

BILL ANALYSIS

H.B. 227
By: Guillen
Higher Education
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that a local telephone exchange company must report and deliver all funds presumed abandoned to the comptroller of public accounts, with the option of diverting a portion of such funds to a rural scholarship fund. The parties identify the primary sources of the abandoned funds as customer deposits and refunds that are unclaimed because members of the local exchange have either moved or passed away. The parties note that these funds may be useful to the many communities in rural and remote areas that lack the proper infrastructure for telecommunications, including wireless broadband services. H.B. 227 seeks to expand telecommunication services and infrastructure in rural, underserved areas by allowing local telephone exchange companies to divert unclaimed funds to an economic development fund.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 227 amends the Property Code to authorize a local telephone exchange company to deliver money reported to the comptroller of public accounts as property that is presumed abandoned to an economic development fund established by one or more local telephone exchange companies in the state to enable rural, low-income, underserved areas to promote or support economic development and stimulate infrastructure development in those areas, as an additional alternative to delivering the reported money to the comptroller.

H.B. 227 raises from \$800,000 to \$1 million the cap on the total amount of reported money that may be transferred by all local telephone exchange companies to a rural scholarship fund established by one or more local telephone exchange companies and creates a cap of \$1 million for the total amount of money that may be transferred by all local telephone exchange companies to the economic development fund. The bill clarifies that the comptroller is required to keep a record for each fund of the total amount of money transferred annually.

EFFECTIVE DATE

September 1, 2015.