

State of Utah
Administrative Rule Analysis
 Revised May 2020

NOTICE OF PROPOSED RULE		
TYPE OF RULE: New ___; Amendment <u>X</u> ; Repeal ___; Repeal and Reenact ___		
Title No. - Rule No. - Section No.		
Utah Admin. Code Ref (R no.):	R746-8-301	Filing No. (Office Use Only)
Changed to Admin. Code Ref. (R no.):	R	

Agency Information

1. Department:	Public Service Commission	
Agency:	Public Service Commission	
Room no.:		
Building:	Heber M. Wells Building	
Street address:	160 E 300 S, 4th Floor	
City, state:	Salt Lake City, UT 84111	
Mailing address:	PO Box 4558	
City, state, zip:	Salt Lake City, UT 84114-4558	
Contact person(s):		
Name:	Phone:	Email:
Yvonne Hogle	801-530-6709	yhogle@utah.gov
Please address questions regarding information on this notice to the agency.		

General Information

2. Rule or section catchline:
Calculation and Application of UUSF Surcharge
3. Purpose of the new rule or reason for the change (If this is a new rule, what is the purpose of the rule? If this is an amendment, repeal, or repeal and reenact, what is the reason for the filing?):
S.B. 225, Prepaid Wireless Telecommunications Service Amendments, enacted in the 2020 General Legislative Session, creates a statutory surcharge amount and collection method for prepaid wireless telecommunications service for the charges that are assessed on access line providers and connection providers to fund the Utah Universal Public Telecommunications Service Support Fund. This rule change is necessary to align the language in our rule with the language in Utah Code Ann. Section 54-8b-15, effective January 1, 2021.
4. Summary of the new rule or change:
This rule change aligns with the language in the prepaid wireless telecommunications service amendments which creates a statutory surcharge amount and collection method for prepaid wireless telecommunications service for the charges that are assessed on access line providers and connection providers to fund the Utah Universal Public Telecommunications Service Support Fund.

Fiscal Information

5. Aggregate anticipated cost or savings to:
A) State budget:
None. The rule change is made solely to align the language in the rule with the language in the prepaid wireless telecommunications service amendments. Any cost or savings is due to the statutory change, not to the rule amendment.
B) Local governments:
None. The rule change is made solely to align the language in the rule with the language in the prepaid wireless telecommunications service amendments. Any cost or savings is due to the statutory change, not to the rule amendment.
C) Small businesses ("small business" means a business employing 1-49 persons):

None. The rule change is made solely to align the language in the rule with the language in the prepaid wireless telecommunications service amendments. Any cost or savings is due to the statutory change, not to the rule amendment.

D) Non-small businesses ("non-small business" means a business employing 50 or more persons):

None. The rule change is made solely to align the language in the rule with the language in the prepaid wireless telecommunications service amendments. Any cost or savings is due to the statutory change, not to the rule amendment.

E) Persons other than small businesses, non-small businesses, state, or local government entities ("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an **agency**):

None. The rule change is made solely to align the language in the rule with the language in the prepaid wireless telecommunications service amendments. Any cost or savings is due to the statutory change, not to the rule amendment.

F) Compliance costs for affected persons:

None. The rule change is made solely to align the language in the rule with the language in the prepaid wireless telecommunications service amendments. Any cost or savings is due to the statutory change, not to the rule amendment.

G) Regulatory Impact Summary Table (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

Regulatory Impact Table

Fiscal Cost	FY2021	FY2022	FY2023
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Cost	\$0	\$0	\$0
Fiscal Benefits			
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Benefits	\$0	\$0	\$0
Net Fiscal Benefits	\$0	\$0	\$0

H) Department head approval of regulatory impact analysis:

PSC Chair Thad LeVar has reviewed and approved this fiscal analysis.

6. A) Comments by the department head on the fiscal impact this rule may have on businesses:

There is no anticipated fiscal impact. S.B. 225 necessitated the proposed changes to our rules solely to align the language in our rule with the language in the prepaid wireless telecommunications service amendments. Any cost or savings is due to the statutory change, not to the rule amendment.

B) Name and title of department head commenting on the fiscal impacts:

Thad LeVar, PSC Chair

Citation Information

7. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws. State code or constitution citations (required):

Utah Code Ann. Section 54-8b-15		

Incorporations by Reference Information

(If this rule incorporates more than two items by reference, please include additional tables.)

8. A) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

First Incorporation	
Official Title of Materials Incorporated (from title page)	
Publisher	
Date Issued	
Issue, or version	

B) This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Second Incorporation	
Official Title of Materials Incorporated (from title page)	
Publisher	
Date Issued	
Issue, or version	

Public Notice Information

9. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until (mm/dd/yyyy):	11/16/2020	
B) A public hearing (optional) will be held:		
On (mm/dd/yyyy):	At (hh:mm AM/PM):	At (place):

10. This rule change MAY become effective on (mm/dd/yyyy): 11/23/2020

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After the date designated in Box 10, the agency must submit a Notice of Effective Date to the Office of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Agency Authorization Information

To the agency: Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the *Utah State Bulletin*, and delaying the first possible effective date.

Agency head or designee, and title:	Thad LeVar, PSC Chair	Date (mm/dd/yyyy):	10/01/2020
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R746. Public Service Commission, Administration.

R746-8. Utah Universal Public Telecommunications Service Support Fund (UUSF).

R746-8-301. Calculation and Application of UUSF Surcharge.

(1) The Utah Universal Public Telecommunications Service Support Fund (UUSF) shall be funded as follows:

(a) Unless Subsection R746-8-301(3) applies, providers shall remit to the Commission \$0.54 per month per access line that, as of the last calendar day of each month, has a place of primary use in Utah in accordance with the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.

(b)(i) "Place of primary use" means the street address representative of where the customer's use of the telecommunications service primarily occurs.

(ii) A provider of mobile telecommunications service shall consider the customer's place of primary use to be the customer's residential street address or primary business street address.

(iii) A provider of non-mobile telecommunications service shall consider the customer's place of primary use to be:

(A) the customer's residential street address or primary business street address; or

(B) the customer's registered location for 911 purposes.

(c) A provider may collect the surcharge:

(i) as an explicit charge to each end-user; or

(ii) through inclusion of the surcharge within the end-user's rate plan.

(d) A provider that offers a multi-line service shall apply the surcharge to each concurrent real-time voice communication call session that an end-user can place to or receive from the public switched telephone network.

(e)(i) Except as provided in Subsection R746-8-301(1)(e)(ii):

(A) A provider that offers prepaid access lines or connections that permit access to the public telephone network shall remit to the Commission \$0.54 per month per access line for such service, such as [~~new~~ access lines or connections, or recharges for existing lines or connections, ~~]~~ purchased on or after January 1, 2018.

~~[(ii)]~~ (B) Subsection R746-8-301(1)(e)(i) operates in lieu of Subsection R746-8-301(1)(a) in that a provider who is required to make a remittance for an access line under Subsection R746-8-301(1)(e)(i) is not required to make an additional remittance for the same access line under Subsection R746-8-301(1)(a).

~~[(iii)]~~ (A) (C) Multiple recharges of a single prepaid access line during a single month do not trigger multiple remittance requirements.

(ii) The charge described in Subsection R746-8-301(1)(e)(2)

does not apply to a prepaid wireless telecommunications service, as defined in Section 69-2-405, that is subject to the service charge described in Subsection 69-2-405(2) (b).

~~[(B)]~~iii \$0.54 per month is both the maximum and minimum amount of remittance necessary for any single access line.

(2) (a) A provider shall remit to the Commission no less than 98.69 percent of its total monthly surcharge collections.

(b) A provider may retain a maximum of 1.31 percent of its total monthly surcharge collections to offset the costs of administering this rule.

(3) (a) Subject to Subsection R746-8-301(3) (b), a provider may omit the UUSF surcharge with respect to an access line that is described in Subsection R746-8-301(1), and:

(i) generates revenue that is subject to a universal service fund surcharge in a state other than Utah for the relevant month for which the provider omits the UUSF surcharge;

(ii) for the relevant month for which the provider omits the UUSF surcharge, was not used to access Utah intrastate telecommunications services; or

(iii) subject to Subsection R746-8-403(5), receives subsidization through a federal Lifeline program approved by the FCC.

(b) A provider that omits any UUSF surcharge pursuant to Subsection R746-8-301(3) (a) shall:

(i) maintain documentation for at least 36 months that the omission complied with Subsection R746-8-301(3) (a); and

(ii) consent to any audit of the documentation requested by the:

(A) Commission; or

(B) Division of Public Utilities.

(c) A provider who omits any UUSF surcharge pursuant to Subsection R746-8-301(3) (a) shall report monthly to the Division of Public Utilities, using a method approved by the Division, the number of omissions claimed pursuant to each Subsection R746-8-301(3) (a) (i) and R746-8-301(3) (a) (ii).

KEY: Utah universal service fund, surcharges and disbursements, speech/hearing challenges, assistive devices and technology

Date of Enactment or Last Substantive Amendment: October 1, 2020

Authorizing, and Implemented or Interpreted Law: 54-3-1; 54-4-1;

54-8b-10; 54-8b-15