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HOUSE BILL 256

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

INTRODUCED BY

Andy Nuñez

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. After June 30, 2005, the commission shall not require a telecommunications company to establish or continue to accrue money to a rural extension fund. 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

1 shall apply the balance to extend local exchange
2 telecommunications service to qualifying rural customers. If
3 an unspent balance remains after all qualifying rural customers
4 are served, the telecommunications company shall apply the
5 unspent balance to the installation of telecommunications
6 infrastructure for digital subscriber lines or broadband or
7 other advanced services such as telemedicine networks or
8 distance learning networks in that telecommunications company's
9 certificated service area. A residential or commercial real
10 estate developer shall not benefit directly from
11 telecommunications 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. "