



Office of State Representative Tommy Merritt

FOR IMMEDIATE RELEASE
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Merritt Joint Authors Successful Amendment to HB 735

AUSTIN - State Representative Tommy Merritt (R-Longview) joint authored an amendment to House Bill 735 yesterday that moves the effective date to September 1, 2007 for the repeal of the Texas Infrastructure Fund (TIF).

Representative Jim Dunnam also offered an amendment that would have returned the fee collected in 2007 to telecommunication customers' accounts. TIF revenue comes from a 1.25% assessment on telephone customers bills, both cell phone and land lines, and generates approximately \$6.25 per \$50. Rep. Merritt voted in favor of the amendment but it failed to receive a favorable vote.

Merritt stated, "The citizens of District 7 are owed a refund for a fee that was initially repealed in 2003 but extended during the past two legislative sessions to balance the budget. The state also stopped issuing technology grants in 2003."

The TIF was created in 1995 to increase the wiring and deployment broadband services to public schools, libraries, and non-profit hospitals. The TIF was to be terminated upon reaching its revenue cap of \$1.5 billion but subsequent legislatures pushed the fee's sunset date to 2011. The TIF fund currently has a balance of \$99,956,000. The 78th Legislature re-allocated the fees to the general revenue to balance the budget. HB 735 repeals the TIF in its entirety.

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