

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the ) Application No. C-5555
Commission, on its own motion, )
to determine the surcharge for )
the statewide ) ORDER SETTING SURCHARGE
Telecommunications Relay )
System, to be effective July 1, )
2024. ) Entered: April 30, 2024

BY THE COMMISSION:

On January 23, 2024, the above-captioned proceeding was opened by the Nebraska Public Service Commission ("Commission"), on its own motion, to determine the appropriate surcharge for the statewide Telecommunications Relay System ("TRS") for the fiscal year beginning on July 1, 2024. The Commission is charged by statute to hold an annual public hearing, prior to April 1 of each year, to determine the amount of surcharge necessary to carry out the provisions of the Telecommunications Relay System Act, Neb. Rev. Stat. §§ 86-301 to 86-315.1 The surcharge is used to fund the TRS and the Nebraska Specialized Telecommunications Equipment Program ("NSTEP") for the coming year.

The order opening the above-captioned proceeding and setting the matter for hearing was mailed to all interested parties on or around January 23, 2024. Notice of the proceeding appeared in The Daily Record, Omaha, Nebraska, on January 26, 2024.

B A C K G R O U N D

On April 15, 2024, Legislative Bill 1031 ("LB 1031") was approved by the Nebraska Legislature and signed by the Governor.2 There are two provisions in LB 1031 that are germane to this docket.3 They make changes to eligibility criteria for the NSTEP program by amending Neb. Rev. Stat. § 86-314 (2) in the following ways: (a) increasing the number of individuals residing in the same household that may receive telecommunications equipment from one person per household to two persons per household, and (b)

1 See Neb. Rev. Stat. § 86-313 (2).
2 Most bills passed and approved by the governor become law three calendar months after the Legislature adjourns. However, a bill may take effect before that date if it contains an emergency clause. LB 1031 contained an emergency clause; however, the provisions that cover the NSTEP program were excepted from the emergency clause, and therefore take effect three months after adjournment.
3 LB 1031, 108th Leg., 2nd Reg. Sess. (Ne. 2024).

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reducing the re-application period of a recipient of NSTEP equipment from five years to three years.

## E V I D E N C E

On March 19, 2024, a public hearing was held in this matter in the Commission Hearing Room in Lincoln, Nebraska, and through videoconference. Commission exhibits numbered 1-4 were offered and accepted. Jonathan Smith appeared on behalf of the Commission staff.

Tami Richardson-Nelson, the Chair of the TRS Advisory Committee, submitted a letter to the Commission dated February 15, 2024. In its letter, the Advisory Committee recommended to the Commission that the surcharge remain at its current level of three cents for the next fiscal year beginning July 1, 2024. However, the TRS Advisory Committee further recommended that in the event Legislative Bill 1180<sup>4</sup> became law, that an additional two-cent increase be implemented, resulting in a revised surcharge recommendation of five cents. At the March 19th public hearing, this recommendation letter was accepted into the record as Exhibit 3.

Steve Stovall, Staff Accountant for the Commission's Communication Department, testified at the hearing on behalf of Commission staff. Mr. Stovall offered his pre-filed written testimony, marked as Exhibit 4, which included three attachments.

Based on his analysis, forecasts, and experience as the Commission's administrator of the TRS program, Mr. Stovall recommended that the surcharge increase from three cents to five cents for the next fiscal year beginning July 1, 2024.<sup>5</sup> Mr. Stovall further testified that his recommendation was identical to the recommendation of the TRS Advisory Committee.<sup>6</sup>

No further witnesses were called, and the hearing was closed following Mr. Stovall's testimony.

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<sup>4</sup> Following the meeting of the TRS Advisory Committee, the provisions of Legislative Bill 1180 were amended into LB 1031.

<sup>5</sup> *Transcript* at 9:22 - 10:18.

<sup>6</sup> *Id.* at 11:21 - 12:8.

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## O P I N I O N   A N D   F I N D I N G S

Neb. Rev. Stat. § 86-313 requires the Commission to set the TRS surcharge at a level necessary to fund the statewide TRS and the specialized telecommunications equipment program, plus a reasonable reserve. At the time of this hearing, LB 1031 was still pending in the Nebraska Legislature, however, on April 15, 2024, the Governor signed LB 1031, with an effective date of July 18, 2024. As such, the Commission must now take into consideration the extent to which the passage of LB 1031 affects the future balance requirements of the TRS fund.

Upon our review of the evidence, the Commission finds that the current three-cent surcharge is insufficient to support the projected balance requirements of the TRS fund. Therefore, the Commission finds that it must make an adjustment to the surcharge in order to accommodate the anticipated increase in expenses incurred by the passage of LB 1031.

The Commission finds that the recommendations of Mr. Stovall and of the TRS Advisory Committee are reasonable and that the surcharge should be increased by two cents for the next fiscal year. Therefore, the Commission finds that the TRS surcharge should be set at five cents per telephone number or functional equivalent, beginning July 1, 2024.

## O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that, pursuant to the Telecommunications Relay System Act, the TRS surcharge should be set at five cents per telephone number or functional equivalent, beginning July 1, 2024.

IT IS FURTHER ORDERED that all affected telecommunications companies are hereby required, beginning July 1, 2024, to collect a five-cent surcharge per month on each telephone number or functional equivalent in Nebraska, in accordance with Neb. Rev. Stat § 86-313.

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ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 30th day of April, 2024.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Eric M. Hamler*

*[Signature]*

*Tim Schram*

*Kevin Stocker*

*[Signature]*

Chair

ATTEST:

*[Signature]*

Deputy Director