



TEXAS LEGISLATIVE STUDY GROUP

An Official Caucus of the Texas House of Representatives

IMPORTANT CORRECTION

The following is a correction to the original Floor Report issued earlier in the day. For any further clarifications on these additions, please contact Raul Lopez at 512-787-7199 or Raul@TexasLSG.org.

The analysis for the Rep. Ken King's bill for **HB 669** of today's floor report was previously given an Unfavorable rating. The rating has been updated to **Favorable**, reflective of the committee substitute laid out on 2nd reading today.

The analysis for Rep. Ken King's bill for HB 669 has been corrected to state:

HB 669 would create the Rural Broadband Service Program and allows Texas Universal Service Fund (USF) funds to be dispersed for a broadband service provider to build and maintain networks capable of providing broadband service to families in much needed rural areas. Historically, there has been a tradition of using the USF to benefit rural areas in Texas and offset the high costs of delivering telephone service in rural areas and other places it was expensive to offer.

Currently, the USF is funded through a fee levied on all telecommunication providers, most of whom are not eligible to receive this same subsidization.

HB 669 stipulates that only providers opting to participate will be included in the charge for broadband, and only those funds will be used for the Rural Broadband Service Program.

The stated goal of broadband deployment in unserved and underserved areas of Texas is important and opponents wholeheartedly support these efforts. The fundamental contention that is that to be properly funded, broadband deployment must be funded by as broad a base of all citizens as possible, not just telecommunication customers.