



# FINANCIAL SERVICES DEPARTMENT

Telecommunications & Regulatory Affairs • PO Box 1088 Austin, TX 78767

June 14, 2023

FSD/TARA Updates for June Community Telecommunications and Telecommunications Commission (CTTC)

## **The Federal Communications Commission (FCC) -**

The Federal Communications Commission (FCC) has released the next version of the national broadband map. The map indicates the availability data reported by the Internet Service Providers as of December 31, 2022. The National Telecommunications and Information Agency (NTIA) will use this data in addition to their own funding allocation determination for high-cost areas to make their funding decisions. The announcement is expected by June 30<sup>th</sup>.

Texas by the numbers: (source: BDO)

- Total broadband serviceable locations: 9,816,521
- Total UNSERVED locations (as defined by BDO NOFO): 777,267
- 7.9% unserved in Texas

## **Funding –**

- IIJA Funding
  - Texas received \$8.1 million for initial planning activities
  - June 30 – BEAD allocation announcement is expected
  - Deliverables –
    - August 28: BEAD Five-Year Action Plan is due
    - December 1: State of Texas Digital Opportunity Plan is due
  - Implementation of program funds are expected in 2024 at the earliest, could be later.

## **Broadband Development Office (BDO) –**

- Public Survey – deadline by Friday, June 16
  - **Link:**<https://texasdigitalopportunity.civilspace.io/en/projects/texas-digital-opportunity/engagements/texas-digital-opportunity-plan-public-survey-10-15-minutes/sections/1>
- Regional Working Groups –
  - 12 economic regions in Texas, provide local insights to BDO for data and planning
  - Coordinate events, meetings, listening sessions with local communities
  - Promote BDO events, surveys, and communications within local communities



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- Chaired by COGs – CAPCOG is chair in Central Texas. City of Austin (Chair Nehemiah Pitts III, Khotan Harmon), Travis County (Chloe Munn) are serving on the working group.

## Legislative Update

88<sup>th</sup> Texas Legislature has passed four bills that affect broadband in Texas.

- SB1243 –
  - This bill focused on the franchise tax treatment of certain broadband grants, which would have been leveled a 20% tax.
  - Status: effective immediately.
- SB1238
  - This bill updates the BDO program and Map, which would bring Texas into alignment with the requirements of the BEAD program to ensure the tax dollars are used and spent in an efficient and coordinated way.
  - Status: Governor Abbott signed this bill.
- HB9
  - This bill was considered the “clean up bill” for HB5 and ensuring a clear pathway for the development and funding of broadband and telecommunications services to ensure federal funds. It also appropriated \$5 billion to support the companion bill HJR125 for the creation of the Broadband Infrastructure Fund.
  - Status: Governor Abbott signed this bill.
- HJR125
  - Proposed a constitutional amendment creating the broadband infrastructure fund. It created the Broadband Infrastructure Fund, and its companion bill HB9 funded it with \$5 Billion of Texas funds.
  - Status: This bill has been filed with the Secretary of State on 5/30. This bill will need to be approved by Texas voters in November 2023.

118<sup>th</sup> US Congress (2023-2025) Federal Legislation worth noting

- HR3291/3557
  - [https://d1dth6e84htgma.cloudfront.net/H\\_R\\_3557\\_1c46839533.pdf?updated\\_at=2023-05-22T23:54:54.097Z](https://d1dth6e84htgma.cloudfront.net/H_R_3557_1c46839533.pdf?updated_at=2023-05-22T23:54:54.097Z)
  - Allow cable operators (franchisees) to modify terms/requirement in franchise agreements;
  - Prohibit state and local governments from revoking cable franchises (Austin does not have cable franchise, but the Public Utility Commission of Texas does!);
  - Preempt state and local zoning authority over the placement of cell phone towers and equipment;



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- Eliminate state and local government authority to manage public rights-of-way and to collect fair market compensation for their use and management (limiting ROW fees to "actual, objectively reasonable costs"); and,
  - Preempt state and local zoning authority over the placement of some cable equipment.
- Status: Came out of the Energy & Commerce Committee and referred to the House Transportation & Infrastructure Committee and the House Natural Resources Committee.
- Response to the bill
  - Letter of opposition – National League of Cities, The United States Conference of Mayors, The National Association of Counties, and the National Association of Telecommunications Officers and Advisors
  - Letter of opposition – City of Dallas has gone on the record and other cities are consulting with their intergovernmental departments on next steps.

Please let us know if you have any questions,

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