

1-1 By: Keffer of Eastland, Christian, Seaman H.B. No. 3325  
1-2 (Senate Sponsor - Staples)  
1-3 (In the Senate - Received from the House May 12, 2003;  
1-4 May 13, 2003, read first time and referred to Committee on Business  
1-5 and Commerce; May 22, 2003, reported adversely, with favorable  
1-6 Committee Substitute by the following vote: Yeas 9, Nays 0;  
1-7 May 22, 2003, sent to printer.)

1-8 COMMITTEE SUBSTITUTE FOR H.B. No. 3325 By: Armbrister

1-9 A BILL TO BE ENTITLED  
1-10 AN ACT

1-11 relating to the creation and administration of the community  
1-12 telecommunications alliance program.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Chapter 487, Government Code, is amended by  
1-15 adding Subchapter O to read as follows:

1-16 SUBCHAPTER O. COMMUNITY TELECOMMUNICATIONS ALLIANCE PROGRAM

1-17 Sec. 487.651. DEFINITIONS. In this subchapter:

1-18 (1) "Board" means the Telecommunications  
1-19 Infrastructure Fund Board.

1-20 (2) "Community telecommunications alliance" means an  
1-21 association of public and private entities created to share  
1-22 resources, promote innovative school health technology, promote  
1-23 economic development opportunities for the community, and improve  
1-24 the overall quality of life within a local community through  
1-25 telecommunications and information services provided by the  
1-26 private sector.

1-27 (3) "Program" means the community telecommunications  
1-28 alliance program.

1-29 Sec. 487.652. MEMORANDUM OF UNDERSTANDING. (a) The office  
1-30 and the board by rule shall adopt a memorandum of understanding  
1-31 establishing the community telecommunications alliance program.  
1-32 The program shall:

1-33 (1) assist local communities in the creation and  
1-34 development of community telecommunications alliances, including  
1-35 alliances established to pursue rural economic development or  
1-36 innovative rural school health technology projects, by providing  
1-37 advice and assistance in assessing local uses of and local demands  
1-38 or needs for local telecommunications and information services of  
1-39 private sector providers; and

1-40 (2) assist community telecommunications alliances in  
1-41 applying for grant funding for projects, including:

1-42 (A) assisting alliances in securing matching  
1-43 private sector funding for projects; and

1-44 (B) requiring alliances to develop sustainable  
1-45 plans:

1-46 (i) that demonstrate how the alliance will  
1-47 continue to obtain private sector services once the grant funding  
1-48 terminates;

1-49 (ii) that do not directly compete with  
1-50 local businesses, telecommunications providers, or information  
1-51 services providers; and

1-52 (iii) that prohibit a network created with  
1-53 assistance from the alliance or other public funding from being  
1-54 sold to a direct competitor of a private sector provider.

1-55 (b) Each community telecommunications alliance established  
1-56 under this section shall have an advisory council with  
1-57 representation from each of the following:

1-58 (1) a local nonprofit organization;  
1-59 (2) a local county-elected official;  
1-60 (3) a local city-elected official;  
1-61 (4) a local telecommunications provider;  
1-62 (5) a local economic development group;  
1-63 (6) the local financial community; and

2-1 (7) a local information services provider.

2-2 (c) This chapter may not be construed to:

2-3 (1) expand eligibility for private network services  
2-4 under Section 58.253(a) or 59.072(a), Utilities Code, to persons  
2-5 not eligible to purchase the services; or

2-6 (2) permit the direct or indirect sharing or resale of  
2-7 private network services with persons not eligible to purchase the  
2-8 services.

2-9 (d) A community telecommunications alliance created under  
2-10 this section shall offer the following local entities the  
2-11 opportunity to be included in the alliance:

2-12 (1) a library, as defined by Section 57.042, Utilities  
2-13 Code;

2-14 (2) a public school, as defined by Section 57.042,  
2-15 Utilities Code;

2-16 (3) a public not-for-profit health care facility, as  
2-17 defined by Section 57.042, Utilities Code; and

2-18 (4) a local institution of higher education, as  
2-19 defined by Section 57.042, Utilities Code.

2-20 Sec. 487.653. REPORT TO LEGISLATURE. Not later than  
2-21 January 1 of each odd-numbered year, the office and the board  
2-22 jointly shall submit to the legislature a report detailing the  
2-23 grant activities of the program and grant recipients. The report  
2-24 must include:

2-25 (1) the criteria used to quantify the effect grant  
2-26 funds had in advancing telecommunications connectivity and  
2-27 technology;

2-28 (2) data and performance measures used to quantify the  
2-29 achievement of program objectives; and

2-30 (3) a description of and results from a grant  
2-31 monitoring risk assessment and on-site review process.

2-32 Sec. 487.654. PROHIBITION. A community telecommunications  
2-33 alliance may not directly or indirectly:

2-34 (1) provide telecommunications or information  
2-35 services to the public;

2-36 (2) resell or share telecommunications or information  
2-37 services obtained through grants or loans received under Chapter  
2-38 57, Utilities Code, with persons not eligible for the grants or  
2-39 loans; or

2-40 (3) provide or support the provision of  
2-41 telecommunications or information services in competition with a  
2-42 private sector provider.

2-43 SECTION 2. Section 57.047(c), Utilities Code, is amended to  
2-44 read as follows:

2-45 (c) In awarding a grant or loan under this subchapter, the  
2-46 board shall give priority to a project or proposal that:

2-47 (1) represents collaborative efforts involving more  
2-48 than one school, university, or library;

2-49 (2) contributes matching funds from another source;

2-50 (3) shows promise of becoming self-sustaining;

2-51 (4) helps users of information learn new ways to  
2-52 acquire and use information through telecommunications;

2-53 (5) extends specific educational information and  
2-54 knowledge services to a group not previously served, especially a  
2-55 group in an economically depressed, ~~a~~ rural, or remote area;

2-56 (6) results in more efficient or effective learning  
2-57 than through conventional teaching;

2-58 (7) improves the effectiveness and efficiency of  
2-59 health care delivery; ~~or~~

2-60 (8) takes advantage of distance learning  
2-61 opportunities in a rural or urban school district with a:

2-62 (A) disproportionate number of at-risk youths;

2-63 or

2-64 (B) high dropout rate; or

2-65 (9) assists the community telecommunications alliance  
2-66 program created under Subchapter O, Chapter 487, Government Code.

2-67 SECTION 3. This Act takes effect September 1, 2003.

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