

1 **UNIVERSAL SERVICE FUND AMENDMENTS**

2 2017 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: David P. Hinkins**

5 House Sponsor: Francis D. Gibson

7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions related to the Universal Public Telecommunications
10 Service Support Fund.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ provides that a telecommunications provider that establishes and maintains a
14 network capable of providing access lines, connections, or wholesale broadband
15 Internet access service may qualify for payments from the Universal Public
16 Telecommunications Service Support Fund for use in carrier of last resort areas;
- 17 ▶ requires each access line or connection provider in the state to contribute to the
18 Universal Public Telecommunications Service Support Fund;
- 19 ▶ requires the Public Service Commission to develop a method for calculating the
20 amount of each contribution charge assessed to an access line or connection
21 provider;
- 22 ▶ combines a surcharge and funding for administering the hearing and speech
23 impaired program with the Universal Public Telecommunications Service Support
24 Fund and surcharge;
- 25 ▶ provides for a depreciation method and rate-of-return for a carrier of last resort that
26 receives support from the Universal Public Telecommunications Service Support
27 Fund;
- 28 ▶ provides that a wireless telecommunications provider is eligible for a distribution
29 from the Universal Public Telecommunications Service Support Fund for providing

30 lifeline service under certain circumstances; and

31 ▶ defines terms.

32 **Money Appropriated in this Bill:**

33 None

34 **Other Special Clauses:**

35 This bill provides a special effective date.

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **54-8b-2**, as last amended by Laws of Utah 2005, Chapter 5

39 **54-8b-10**, as last amended by Laws of Utah 2016, Chapter 271

40 **54-8b-15**, as last amended by Laws of Utah 2013, Chapter 400

41 **63J-1-602.3**, as last amended by Laws of Utah 2016, Chapters 52 and 271



43 *Be it enacted by the Legislature of the state of Utah:*

44 Section 1. Section **54-8b-2** is amended to read:

45 **54-8b-2. Definitions.**

46 As used in this chapter:

47 (1) "Access line" means a circuit-switched connection, or the functional equivalent of a
48 circuit-switched connection, from an end-user to the public switched network.

49 ~~(1)~~ (2) (a) "Aggregator" means any person or entity that:

50 (i) is not a telecommunications corporation;

51 (ii) in the ordinary course of its business makes operator assisted services available to
52 the public or to customers and transient users of its business or property through an operator
53 service provider; and

54 (iii) receives from an operator service provider by contract, tariff, or otherwise,
55 commissions or compensation for calls delivered from the aggregator's location to the operator
56 service provider.

57 (b) "Aggregator" may include any hotel, motel, hospital, educational institution,

58 government agency, or coin or coinless telephone service provider so long as that entity
59 qualifies under Subsection ~~[(1)]~~ (2)(a).

60 ~~[(2)]~~ (3) "Basic residential service" means a local exchange service for a residential
61 customer consisting of:

- 62 (a) a single line with access to the public switched network;
- 63 (b) touch-tone or the functional equivalent;
- 64 (c) local flat-rate unlimited usage, exclusive of extended area service;
- 65 (d) single-party service;
- 66 (e) a free phone number listing in directories received for free;
- 67 (f) access to operator services;
- 68 (g) access to directory assistance;
- 69 (h) access to lifeline and telephone relay assistance;
- 70 (i) access to 911 and E911 emergency services;
- 71 (j) access to long-distance carriers;
- 72 (k) access to toll limitations services;
- 73 (l) other services as may be determined by the commission; and
- 74 (m) no feature.

75 ~~[(3)]~~ (4) "Certificate" means a certificate of public convenience and necessity issued by
76 the commission authorizing a telecommunications corporation to provide specified public
77 telecommunications services within a defined geographic service territory in the state.

78 ~~[(4)]~~ (5) "Division" means the Division of Public Utilities established in Section
79 [54-4a-1](#).

80 ~~[(5)]~~ (6) "Essential facility or service" means any portion, component, or function of
81 the network or service offered by a provider of local exchange services:

- 82 (a) that is necessary for a competitor to provide a public telecommunications service;
- 83 (b) that cannot be reasonably duplicated; and
- 84 (c) for which there is no adequate economic alternative to the competitor in terms of
85 quality, quantity, and price.

86 ~~[(6)]~~ (7) (a) "Feature" means a custom calling service available from the central office
87 switch, including call waiting, call forwarding, three-way calling, and similar services.

88 (b) "Feature" does not include long distance calling.

89 ~~[(7)]~~ (8) "Federal Telecommunications Act" means the Communications Act of 1934,
90 as amended, and the Federal Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat.
91 56.

92 ~~[(8)]~~ (9) "Incumbent telephone corporation" means a telephone corporation, its
93 successors or assigns, which, as of May 1, 1995, held a certificate to provide local exchange
94 services in a defined geographic service territory in the state.

95 ~~[(9)]~~ (10) "Intrastate telecommunications service" means any public
96 telecommunications service in which the information transmitted originates and terminates
97 within the boundaries of this state.

98 ~~[(10)]~~ (11) "Local exchange service" means the provision of telephone lines to
99 customers with the associated transmission of two-way interactive, switched voice
100 communication within the geographic area encompassing one or more local communities as
101 described in maps, tariffs, or rate schedules filed with and approved by the commission.

102 ~~[(11)]~~ (12) "Mobile telecommunications service" means a mobile telecommunications
103 service:

104 (a) that is defined as a mobile telecommunications service in the Mobile
105 Telecommunications Sourcing Act, 4 U.S.C. Sec. 124; and

106 (b) in which the information transmitted originates and terminates in one state.

107 ~~[(12)]~~ (13) (a) "New public telecommunications service" means a service offered by a
108 telecommunications corporation which that corporation has never offered before.

109 (b) "New public telecommunications service" does not include:

110 (i) a tariff, price list, or competitive contract that involves a new method of pricing any
111 existing public telecommunications service;

112 (ii) a package of public telecommunications services that includes an existing public
113 telecommunications service; or

- 114 (iii) a public telecommunications service that is a direct replacement for:
- 115 (A) a fully regulated service;
- 116 (B) an existing service offered pursuant to a tariff, price list, or competitive contract; or
- 117 (C) an essential facility or an essential service.

118 ~~[(13)]~~ (14) "Operator assisted services" means services which assist callers in the
119 placement or charging of a telephone call, either through live intervention or automated
120 intervention.

121 ~~[(14)]~~ (15) "Operator service provider" means any person or entity that provides, for a
122 fee to a caller, operator assisted services.

123 ~~[(15)]~~ (16) "Price-regulated service" means any public telecommunications service
124 governed by Section [54-8b-2.3](#).

125 (17) "Public switched network" means the same as that term is defined in 47 C.F.R.
126 Sec. 20.3.

127 ~~[(16)]~~ (18) "Public telecommunications service" means the two-way transmission of
128 signs, signals, writing, images, sounds, messages, data, or other information of any nature by
129 wire, radio, lightwaves, or other electromagnetic means offered to the public generally.

130 ~~[(17)]~~ (19) "Substantial compliance" with reference to a rule or order of the
131 commission means satisfaction of all material obligations in a manner consistent with the rule
132 or order.

133 ~~[(18)]~~ (20) "Telecommunications corporation" means any corporation or person, and
134 their lessees, trustees, receivers, or trustees appointed by any court, owning, controlling,
135 operating, managing, or reselling a public telecommunications service.

136 ~~[(19)]~~ (21) (a) "Total service long-run incremental cost" means the forward-looking
137 incremental cost to a telecommunications corporation caused by providing the entire quantity
138 of a public telecommunications service, network function, or group of public
139 telecommunications services or network functions, by using forward-looking technology,
140 reasonably available, without assuming relocation of existing plant and equipment.

141 (b) The "long-run" means a period of time long enough so that cost estimates are based

142 on the assumption that all inputs are variable.

143 Section 2. Section **54-8b-10** is amended to read:

144 **54-8b-10. Imposing a surcharge to provide hearing and speech impaired persons**
145 **with telecommunication devices -- Definitions -- Procedures for establishing program --**
146 **Surcharge -- Administration and disposition of surcharge money.**

147 (1) As used in this section:

148 (a) "Certified deaf or severely hearing or speech impaired person" means any state
149 resident who:

150 (i) is so certified by:

151 (A) a licensed physician;

152 (B) an otolaryngologist;

153 (C) a speech language pathologist;

154 (D) an audiologist; or

155 (E) a qualified state agency; and

156 (ii) qualifies for assistance under any low income public assistance program
157 administered by a state agency.

158 (b) "Certified interpreter" means a person who is a certified interpreter under Title
159 35A, Chapter 13, Part 6, Interpreter Services for the Deaf and Hard of Hearing Act.

160 (c) (i) "Telecommunication device" means any mechanical adaptation device that
161 enables a deaf or severely hearing or speech impaired person to use the telephone.

162 (ii) "Telecommunication device" includes:

163 (A) telecommunication devices for the deaf (TDD);

164 (B) telephone amplifiers;

165 (C) telephone signal devices;

166 (D) artificial larynxes; and

167 (E) adaptive equipment for TDD keyboard access.

168 (2) The commission shall [~~hold hearings to~~] establish a program whereby a certified
169 deaf or severely hearing or speech impaired customer of a telecommunications corporation that

170 provides service through a local exchange or of a wireless telecommunications provider may
171 obtain a telecommunication device capable of serving the customer at no charge to the
172 customer beyond the rate for basic service.

173 (3) (a) The program described in Subsection (2) shall provide a dual party relay system
174 using third party intervention to connect a certified deaf or severely hearing or speech impaired
175 person with a normal hearing person by way of telecommunication devices designed for that
176 purpose.

177 (b) The commission may, by rule, establish the type of telecommunications device to
178 be provided to ensure functional equivalence.

179 ~~[(4) (a) The commission shall impose a surcharge on each residential and business
180 access line of each customer of local-exchange telephone service in this state, and each
181 residential and business telephone number of each customer of mobile telephone service in this
182 state, not including a telephone number used exclusively to transfer data to and from a mobile
183 device, which shall be collected by the telecommunications corporation providing public
184 telecommunications service to the customer, to cover the costs of:]~~

185 ~~[(i) the program described in Subsection (2); and]~~

186 ~~[(ii) payments made under Subsection (5).]~~

187 ~~[(b) The commission shall establish by rule the amount to be charged under this
188 section, provided that:]~~

189 ~~[(i) the surcharge does not exceed 20 cents per month for each residential and business
190 access line for local-exchange telephone service, and for each residential and business
191 telephone number for mobile telephone service, not including a telephone number used
192 exclusively to transfer data to and from a mobile device; and]~~

193 ~~[(ii) if the surcharge is related to a mobile telecommunications service, the surcharge
194 may be imposed, billed, and collected only to the extent permitted by the Mobile
195 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.]~~

196 ~~[(c) The telecommunications corporation shall collect the surcharge from its customers
197 and transfer the money collected to the commission under rules adopted by the commission.]~~

198 ~~[(d) The surcharge shall be separately identified on each bill to a customer.]~~
199 ~~[(5)(a) Money collected from the surcharge imposed under Subsection (4) shall be~~
200 ~~deposited in the state treasury as dedicated credits to be administered as determined by the~~
201 ~~commission.]~~
202 ~~[(b) These dedicated credits may be used only:]~~
203 (4) The commission shall cover the costs of the program described in this section from
204 the Universal Public Telecommunications Service Support Fund created in Section [54-8b-15](#).
205 (5) In administering the program described in this section, the commission may use
206 funds from the Universal Public Telecommunications Service Support Fund:
207 ~~[(i)]~~ (a) for the purchase, maintenance, repair, and distribution of telecommunication
208 devices;
209 ~~[(ii)]~~ (b) for the acquisition, operation, maintenance, and repair of a dual party relay
210 system;
211 ~~[(iii) to reimburse telephone corporations for the expenses incurred in collecting and~~
212 ~~transferring to the commission the surcharge imposed by the commission;]~~
213 ~~[(iv)]~~ (c) for the general administration of the program;
214 ~~[(v)]~~ (d) to train ~~[persons]~~ individuals in the use of telecommunications devices; and
215 ~~[(vi)]~~ (e) ~~[by the commission]~~ to contract, in compliance with Title 63G, Chapter 6a,
216 Utah Procurement Code, with:
217 ~~[(A)]~~ (i) an institution within the state system of higher education listed in Section
218 [53B-1-102](#) for a program approved by the Board of Regents that trains persons to qualify as
219 certified interpreters; or
220 ~~[(B)]~~ (ii) the Utah State Office of Rehabilitation created in Section [35A-1-202](#) for a
221 program that trains persons to qualify as certified interpreters.
222 ~~[(c)(i)]~~ (6) The commission [shall make rules] may create disbursement criteria and
223 procedures by rule made under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
224 ~~[the administration of money under Subsection (5)(b)(vi)]~~ administering funds under
225 Subsection (5).

226 ~~[(ii) In the initial rulemaking to determine the administration of money under~~
 227 ~~Subsection (5)(b)(vi), the commission shall give notice and hold a public hearing.]~~

228 ~~[(d) Money received by the commission under Subsection (4) is nonlapsing.]~~

229 ~~[(6) (a) The telephone surcharge need not be collected by a telecommunications~~
 230 ~~corporation if the amount collected would be less than the actual administrative costs of the~~
 231 ~~collection.]~~

232 ~~[(b) If Subsection (6)(a) applies, the telecommunications corporation shall submit to~~
 233 ~~the commission, in lieu of the revenue from the surcharge collection, a breakdown of the~~
 234 ~~anticipated costs and the expected revenue from the collection, showing that the costs exceed~~
 235 ~~the revenue.]~~

236 (7) The commission shall solicit ~~[the]~~ advice, counsel, and physical assistance ~~[of~~
 237 ~~severely hearing or speech impaired persons and the organizations serving them]~~ from deaf,
 238 hard of hearing, or severely speech impaired individuals and the organizations serving deaf,
 239 hard of hearing, or severely speech impaired individuals in the design and implementation of
 240 the program.

241 Section 3. Section **54-8b-15** is amended to read:

242 **54-8b-15. Universal Public Telecommunications Service Support Fund --**
 243 **Commission duties -- Charges -- Lifeline program.**

244 (1) For purposes of this section:

245 ~~[(a) "Basic telephone service" means local exchange service and may include such~~
 246 ~~other functions and elements, if any, as the commission determines to be eligible for support by~~
 247 ~~the fund.]~~

248 (a) "Broadband Internet access service" means the same as that term is defined in 47
 249 C.F.R. Sec. 8.2.

250 (b) "Carrier of last resort" means:

251 (i) an incumbent telephone corporation; or

252 (ii) a telecommunications corporation that, under Section [54-8b-2.1](#):

253 (A) has a certificate of public convenience and necessity to provide local exchange

254 service; and

255 (B) has an obligation to provide public telecommunications service to any customer or
256 class of customers that requests service within the local exchange.

257 (c) "Connection" means an authorized session that uses Internet protocol or a
258 functionally equivalent technology standard to enable an end-user to initiate or receive a call
259 from the public switched network.

260 ~~[(b)]~~ (d) "Fund" means the Universal Public Telecommunications Service Support
261 Fund established in this section.

262 (e) "Non-rate-of-return regulated" means having price flexibility under Section
263 [54-8b-2.3](#).

264 (f) "Rate-of-return regulated" means subject to regulation under Section [54-4-4](#).

265 (g) "Wholesale broadband Internet access service" means the end-user loop component
266 of Internet access provided by a rate-of-return regulated carrier of last resort that is used to
267 provide, at retail:

268 (i) combined consumer voice and broadband Internet access; or

269 (ii) stand-alone, consumer, broadband-only Internet access.

270 ~~[(2) The commission shall establish]~~

271 (2) (a) There is established an expendable special revenue fund known as the
272 "Universal Public Telecommunications Service Support Fund[;]." ~~[which is to be implemented~~
273 ~~by January 1, 1998.]~~

274 (b) The fund shall provide a mechanism for a qualifying carrier of last resort to obtain
275 specific, predictable, and sufficient funds to deploy and manage, for the purpose of providing
276 service to end-users, networks capable of providing:

277 (i) access lines;

278 (ii) connections; or

279 (iii) wholesale broadband Internet access service.

280 (c) The commission shall develop, by rule made in accordance with Title 63G, Chapter
281 3, Utah Administrative Rulemaking Act, and consistent with this section, policies and

282 procedures to govern the administration of the fund.

283 ~~[(3) The commission shall:]~~

284 ~~[(a) institute a proceeding within 30 days of the effective date of this section to~~
285 ~~establish rules governing the administration of the fund; and]~~

286 ~~[(b) issue those rules by October 1, 1997.]~~

287 ~~[(4) The rules in Subsection (3) shall be consistent with the Federal~~
288 ~~Telecommunications Act.]~~

289 ~~[(5) Operation of the fund shall be nondiscriminatory and competitively and~~
290 ~~technologically neutral in the collection and distribution of funds, neither providing a~~
291 ~~competitive advantage for, nor imposing a competitive disadvantage upon, any~~
292 ~~telecommunications provider operating in the state.]~~

293 ~~[(6) The fund shall be designed to:]~~

294 ~~[(a) promote equitable cost recovery of basic telephone service through the imposition~~
295 ~~of just and reasonable rates for telecommunications access and usage; and]~~

296 ~~[(b) preserve and promote universal service within the state by ensuring that customers~~
297 ~~have access to affordable basic telephone service.]~~

298 ~~[(7) To the extent not funded by a federal universal service fund or other federal~~
299 ~~jurisdictional revenues, the fund shall be used to defray the costs, as determined by the~~
300 ~~commission, of any qualifying telecommunications corporation in providing public~~
301 ~~telecommunications services to:]~~

302 ~~[(a) customers that qualify for a commission-approved lifeline program; and]~~

303 ~~[(b) customers, where]~~

304 ~~[the basic telephone service rate considered affordable by the commission in a~~
305 ~~particular geographic area is less than the costs, as determined by the commission for that~~
306 ~~geographic area, of basic telephone service.]~~

307 ~~[(8) The fund shall be portable among qualifying telecommunications corporations.~~

308 ~~Requirements to qualify for funds under this section shall be defined by rules established by the~~
309 ~~commission.]~~

310 (3) Subject to this section, the commission shall use funds in the Universal Public
311 Telecommunications Service Support Fund to:

312 (a) fund the hearing and speech impaired program described in Section 54-8b-10;

313 (b) fund a lifeline program that covers the reasonable cost to an eligible

314 telecommunications carrier, as determined by the commission, to offer lifeline service

315 consistent with the Federal Communications Commission's lifeline program for low-income

316 consumers;

317 (c) fund, for the purpose of providing service to end-users, a rate-of-return regulated or

318 non-rate-of-return regulated carrier of last resort's deployment and management of networks

319 capable of providing:

320 (i) access lines;

321 (ii) connections; or

322 (iii) wholesale broadband Internet access service that is consistent with Federal

323 Communications Commission rules; and

324 (d) fund one-time distributions from the Universal Public Telecommunications Service

325 Support Fund for a non-rate-of-return regulated carrier of last resort's deployment and

326 management of networks capable of providing:

327 (i) access lines;

328 (ii) connections; or

329 (iii) broadband Internet access service.

330 (4) (a) A rate-of-return regulated carrier of last resort is eligible for payment from the

331 Universal Public Telecommunications Service Support Fund if:

332 (i) the rate-of-return regulated carrier of last resort provides the services described in

333 Subsections (3)(c)(i) through (iii); and

334 (ii) the rate-of-return regulated carrier of last resort's reasonable costs, as determined by

335 the commission, to provide public telecommunications service and wholesale broadband

336 Internet access service are greater than the sum of:

337 (A) the rate-of-return regulated carrier of last resort's revenue from basic residential

338 service considered affordable by the commission;

339 (B) the rate-of-return regulated carrier of last resort's regulated revenue derived from
340 providing other public telecommunications service;

341 (C) the rate-of-return regulated carrier of last resort's revenue from rates approved by
342 the Federal Communications Commission for wholesale broadband Internet access service; and

343 (D) the amount the rate-of-return regulated carrier of last resort receives from federal
344 universal service funds.

345 (b) A non-rate-of-return regulated carrier of last resort is eligible for payment from the
346 Universal Public Telecommunications Service Support Fund for reimbursement of reasonable
347 costs as determined by the commission if the non-rate-of-return regulated carrier meets criteria
348 that are:

349 (i) consistent with Subsections (2) and (3); and

350 (ii) developed by the commission by rule made in accordance with Title 63G, Chapter
351 3, Utah Administrative Rulemaking Act.

352 (5) A rate-of-return regulated carrier of last resort that qualifies for funds under this
353 section:

354 (a) is entitled to a rate of return equal to the weighted average cost of capital rate of
355 return prescribed by the Federal Communications Commission for rate-of-return regulated
356 carriers; and

357 (b) may use any depreciation method allowed by the Federal Communications
358 Commission.

359 (6) (a) The commission shall determine if a rate-of-return regulated carrier of last resort
360 is correctly applying a depreciation method described in Subsection (5)(b).

361 (b) If the commission determines under Subsection (6)(a) that a rate-of-return regulated
362 carrier of last resort is incorrectly applying a depreciation method or that the rate-of-return
363 regulated carrier of last resort is not using a depreciation method allowed by the Federal
364 Communications Commission, the commission shall issue an order that provides corrections to
365 the rate-of-return regulated carrier of last resort's method of depreciation.

366 ~~[(9) As necessary to accomplish the purposes of this section, the fund shall provide a~~
367 ~~mechanism for specific, predictable, and sufficient funds in addition to those provided under~~
368 ~~the federal universal service fund.]~~

369 (7) A carrier of last resort that receives funds from the Universal Public
370 Telecommunications Service Support Fund may only use the funds in accordance with this
371 section within the area for which the carrier of last resort has a carrier of last resort obligation.

372 (8) Each access line provider and each connection provider shall contribute to the
373 Universal Public Telecommunications Service Support Fund through an explicit charge
374 assessed by the commission on the access line provider or connection provider.

375 (9) The commission shall calculate the amount of each explicit charge described in
376 Subsection (8) using a method developed by the commission by rule made in accordance with
377 Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that:

378 (a) does not discriminate against:

379 (i) any access line or connection provider; or

380 (ii) the technology used by any access line or connection provider;

381 (b) is competitively neutral; and

382 (c) is a function of an access line or connection provider's:

383 (i) annual intrastate revenue;

384 (ii) number of access lines or connections in the state; or

385 (iii) a combination of an access line or connection provider's annual intrastate revenue
386 and number of access lines or connections in the state.

387 (10) The commission shall develop the method described in Subsection (9) before
388 January 1, 2018.

389 ~~[(10) (a) Subject to Subsection (10) (b):]~~

390 ~~[(i) each telecommunications corporation that provides intrastate public~~
391 ~~telecommunication service shall contribute to the fund on an equitable and nondiscriminatory~~
392 ~~basis;]~~

393 ~~[(ii) for purposes of funding the fund, the commission shall have the authority to~~

394 ~~require all corporations that provide intrastate telecommunication services in this state to~~
395 ~~contribute money to the fund through explicit charges determined by the commission;]~~

396 ~~[(iii) any charge described in Subsection (10)(a)(ii) may not apply to wholesale~~
397 ~~services, including access and interconnection; and]~~

398 ~~[(iv) charges associated with being a provider of public telecommunications service~~
399 ~~shall be in the form of end-user surcharges applied to intrastate retail rates.]~~

400 ~~[(b) A telecommunications corporation]~~ (11) An access line or connection provider
401 that provides mobile telecommunications service shall contribute to the [fund] Universal
402 Public Telecommunications Service Support Fund only to the extent permitted by the Mobile
403 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

404 ~~[(11)]~~ (12) Nothing in this section shall be construed to enlarge or reduce the
405 commission's jurisdiction or authority, as provided in other provisions of this title.

406 ~~[(12) Any telecommunications corporation failing to make contributions to this fund or~~
407 ~~failing]~~

408 (13) A person that fails to make a required contribution to the fund created by this
409 section, or that fails to comply with [the directives of the] a commission directive concerning
410 [its] the person's books, records, or other information required by the commission to administer
411 this section [shall be], is subject to applicable penalties.

412 ~~[(13) The commission shall have a bill prepared for the 1998 General Session of the~~
413 ~~Legislature to place in statute as much of the regulation implemented by rule pursuant to the act~~
414 ~~the commission believes is practicable.]~~

415 (14) Nothing in this section gives the commission the authority:

416 (a) to regulate broadband Internet access service;

417 (b) to require a carrier of last resort to provide broadband Internet access service; or

418 (c) assess a contribution in violation of the Internet Tax Freedom Act, 47 U.S.C. Sec.
419 151 note.

420 (15) (a) A facilities-based or nonfacilities-based wireless telecommunication provider
421 is eligible for distributions from the Universal Telecommunications Service Support Fund

422 under the lifeline program described in Subsection (3)(b) for providing lifeline service that is
423 consistent with the Federal Communications Commission's lifeline program for low-income
424 consumers.

425 (b) Except as provided in Subsection (15)(c), the commission may impose reasonable
426 conditions for providing a distribution to a wireless telecommunication provider under the
427 lifeline program described in Subsection (3)(b).

428 (c) The commission may not require a wireless telecommunication provider to offer
429 unlimited local calling to a lifeline customer as a condition of receiving a distribution under the
430 lifeline program described in Subsection (3)(b).

431 (16) The commission shall report to the Public Utilities, Energy, and Technology
432 Interim Committee each year before November 1 regarding:

433 (a) the contribution method described in Subsection (9);

434 (b) the amount of distributions from and contributions to the Universal Public
435 Telecommunications Service Support Fund during the last fiscal year;

436 (c) the availability of services for which Subsection (3) permits Universal Public
437 Telecommunications Service Support Fund funds to be used; and

438 (d) the effectiveness and efficiency of the Universal Public Telecommunications
439 Service Support Fund.

440 Section 4. Section **63J-1-602.3** is amended to read:

441 **63J-1-602.3. List of nonlapsing funds and accounts -- Title 46 through Title 60.**

442 (1) The Utah Law Enforcement Memorial Support Restricted Account created in
443 Section [53-1-120](#).

444 (2) Funding for the Search and Rescue Financial Assistance Program, as provided in
445 Section [53-2a-1102](#).

446 (3) Appropriations made to the Division of Emergency Management from the State
447 Disaster Recovery Restricted Account, as provided in Section [53-2a-603](#).

448 (4) Appropriations made to the Department of Public Safety from the Department of
449 Public Safety Restricted Account, as provided in Section [53-3-106](#).

450 (5) Appropriations to the Motorcycle Rider Education Program, as provided in Section
451 [53-3-905](#).

452 (6) Appropriations from the Utah Highway Patrol Aero Bureau Restricted Account
453 created in Section [53-8-303](#).

454 (7) Appropriations from the DNA Specimen Restricted Account created in Section
455 [53-10-407](#).

456 (8) The Canine Body Armor Restricted Account created in Section [53-16-201](#).

457 (9) The School Readiness Restricted Account created in Section [53A-1b-104](#).

458 (10) Appropriations to the State Board of Education, as provided in Section
459 [53A-17a-105](#).

460 (11) Money received by the Utah State Office of Rehabilitation for the sale of certain
461 products or services, as provided in Section [35A-13-202](#).

462 (12) Certain funds appropriated from the General Fund to the State Board of Regents
463 for teacher preparation programs, as provided in Section [53B-6-104](#).

464 (13) Funding for the Medical Education Program administered by the Medical
465 Education Council, as provided in Section [53B-24-202](#).

466 (14) A certain portion of money collected for administrative costs under the School
467 Institutional Trust Lands Management Act, as provided under Section [53C-3-202](#).

468 [~~(15) Certain surcharges on residential and business telephone numbers imposed by the~~
469 ~~Public Service Commission, as provided in Section [54-8b-10](#).]~~

470 [(~~16~~)] (15) Certain fines collected by the Division of Occupational and Professional
471 Licensing for violation of unlawful or unprofessional conduct that are used for education and
472 enforcement purposes, as provided in Section [58-17b-505](#).

473 [(~~17~~)] (16) Certain fines collected by the Division of Occupational and Professional
474 Licensing for use in education and enforcement of the Security Personnel Licensing Act, as
475 provided in Section [58-63-103](#).

476 [(~~18~~)] (17) Appropriations from the Relative Value Study Restricted Account created
477 in Section [59-9-105](#).

478 [~~(19)~~] (18) The Cigarette Tax Restricted Account created in Section [59-14-204](#).

479 Section 5. **Effective date.**

480 This bill takes effect on July 1, 2017.