

Senator David P. Hinkins proposes the following substitute bill:

UNIVERSAL SERVICE FUND AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David P. Hinkins

House Sponsor: Francis D. Gibson

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ provides that a telecommunications provider that establishes and maintains a network capable of providing access lines, connections, or wholesale broadband Internet access service may qualify for payments from the Universal Public Telecommunications Service Support Fund;
- ▶ requires each access line or connection provider in the state to contribute to the Universal Public Telecommunications Service Support Fund;
- ▶ requires the Public Service Commission to develop a method for calculating the amount of each contribution charge assessed to an access line or connection provider;
- ▶ combines a surcharge and funding for administering the hearing and speech impaired program with the Universal Public Telecommunications Service Support Fund and surcharge;
- ▶ 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 Fund;
27 ▶ provides that a wireless telecommunications provider is eligible for a distribution
28 from the Universal Public Telecommunications Support Fund for providing lifeline
29 service under certain circumstances; and

30 ▶ defines terms.

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 None

35 **Utah Code Sections Affected:**

36 AMENDS:

37 **54-8b-2**, as last amended by Laws of Utah 2005, Chapter 5

38 **54-8b-10**, as last amended by Laws of Utah 2016, Chapter 271

39 **54-8b-15**, as last amended by Laws of Utah 2013, Chapter 400



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

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

43 **54-8b-2. Definitions.**

44 As used in this chapter:

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

47 ~~(1)~~ (2) (a) "Aggregator" means any person or entity that:

48 (i) is not a telecommunications corporation;

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

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

55 (b) "Aggregator" may include any hotel, motel, hospital, educational institution,
56 government agency, or coin or coinless telephone service provider so long as that entity

57 qualifies under Subsection [~~(1)~~] (2)(a).

58 [~~(2)~~] (3) "Basic residential service" means a local exchange service for a residential
59 customer consisting of:

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

73 [~~(3)~~] (4) "Certificate" means a certificate of public convenience and necessity issued by
74 the commission authorizing a telecommunications corporation to provide specified public
75 telecommunications services within a defined geographic service territory in the state.

76 [~~(4)~~] (5) "Division" means the Division of Public Utilities established in Section
77 [54-4a-1](#).

78 [~~(5)~~] (6) "Essential facility or service" means any portion, component, or function of
79 the network or service offered by a provider of local exchange services:

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

84 [~~(6)~~] (7) (a) "Feature" means a custom calling service available from the central office
85 switch, including call waiting, call forwarding, three-way calling, and similar services.

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

87 [~~(7)~~] (8) "Federal Telecommunications Act" means the Communications Act of 1934,

88 as amended, and the Federal Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat.
89 56.

90 ~~[(8)]~~ (9) "Incumbent telephone corporation" means a telephone corporation, its
91 successors or assigns, which, as of May 1, 1995, held a certificate to provide local exchange
92 services in a defined geographic service territory in the state.

93 ~~[(9)]~~ (10) "Intrastate telecommunications service" means any public
94 telecommunications service in which the information transmitted originates and terminates
95 within the boundaries of this state.

96 ~~[(10)]~~ (11) "Local exchange service" means the provision of telephone lines to
97 customers with the associated transmission of two-way interactive, switched voice
98 communication within the geographic area encompassing one or more local communities as
99 described in maps, tariffs, or rate schedules filed with and approved by the commission.

100 ~~[(11)]~~ (12) "Mobile telecommunications service" means a mobile telecommunications
101 service:

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

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

105 ~~[(12)]~~ (13) (a) "New public telecommunications service" means a service offered by a
106 telecommunications corporation which that corporation has never offered before.

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

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

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

112 (iii) a public telecommunications service that is a direct replacement for:

113 (A) a fully regulated service;

114 (B) an existing service offered pursuant to a tariff, price list, or competitive contract; or

115 (C) an essential facility or an essential service.

116 ~~[(13)]~~ (14) "Operator assisted services" means services which assist callers in the
117 placement or charging of a telephone call, either through live intervention or automated
118 intervention.

119 [~~(14)~~] (15) "Operator service provider" means any person or entity that provides, for a
120 fee to a caller, operator assisted services.

121 [~~(15)~~] (16) "Price-regulated service" means any public telecommunications service
122 governed by Section ~~54-8b-2.3~~.

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

125 [~~(16)~~] (18) "Public telecommunications service" means the two-way transmission of
126 signs, signals, writing, images, sounds, messages, data, or other information of any nature by
127 wire, radio, lightwaves, or other electromagnetic means offered to the public generally.

128 [~~(17)~~] (19) "Substantial compliance" with reference to a rule or order of the
129 commission means satisfaction of all material obligations in a manner consistent with the rule
130 or order.

131 [~~(18)~~] (20) "Telecommunications corporation" means any corporation or person, and
132 their lessees, trustees, receivers, or trustees appointed by any court, owning, controlling,
133 operating, managing, or reselling a public telecommunications service.

134 [~~(19)~~] (21) (a) "Total service long-run incremental cost" means the forward-looking
135 incremental cost to a telecommunications corporation caused by providing the entire quantity
136 of a public telecommunications service, network function, or group of public
137 telecommunications services or network functions, by using forward-looking technology,
138 reasonably available, without assuming relocation of existing plant and equipment.

139 (b) The "long-run" means a period of time long enough so that cost estimates are based
140 on the assumption that all inputs are variable.

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

142 **54-8b-10. Imposing a surcharge to provide hearing and speech impaired persons**
143 **with telecommunication devices -- Definitions -- Procedures for establishing program --**
144 **Surcharge -- Administration and disposition of surcharge money.**

145 (1) As used in this section:

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

148 (i) is so certified by:

149 (A) a licensed physician;

- 150 (B) an otolaryngologist;
- 151 (C) a speech language pathologist;
- 152 (D) an audiologist; or
- 153 (E) a qualified state agency; and
- 154 (ii) qualifies for assistance under any low income public assistance program
- 155 administered by a state agency.

156 (b) "Certified interpreter" means a person who is a certified interpreter under Title
157 35A, Chapter 13, Part 6, Interpreter Services for the Deaf and Hard of Hearing Act.

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

160 (ii) "Telecommunication device" includes:

- 161 (A) telecommunication devices for the deaf (TDD);
- 162 (B) telephone amplifiers;
- 163 (C) telephone signal devices;
- 164 (D) artificial larynxes; and
- 165 (E) adaptive equipment for TDD keyboard access.

166 (2) The commission shall ~~hold hearings to~~ establish a program whereby a certified
167 deaf or severely hearing or speech impaired customer of a telecommunications corporation that
168 provides service through a local exchange or of a wireless telecommunications provider may
169 obtain a telecommunication device capable of serving the customer at no charge to the
170 customer beyond the rate for basic service.

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

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

177 ~~[(4) (a) The commission shall impose a surcharge on each residential and business~~
178 ~~access line of each customer of local-exchange telephone service in this state, and each~~
179 ~~residential and business telephone number of each customer of mobile telephone service in this~~
180 ~~state, not including a telephone number used exclusively to transfer data to and from a mobile~~

181 ~~device, which shall be collected by the telecommunications corporation providing public~~
182 ~~telecommunications service to the customer, to cover the costs of:]~~

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

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

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

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

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

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

196 ~~[(d) The surcharge shall be separately identified on each bill to a customer.]~~

197 ~~[(5) (a) Money collected from the surcharge imposed under Subsection (4) shall be~~
198 ~~deposited in the state treasury as dedicated credits to be administered as determined by the~~
199 ~~commission.]]~~

200 ~~[(b) These dedicated credits may be used only:]~~

201 (4) The commission shall cover the costs of the program described in this section from
202 the Universal Public Telecommunications Service Support Fund created in Section [54-8b-15](#).

203 (5) In administering the program described in this section, the commission may use
204 funds from the Universal Public Telecommunications Support Fund:

205 ~~[(i)]~~ (a) for the purchase, maintenance, repair, and distribution of telecommunication
206 devices;

207 ~~[(ii)]~~ (b) for the acquisition, operation, maintenance, and repair of a dual party relay
208 system;

209 ~~[(iii) to reimburse telephone corporations for the expenses incurred in collecting and~~
210 ~~transferring to the commission the surcharge imposed by the commission;]~~

211 ~~[(iv)]~~ (c) for the general administration of the program;

212 ~~[(v)]~~ (d) to train ~~[persons]~~ individuals in the use of telecommunications devices; and
213 ~~[(vi)]~~ (e) ~~[by the commission]~~ to contract, in compliance with Title 63G, Chapter 6a,
214 Utah Procurement Code, with:

215 ~~[(A)]~~ (i) an institution within the state system of higher education listed in Section
216 53B-1-102 for a program approved by the Board of Regents that trains persons to qualify as
217 certified interpreters; or

218 ~~[(B)]~~ (ii) the Utah State Office of Rehabilitation created in Section 35A-1-202 for a
219 program that trains persons to qualify as certified interpreters.

220 ~~[(c)-(i)]~~ (6) The commission ~~[shall make rules]~~ may create disbursement criteria and
221 procedures by rule made under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
222 ~~[the administration of money under Subsection (5)(b)(vi)]~~ administering funds under
223 Subsection (5).

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

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

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

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

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

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

240 **54-8b-15. Universal Public Telecommunications Service Support Fund --**
241 **Established.**

242 (1) For purposes of this section:

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

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

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

249 (i) an incumbent telephone corporation; or

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

251 (A) has a certificate of public convenience and necessity to provide local exchange
252 service; and

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

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

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

260 (e) "Non-rate-of-return regulated" means having price flexibility under Section
261 [54-8b-2.3](#).

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

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

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

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

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

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

272 (b) The fund shall provide a mechanism for a qualifying carrier of last resort to obtain
273 specific, predictable, and sufficient funds to deploy and manage, for the purpose of providing

274 service to end-users, networks capable of providing:

275 (i) access lines;

276 (ii) connections; or

277 (iii) wholesale broadband Internet access service.

278 (c) The commission shall develop, by rule made in accordance with Title 63G, Chapter
279 3, Utah Administrative Rulemaking Act and consistent with this section, policies and
280 procedures to govern the administration of the fund.

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

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

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

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

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

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

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

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

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

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

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

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

305 ~~[(8) The fund shall be portable among qualifying telecommunications corporations.~~
306 ~~Requirements to qualify for funds under this section shall be defined by rules established by the~~
307 ~~commission.]~~

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

310 (a) fund the hearing and speech impaired program described in Section [54-8b-10](#);

311 (b) fund a lifeline program that covers the reasonable cost to an eligible
312 telecommunications carrier, as determined by the commission, to offer lifeline service
313 consistent with the lifeline program for low-income consumers offered by the Federal
314 Communications Commission;

315 (c) fund, for the purpose of providing service to end-users, a rate-of-return regulated or
316 non-rate-of-return regulated carrier of last resort's deployment and management of networks
317 capable of providing:

318 (i) access lines;

319 (ii) connections; or

320 (iii) wholesale broadband Internet access service that is consistent with Federal
321 Communications Commission rules; and

322 (d) fund one-time distributions from the Universal Public Telecommunications Service
323 Support Fund for a non-rate-of-return regulated carrier of last resort's deployment and
324 management of networks capable of providing:

325 (i) access lines;

326 (ii) connections; or

327 (iii) broadband Internet access service.

328 (4) (a) A rate-of-return regulated carrier of last resort is eligible for payment from the
329 Universal Public Telecommunications Service Support Fund if:

330 (i) the rate-of-return regulated carrier of last resort provides the services described in
331 Subsections (3)(c)(i) through (iii); and

332 (ii) the rate-of-return regulated carrier of last resort's reasonable costs, as determined by
333 the commission, to provide public telecommunications service and wholesale broadband
334 Internet access service are greater than the sum of:

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

336 service considered affordable by the commission;

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

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

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

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

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

348 (ii) developed by the commission by rule made in accordance with Title 63G, Chapter
349 3, Utah Administrative Rulemaking Act.

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

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

355 (b) may use any depreciation method allowed by the Federal Communications
356 Commission.

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

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

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

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

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

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

376 (a) does not discriminate against:

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

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

379 (b) is competitively neutral; and

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

381 (i) annual intrastate revenue;

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

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

385 (10) The commission shall develop the methodology described in Subsection (9)
386 before January 1, 2018.

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

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

391 ~~[(ii) for purposes of funding the fund, the commission shall have the authority to~~
392 ~~require all corporations that provide intrastate telecommunication services in this state to~~
393 ~~contribute money to the fund through explicit charges determined by the commission;]~~

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

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

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

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

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

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

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

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

414 (a) to regulate broadband Internet access service; or

415 (b) assess a contribution in violation of the Internet Tax Freedom Act codified in 47
416 U.S.C. Sec. 151.

417 (15) (a) A facilities-based or non-facilities based wireless telecommunication provider
418 is eligible for distributions from the Universal Telecommunication Service Support Fund under
419 the lifeline program described in Subsection (3)(b) for providing lifeline service that is
420 consistent with the lifeline program for low income consumers offered by the Federal
421 Communications Commission.

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

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

428 (16) The commission shall report to the Public Utilities, Energy, and Technology

429 Interim Committee each year before November 1 regarding:

430 (a) the contribution method described in Subsection (9); and

431 (b) the amount of distributions from and contributions to the fund during the last fiscal

432 year.