156 By: Danburg (Van de Putte) Business & Commerce 5/10/2001 Engrossed

DIGEST AND PURPOSE

Under current law, automatic enrollment databases are required for telecommunications discounts and for electric discounts to low-income customers. Merging these databases would make the administration of both programs more efficient. H.B. 2156 provides for an integrated eligibility process for telecommunications and electric discounts for low-income customers, establishes a universal service fund to finance the integrated eligibility process, and abolishes the tel-assistance service program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Public Utility Commission of Texas in SECTION 1 (Section 17.007, Utility Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 17A, Utilities Code, by adding Section 17.007, as follows:

Sec. 17.007. ELIGIBILITY PROCESS FOR CUSTOMER SERVICE DISCOUNTS. Requires the Public Utility Commission of Texas (commission) to provide for an integrated eligibility process for customer service discounts, including discounts under Sections 39.903 and 55.015.

SECTION 2. Amends Section 56.021, Utilities Code, as follows:

Sec. 56.021. UNIVERSAL SERVICE FUND ESTABLISHMENT. Requires the commission to adopt and enforce rules requiring local exchange companies to establish a universal service fund to meet certain conditions.

SECTION 3. Amends Section 39.903(e), Utilities Code, to require the system benefit fund to provide funding solely for certain regulatory purposes.

SECTION 4. (a) Repealer: Chapter 56C (TEL-ASSISTANCE SERVICE PROGRAM), Utilities Code.

(b) Provides that the tel-assistance service program under Chapter 56C, Utilities Code, is discontinued. Provides that on September 1, 2001, all funds, employees, and resources of the Public Utility Commission of Texas and the Texas Department of Human Services dedicated to the tel-assistance service program become funds, employees, and resources dedicated to the lifeline service program under Section 55.015, Utilities Code, and all persons receiving benefits under the tel-assistance service program shall be automatically enrolled in the lifeline service program.

SECTION 5. Requires the telecommunications provider, if a person receiving benefits under the tel-assistance service program immediately before the effective date of this Act receives a greater benefit under the tel-assistance service program than the person will receive under the lifeline service

program, to continue the higher benefit and is authorized to be reimbursed for the higher benefit from the universal service fund. Requires the provider to continue to provide that service until the person discontinues basic local service in the exchange in which the person is receiving service.

SECTION 6. Effective date: September 1, 2001.