



**Fiscal Estimate Narratives**  
**PSC 2/5/2010**

|  |                  |                     |               |               |                 |
|--|------------------|---------------------|---------------|---------------|-----------------|
| LRB Number   | <b>09-3964/1</b> | Introduction Number | <b>SB-469</b> | Estimate Type | <b>Original</b> |
| <b>Description</b><br>Authority of the Public Service Commission over certain telecommunications utilities, telecommunications access charges, universal service fund contributions based on interconnected voice over Internet protocol service, tandem switching provider electronic call records, granting rule-making authority, and making an appropriation |                  |                     |               |               |                 |

**Assumptions Used in Arriving at Fiscal Estimate**

This bill would eliminate Commission authority over a majority of its current regulation of the telecommunications sector. While some authority over interconnection and wholesale interactions remains, the bill would eliminate the Commission's regulatory functions related to investigation, consumer complaint, affiliated interest and other powers related to the retail market. As a result, it appears that a significant amount of the direct assessment income from telecommunications would be eliminated. It could also be argued that the telecommunications companies should pay significantly less in remainder assessment since the Commission would be doing so much less that involves them. This change could have serious impact PSC budget and how non-telecommunications providers are affected in their own assessments.

The bill does institute a new universal service fund program that would help small telecommunications companies as reductions in their access charges would be required with passage of this bill. As the nature of the program and, with that, the nature of the job of the USF administrator changes and likely creates increases in work and responsibility, the amount the Commission would have to pay the USF administrator would need to be elevated as well. It would also require the Commission to get an increase in the USF appropriation from its current \$5.9 million.

**Long-Range Fiscal Implications**

indeterminant, but could have potential impact on future PSC budgets and staffing levels