

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1021

Introduced by Friesen, 34.

Read first time January 13, 2022

Committee:

- 1 A BILL FOR AN ACT relating to universal service; to amend section 86-324,
- 2 Revised Statutes Supplement, 2021; to provide authority and power to
- 3 the Public Service Commission to regulate telecommunications
- 4 companies that receive support to provide broadband services; to
- 5 harmonize provisions; and to repeal the original section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 86-324, Revised Statutes Supplement, 2021, is
2 amended to read:

3 86-324 (1) The Nebraska Telecommunications Universal Service Fund is
4 hereby created. The fund shall provide the assistance necessary to make
5 universal access to telecommunications services available to all persons
6 in the state consistent with the policies set forth in the Nebraska
7 Telecommunications Universal Service Fund Act. Only eligible
8 telecommunications companies designated by the commission shall be
9 eligible to receive support to serve high-cost areas from the fund. A
10 telecommunications company that receives such support shall use that
11 support only for the provision, maintenance, and upgrading of facilities
12 and services for which the support is intended. Any such support should
13 be explicit and sufficient to achieve the purpose of the act.

14 (2) Notwithstanding the provisions of section 86-124, in addition to
15 other provisions of the act, and to the extent not prohibited by federal
16 law, the commission:

17 (a) Shall have authority and power to subject eligible
18 telecommunications companies to service quality, customer service,
19 affordability, and billing rules and regulations. Such rules and
20 regulations adopted and promulgated by the commission shall apply only to
21 the extent of any telecommunications services, broadband services, or
22 offerings made by an eligible telecommunications company which are
23 eligible for support by the fund. The commission shall be reimbursed from
24 the fund for all costs related to drafting, implementing, and enforcing
25 the rules and regulations and any other services provided on behalf of
26 customers pursuant to this subdivision;

27 (b) Shall have authority and power to issue orders carrying out its
28 responsibilities and to review the compliance of any eligible
29 telecommunications company receiving support for continued compliance
30 with any such orders issued or rules and regulations adopted and
31 promulgated pursuant to the act;

1 (c) May withhold all or a portion of the funds to be distributed
2 from any telecommunications company failing to continue compliance with
3 the commission's orders or rules and regulations;

4 (d) Shall require every telecommunications company to contribute to
5 any universal service mechanism established by the commission pursuant to
6 state law. The commission shall require, as reasonably necessary, an
7 annual audit of any telecommunications company to be performed by a
8 third-party certified public accountant to insure the billing,
9 collection, and remittance of a surcharge for universal service. The
10 costs of any audit required pursuant to this subdivision shall be paid by
11 the telecommunications company being audited;

12 (e) Shall require an audit of information provided by a
13 telecommunications company to be performed by a third-party certified
14 public accountant for purposes of calculating universal service fund
15 payments to such telecommunications company. The costs of any audit
16 required pursuant to this subdivision shall be paid by the
17 telecommunications company being audited; and

18 (f) May administratively fine pursuant to section 75-156 any person
19 who violates the Nebraska Telecommunications Universal Service Fund Act.

20 (3) Any money in the fund available for investment shall be invested
21 by the state investment officer pursuant to the Nebraska Capital
22 Expansion Act and the Nebraska State Funds Investment Act.

23 (4) Transfers may be made from earnings on the Nebraska
24 Telecommunications Universal Service Fund to the 211 Cash Fund at the
25 direction of the Legislature. The State Treasurer shall annually transfer
26 three hundred thousand dollars on July 1 beginning in 2021 from the
27 earnings on the Nebraska Telecommunications Universal Service Fund to the
28 211 Cash Fund.

29 Sec. 2. Original section 86-324, Revised Statutes Supplement, 2021,
30 is repealed.