

## **BILL ANALYSIS**

Senate Research Center  
80R5372 AJA-D

S.B. 947  
By: Duncan  
Finance  
4/18/2007  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In 1997, the 76th Legislature created the Rural Scholarship Fund to award cash scholarships to rural students pursuing post-secondary education or vocational training. The fund was financed using abandoned and unclaimed customer funds held by Texas' 50-plus rural telephone companies. However, the source of the funds is unstable and may vary over different companies for each year. The current cap on statewide aggregated funds for all rural telephone companies at \$400,000 may not accommodate for this variation.

As proposed, S.B. 947 removes the artificial cap on statewide aggregated unclaimed and abandoned funds from rural telephone companies.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 74.3011(g), Property Code, as follows:

(g) Deletes existing text prohibiting the transfer of more than \$400,000 by all local telephone exchange companies under Section 74.3011 (Delivery of Money to Rural Scholarship Fund), Property Code, during a state fiscal year. Deletes existing text requiring the comptroller of public accounts to notify each of those companies, once the total amount of money transferred exceeds \$400,000 for a state fiscal year, that those companies are prohibited from transferring any additional money to said fund for the remainder of that state fiscal year.

SECTION 2. Effective date: September 1, 2007.