

The House Committee on Energy, Utilities and Telecommunications offers the following substitute to HB 855:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 46-5-167 of the Official Code of Georgia Annotated, relating to the
2 Universal Access Fund, so as to establish a limitation on the duration and amount of certain
3 distributions to be made under the Universal Access Fund; to provide for legislative intent;
4 to provide a short title; to provide for related matters; to provide for an effective date; to
5 repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 It is the intent of the General Assembly to:

- 9 (1) Update and modernize Georgia's telecommunications laws to encourage competition
10 and bring about lower prices and better services for the consumer;
11 (2) Make Georgia a more attractive place for telecommunications investment and
12 encourage the deployment of advanced technologies;
13 (3) Create and preserve jobs for Georgia workers; and
14 (4) Reduce the subsidies paid by Georgia consumers.

15 It is not the intent of the General Assembly to impose any fee or other charge on Georgia
16 consumers.

17 **SECTION 2.**

18 This Act shall be known as and may be cited as the "Telecommunications Fair Competition
19 and Consumer Protection Act."

20 **SECTION 3.**

21 Code Section 46-5-167 of the Official Code of Georgia Annotated, relating to the Universal
22 Access Fund, is amended by revising subparagraph (d)(2)(B) as follows:

23 "(B) Except for those distributions to Tier 2 local exchange companies that have
24 reduced intrastate switched access charges pursuant to subsection (c) of Code Section

25 46-5-166, distributions to a Tier 2 local exchange carrier subject to rate of return
26 regulation shall also be reduced by the amount per access line, which if added to the
27 carrier's basic local exchange service rate, in accordance with a schedule established by
28 the commission, results in an amount that would be equal to 110 percent of the July 1,
29 2009, residential state-wide weighted average rate for basic local exchange services
30 imputed across all access lines and adjusted annually for inflation measured by the
31 change in GDP-PI. The commission shall determine any such distributions upon
32 application, demonstration, and good cause shown that the reasonable actual costs to
33 provide basic local exchange services exceed the maximum fixed price permitted for
34 such basic local exchange services; ~~any distributions pursuant to this subparagraph shall~~
35 ~~be limited to a period of no more than 20 years, provided that the total amount of all~~
36 such distributions to Tier 2 local exchange carriers subject to rate of return regulation
37 shall not exceed \$9 million for applications approved by the commission in year 2012,
38 \$6 million for applications approved by the commission in year 2013, and \$3 million
39 for applications approved by the commission in year 2014. There shall be no
40 contributions or distributions to or from the Universal Access Fund pursuant to this
41 subparagraph after the contributions have been collected and the distributions have been
42 paid for applications approved by the commission in year 2014."

43 **SECTION 4.**

44 This Act shall become effective upon its approval by the Governor or upon its becoming law
45 without such approval.

46 **SECTION 5.**

47 All laws and parts of laws in conflict with this Act are repealed.