

AN ACT

relating to the creation and administration of the community telecommunications alliance program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

SUBCHAPTER O. COMMUNITY TELECOMMUNICATIONS ALLIANCE PROGRAM

Sec. 487.651. DEFINITIONS. In this subchapter:

(1) "Board" means the Telecommunications Infrastructure Fund Board.

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

(3) "Program" means the community telecommunications alliance program.

Sec. 487.652. MEMORANDUM OF UNDERSTANDING. (a) The office and the board by rule shall adopt a memorandum of understanding establishing the community telecommunications alliance program.

The program shall:

(1) assist local communities in the creation and

1 development of community telecommunications alliances, including
2 alliances established to pursue rural economic development or
3 innovative rural school health technology projects, by providing
4 advice and assistance in assessing local uses of and local demands
5 or needs for local telecommunications and information services of
6 private sector providers; and

7 (2) assist community telecommunications alliances in
8 applying for grant funding for projects, including:

9 (A) assisting alliances in securing matching
10 private sector funding for projects; and

11 (B) requiring alliances to develop sustainable
12 plans:

13 (i) that demonstrate how the alliance will
14 continue to obtain private sector services once the grant funding
15 terminates;

16 (ii) that do not directly compete with
17 local businesses, telecommunications providers, or information
18 services providers; and

19 (iii) that prohibit a network created with
20 assistance from the alliance or other public funding from being
21 sold to a direct competitor of a private sector provider.

22 (b) Each community telecommunications alliance established
23 under this section shall have an advisory council with
24 representation from each of the following:

25 (1) a local nonprofit organization;

26 (2) a local county-elected official;

27 (3) a local city-elected official;

1 (4) a local telecommunications provider;

2 (5) a local economic development group;

3 (6) the local financial community; and

4 (7) a local information services provider.

5 (c) This chapter may not be construed to:

6 (1) expand eligibility for private network services
7 under Section 58.253(a) or 59.072(a), Utilities Code, to persons
8 not eligible to purchase the services; or

9 (2) permit the direct or indirect sharing or resale of
10 private network services with persons not eligible to purchase the
11 services.

12 (d) A community telecommunications alliance created under
13 this section shall offer the following local entities the
14 opportunity to be included in the alliance:

15 (1) a library, as defined by Section 57.042, Utilities
16 Code;

17 (2) a public school, as defined by Section 57.042,
18 Utilities Code;

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

21 (4) a local institution of higher education, as
22 defined by Section 57.042, Utilities Code.

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

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

4 (2) data and performance measures used to quantify the
5 achievement of program objectives; and

6 (3) a description of and results from a grant
7 monitoring risk assessment and on-site review process.

8 Sec. 487.654. PROHIBITION. A community telecommunications
9 alliance may not directly or indirectly:

10 (1) provide telecommunications or information
11 services to the public;

12 (2) resell or share telecommunications or information
13 services obtained through grants or loans received under Chapter
14 57, Utilities Code, with persons not eligible for the grants or
15 loans; or

16 (3) provide or support the provision of
17 telecommunications or information services in competition with a
18 private sector provider.

19 SECTION 2. Section 57.047(c), Utilities Code, is amended to
20 read as follows:

21 (c) In awarding a grant or loan under this subchapter, the
22 board shall give priority to a project or proposal that:

23 (1) represents collaborative efforts involving more
24 than one school, university, or library;

25 (2) contributes matching funds from another source;

26 (3) shows promise of becoming self-sustaining;

27 (4) helps users of information learn new ways to

1 acquire and use information through telecommunications;

2 (5) extends specific educational information and
3 knowledge services to a group not previously served, especially a
4 group in an economically depressed, [a] rural, or remote area;

5 (6) results in more efficient or effective learning
6 than through conventional teaching;

7 (7) improves the effectiveness and efficiency of
8 health care delivery; [~~ex~~]

9 (8) takes advantage of distance learning
10 opportunities in a rural or urban school district with a:

11 (A) disproportionate number of at-risk youths;

12 or

13 (B) high dropout rate; or

14 (9) assists the community telecommunications alliance
15 program created under Subchapter O, Chapter 487, Government Code.

16 SECTION 3. This Act takes effect September 1, 2003.

David Bushurst

President of the Senate

Jim Cusick

Speaker of the House

I certify that H.B. No. 3325 was passed by the House on May 10, 2003, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 3325 on May 30, 2003, by a non-record vote.

Robert Hamey

Chief Clerk of the House

I certify that H.B. No. 3325 was passed by the Senate, with amendments, on May 28, 2003, by the following vote: Yeas 31, Nays 0.

Patsy Gau

Secretary of the Senate

APPROVED: 20 JUN 03

Date

Rick Perry
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
8:30 p.m. O'CLOCK

Ann Shea
Secretary of State