



Telecommunications Infrastructure Fund Board

Agency at a Glance

In 1995, the Legislature created the Telecommunications Infrastructure Fund Board to oversee the administration of grants from the Telecommunications Infrastructure Fund. While active, the Fund:

- raised \$1.75 billion in assessments on telecommunications providers; and
- funded more than 11,000 grants to assist public schools, institutions of higher education, public libraries, and nonprofit healthcare facilities in establishing telecommunications projects.

In 2003, as the Fund neared its statutory cap, the Legislature determined that no new grant monies would be awarded from the Fund and the Governor eliminated the Board's oversight function, temporarily transferring remaining grant management duties to another state agency. The Board is no longer operational.

Recommendation

1. Abolish the Telecommunications Infrastructure Fund Board and Its Enabling Legislation.



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Issue 1

The Telecommunications Infrastructure Fund Board Is No Longer Operational and Should Be Allowed to Expire Under the Sunset Act.

Key Findings

- The State's leadership has recently taken action to phase out the Board's functions.
- The Board has fulfilled its role and is no longer needed.

The Legislature created the Telecommunications Infrastructure Fund Board to oversee the administration of grants and loans from the Telecommunications Infrastructure Fund. The Fund was originally set to raise \$1.5 billion, over 10 years, from assessments on telecommunications providers, but, in 2003, the Legislature raised the assessment cap to \$1.75 billion. The Board made more than 11,000 grants, for computers and high-speed Internet connections, to Texas school districts, nonprofit hospitals, and health centers.

In 2003, the Governor eliminated the Board's funding and transferred its remaining duties to another state agency. As such, the Board is no longer operational.

Recommendation

Change in Statute

1.1 Abolish the Telecommunications Infrastructure Fund Board and its related enabling legislation.

Under this recommendation, no legislation is needed to abolish the Board and remove the related subchapter from statute, as it will happen automatically under the Sunset Act on September 1, 2005. Because the Board is no longer active, no further action is needed to close down the Board's operations.

Fiscal Implication Summary

The recommendation on the Telecommunications Infrastructure Fund Board would not have a fiscal impact to the State, as the Governor eliminated the Board's funding in 2003.