



2001 ASSEMBLY BILL 575

October 16, 2001 – Introduced by Representatives HOVEN, JENSEN, AINSWORTH, ALBERS, GROTHMAN, GUNDERSON, LADWIG, LEIBHAM, OWENS, PETROWSKI, STONE, SYKORA and RILEY, cosponsored by Senator WELCH. Referred to Committee on Energy and Utilities.

- 1 **AN ACT to amend** 196.218 (3) (a) 3. a. of the statutes; **relating to:** contributions
2 required for the universal service fund.

Analysis by the Legislative Reference Bureau

Under current law, with certain exceptions, all telecommunications providers are required to contribute to the universal service fund (fund). Moneys in the fund are used for a variety of purposes, including the following: 1) promoting access to essential telecommunications services; 2) assisting the deployment of an advanced telecommunications infrastructure; 3) promoting access to information and library services to blind and visually handicapped individuals; 4) making grants to nonprofit medical clinics and public health agencies for telecommunications equipment; and 5) administering the fund.

Also under current law, the public service commission (PSC) must designate the method for calculating the amount that telecommunications providers must contribute to the fund. The method must ensure that the contributions are sufficient to generate the amount of funding required for all of the purposes for which moneys in the fund are used, including the purposes identified above. In fiscal year 2003–04, the contributions required for the purposes identified above may not exceed \$5,000,000. In fiscal year 2004–05 and thereafter, such contributions may not exceed \$6,000,000.

This bill changes the amount of contributions that are required for the purposes identified above. Under the bill, in fiscal year 2003–04 and thereafter, the amount of contributions for those purposes may not exceed \$4,000,000. The bill does not

