By: Brimer S.B. No. 1499

## A BILL TO BE ENTITLED

1	AN ACT	

- 2 relating to the telecommunications infrastructure fund, including
- 3 the administration of the fund.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 481.023, Government Code, is amended to
- 6 read as follows:
- 7 Sec. 481.023. ADMINISTRATION OF OTHER STATUTES.  $[\frac{a}{a}]$  The
- 8 office shall perform the administrative duties prescribed under:
- 9 (1) Chapter 1433; [and]
- 10 (2) the Development Corporation Act of 1979 (Article
- 11 5190.6, Vernon's Texas Civil Statutes); and
- 12 (3) Subchapter C, Chapter 57, Utilities Code.
- SECTION 2. Section 57.042, Utilities Code, is amended by
- 14 adding Subdivision (6-a) to read as follows:
- 15 (6-a) "Office" means the Texas Economic Development
- 16 and Tourism Office.
- 17 SECTION 3. Section 57.045, Utilities Code, is amended to
- 18 read as follows:
- 19 Sec. 57.045. POWERS AND DUTIES OF OFFICE [BOARD]. (a) The
- 20 office [board] shall administer the fund and the two accounts in the
- 21 fund.
- 22 (b) The office [board] shall prepare an annual report that:
- 23 (1) details the revenues deposited to the credit of
- the fund, including each account; and

- 1 (2) summarizes the grants and loans made from each
- 2 account.
- 3 (c) Not later than January 15 of each year, the office
- 4 [board] shall submit the report for the preceding year to the
- 5 governor and to each standing committee in the senate and house of
- 6 representatives that has jurisdiction over public or higher
- 7 education.
- 8 (d) The office [board] may:
- 9 (1) enter into contracts with state agencies or
- 10 private entities necessary to perform the <a href="office's">office's</a> [board's]
- 11 duties;
- 12 (2) adopt rules as necessary to administer this
- 13 subchapter;
- 14 (3) employ personnel reasonably necessary to perform
- duties delegated by the office [board];
- 16 (4) appoint one or more committees to assist the
- office [board] in performing the office's [board's] duties; and
- 18 (5) accept a gift or grant and use it for the purposes
- 19 of this subchapter.
- 20 (e) The office [board] shall establish an assistance
- 21 program to provide education concerning the telecommunications
- 22 infrastructure fund [and to facilitate access to funds and programs
- 23 under this subchapter by health care facilities and by physicians
- 24 licensed to practice medicine in this state]. The assistance
- 25 program must include a toll-free telephone number and provide
- 26 access to information through the Internet.
- SECTION 4. Section 57.0455, Utilities Code, is amended to

- 1 read as follows:
- 2 Sec. 57.0455. MASTER PLAN FOR INFRASTRUCTURE DEVELOPMENT.
- 3 (a) The office [board] shall adopt a master plan for infrastructure
- 4 development. The plan must:
- 5 (1) cover a five-year period;
- 6 (2) be updated annually; and
- 7 (3) describe the project, timeline, and resource
- 8 allocation targets for each year included in the plan.
- 9 (b) The <u>office</u> [<del>board</del>] shall publish each proposed
- 10 amendment to the plan and each proposed annual update in the Texas
- 11 Register in accordance with Subchapter B, Chapter 2002, Government
- 12 Code.
- SECTION 5. Sections 57.046(a) and (b), Utilities Code, are
- 14 amended to read as follows:
- 15 (a) The office [board] shall use money in the public schools
- 16 account to:
- 17 (1) to the extent directed in the General
- 18 Appropriations Act, fund the technology allotment under Section
- 19 32.005, Education Code; and
- 20 (2) award grants and loans in accordance with this
- 21 subchapter to fund:
- (A) equipment for public schools, including
- 23 computers, printers, computer labs, and video equipment; and
- 24 (B) intracampus and intercampus wiring to enable
- 25 those public schools to use the equipment.
- 26 (b) The office [board] shall use money in the qualifying
- 27 entities account for any purpose authorized by this subchapter,

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1
     including:
 2
                (1)
                     equipment;
 3
                (2)
                     wiring;
 4
                (3) material;
 5
                (4) program development;
 6
                (5) training;
 7
                (6)
                     installation costs; and
 8
                (7) a statewide telecommunications network[; and
 9
                [\frac{(8)}{}].
           SECTION 6. Section 57.047, Utilities Code, is amended to
10
     read as follows:
11
           Sec. 57.047. GRANT AND LOAN PROGRAM.
12
                                                      (a)
                                                            The office
     [board] may award a grant to a project or proposal that:
13
14
                (1) provides equipment and infrastructure necessary
15
     for:
16
                      (A)
                           distance learning; or
17
                      (B)
                           an information sharing program of a library[+
                      [(C) telemedicine medical services;
18
                      [<del>(D) telehealth services; or</del>
19
20
                      [(E) a telepharmacy system];
21
                (2)
                     develops and
                                       implements the
                                                           initial
                                                                     or
     prototypical delivery of a course or other distance learning
22
    material;
23
24
                 (3) trains
                               teachers, faculty,
                                                       librarians,
25
     technicians in the use of distance learning or information sharing
    materials and equipment;
26
27
                (4) develops a curriculum or instructional material
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- 1 specially suited for telecommunications delivery;
- 2 (5) provides electronic information; or
- 3 (6) establishes or carries out an information sharing
- 4 program.
- 5 (b) The office [board] may award a loan to a project or
- 6 proposal to acquire equipment needed for distance learning [and
- 7 telemedicine medical service] projects.
- 8 (c) In awarding a grant or loan under this subchapter, the
- 9 <u>office</u> [board] shall <u>require that</u> [give priority to] a project or
- 10 proposal [that]:
- 11 (1) include at least one library in partnership with a
- 12 [represents collaborative efforts involving more than one] school
- or  $[\tau]$  university  $[\tau]$  or  $[\tau]$ ;
- 14 (2) contribute an amount equal to at least 50 percent
- 15 of the cost of the project [contributes matching funds] from
- 16 another source, of which not more than one-half may be in-kind
- 17 contributions;
- 18 (3) demonstrate need and the manner in which [shows
- 19 promise of becoming self-sustaining;
- 20 [(4) helps users of information learn new ways to
- 21 acquire and use information through telecommunications;
- 22 [<del>(5) extends</del>] specific educational information and
- 23 knowledge services will be extended to a group not previously
- 24 served, especially a group in an economically depressed, rural, or
- 25 remote area; and
- 26 (4) include a five-year plan with performance measures
- 27 that address how the project:

1	(A) will result [ <del>(6) results</del> ] in more efficient
2	or effective learning and data sharing; and
3	(B) supports the goals of other state agencies,
4	including the Texas Education Agency, the Texas Higher Education
5	Coordinating Board, and the Texas State Library and Archives
6	Commission [than through conventional teaching;
7	[ <del>(7) improves the effectiveness and efficiency of</del>
8	health care delivery;
9	[ <del>(8) takes advantage of distance learning</del>
10	opportunities in a rural or urban school district with a:
11	[ <del>(A) disproportionate number of at-risk youths;</del>
12	<del>or</del>
13	[ <del>(B) high dropout rate; or</del>
14	[ <del>(9) assists the community telecommunications</del>
15	alliance program created under Subchapter O, Chapter 487,
16	Government Code].
17	(d) A person that receives a grant or loan under this
18	section may not use the grant or loan to:
19	(1) pay administrative or overhead costs; or
20	(2) provide funding for a network or other activity
21	that will compete with the private sector [In distributing money to
22	public schools, the board shall:
23	[(1) consider the relative property wealth per student
24	of the school districts that receive the money; and
25	[(2) recognize the unique needs of rural communities].
26	(e) [ <del>If a board member is an employee of an entity that</del>
27	applies for a grapt or loap under this subchapter, the board member

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- 1 before a vote on the grant or loan, shall disclose the fact of the
- 2 member's employment. The disclosure must be entered into the
- 3 minutes of the meeting. The board member may not vote on or
- 4 otherwise participate in the awarding of the grant or loan. If the
- 5 board member does not comply with this subsection, the entity is not
- 6 eligible for the grant or loan.
- 7 [(f)] A grant or loan awarded under this section is subject
- 8 to the limitations prescribed by Section 57.046.
- 9 SECTION 7. Section 57.0485(a), Utilities Code, is amended
- 10 to read as follows:
- 11 (a) The comptroller shall deposit  $\frac{75}{2}$  [50] percent of the
- 12 money collected by the comptroller under Section 57.048 to the
- 13 credit of the public schools account in the fund. The comptroller
- 14 shall deposit the remainder of the money collected by the
- 15 comptroller under Section 57.048 to the credit of the qualifying
- 16 entities account in the fund.
- SECTION 8. Section 57.049, Utilities Code, is amended to
- 18 read as follows:
- 19 Sec. 57.049. ISSUANCE OF WARRANTS. From money appropriated
- 20 to the office under this subchapter [board], the comptroller shall
- 21 issue warrants the office [board] requests in accordance with the
- 22 purposes of this subchapter, including warrants to grantees of the
- $\underline{\text{office}}$  [board] in amounts the  $\underline{\text{office}}$  [board] certifies to the
- 24 comptroller.
- 25 SECTION 9. Section 57.050, Utilities Code, is amended to
- 26 read as follows:
- 27 Sec. 57.050. ASSISTANCE OF OTHER AGENCIES. The following

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- 1 agencies, in consultation with the office [board], shall adopt
- 2 policies and procedures that are designed to aid the office [board]
- 3 in achieving the purposes of this subchapter:
- 4 (1) the Texas Higher Education Coordinating Board;
- 5 (2) the Texas Education Agency; and
- 6 (3) the Texas State Library and Archives Commission.
- 7 SECTION 10. The following provisions of the Utilities Code
- 8 are repealed:
- 9 (1) Sections 57.042(1), (2), (7), (11), (12), and
- 10 (13);
- 11 (2) Section 57.044;
- 12 (3) Section 57.046(c), as added by Chapter 198, Acts
- of the 78th Legislature, Regular Session, 2003;
- 14 (4) Section 57.046(c), as added by Chapter 201, Acts
- of the 78th Legislature, Regular Session, 2003;
- 16 (5) Section 57.046(d);
- 17 (6) Sections 57.0471 and 57.0475;
- 18 (7) Sections 57.048(c) and (d); and
- 19 (8) Section 57.051.
- 20 SECTION 11. A reference in law to the Telecommunications
- 21 Infrastructure Fund Board means the Texas Economic Development and
- 22 Tourism Office.
- 23 SECTION 12. This Act takes effect September 1, 2005.