

SENATE CONSERVATION COMMITTEE SUBSTITUTE FOR
SENATE BILL 470

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

FOR THE

ECONOMIC AND RURAL DEVELOPMENT AND TELECOMMUNICATIONS COMMITTEE

AN ACT

RELATING TO TELECOMMUNICATIONS; AMENDING THE NEW MEXICO
TELECOMMUNICATIONS ACT TO TERMINATE RURAL EXTENSION FUNDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the New Mexico
Telecommunications Act is enacted to read:

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

A. The obligation of a single telecommunications
company to accrue additional money to an existing rural
extension fund shall terminate on July 1, 2005.

B. A telecommunications company with an accrued,
unspent balance in a rural extension fund as of July 1, 2005
shall apply the balance to extend local exchange
telecommunications service to qualifying rural customers as
described in the company's commission-approved tariff. If an

1 unspent balance remains, the commission may establish a plan
2 directing how a telecommunications company shall apply the
3 unspent balance to the installation of telecommunications
4 infrastructure for basic exchange service, digital subscriber
5 lines or other advanced services in that telecommunications
6 company's certificated service area or in the
7 telecommunications company's certificated service area
8 transferred to a successor company established to serve tribal
9 lands in the state. A residential or commercial real estate
10 developer shall not benefit directly from telecommunications
11 projects funded pursuant to this section.

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

19 D. Nothing in this section shall remove a
20 telecommunications company's requirement to comply with a
21 commission-approved tariff. "