

FORTY-SIXTH LEGISLATURE  
FIRST SESSION, 2003

March 4, 2003

Mr. Speaker:

Your BUSINESS AND INDUSTRY COMMITTEE, to whom has been referred

HOUSE BILL 634

has had it under consideration and reports same with recommendation that it DO PASS, amended as follows:

1. On page 1, line 11, strike "A NEW SECTION" and insert in lieu thereof "NEW SECTIONS".

2. On page 1, line 13, before the period insert "AND TERMINATION OF RURAL EXTENSION FUNDS".

3. On page 2, between lines 14 and 15, insert the following new section:

"Section 2. A new section of the New Mexico Telecommunications Act is enacted to read:

"[NEW MATERIAL] TERMINATION OF RURAL EXTENSION FUNDS. --

A. As used in this section, "rural extension fund" means a fund reserved, set aside or in any other manner accrued by a telecommunications company pursuant to an order, rule, tariff or other requirement of the commission for the purpose of supporting or subsidizing the extension of lines or facilities by the telecommunications company to serve customers in rural or other low-density service areas.

B. After June 30, 2003, the commission shall not require a telecommunications company to establish or maintain a rural extension fund. The obligation of a telecommunications company to reserve, set aside or in any other manner accrue additional money to an existing rural extension fund shall terminate on July 1, 2003.

C. A telecommunications company with an accrued, unspent balance in a rural extension fund as of July 1, 2003 shall apply the balance in accordance with the requirements of that fund until the balance is expended; provided, however, that the telecommunications company may offset and credit against the balance all contributions by the telecommunications company to telecommunications projects in

FORTY-SIXTH LEGISLATURE  
FIRST SESSION, 2003

HBIC/HB 634

Page 2

rural areas. The telecommunications company shall work with the commission to develop a list of projects that benefit rural areas of the state that are in need of telecommunications facilities or services. No residential or commercial real estate developer shall benefit directly from telecommunications projects funded pursuant to this section. "".

Respectfully submitted,

\_\_\_\_\_  
Fred Luna, Chairman

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 11 For 0 Against

Yes: 11

Excused: Regensberg, Ruiz, White

Absent: None